"OnMobile Global Limited
Q4FY24 Earnings Conference Call"

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MANAGEMENT: **MR. FRANÇOIS-CHARLES SIROIS – EXECUTIVE CHAIRMAN, MANAGING DIRECTOR AND GLOBAL CHIEF EXECUTIVE OFFICER**
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MODERATOR: **MR. PRATIK JAGTAP – ERNST & YOUNG – INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day and welcome to the OnMobile Global Limited Q4 FY'24 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Pratik Jagtap from E&Y. Thank you and over to you, Mr. Pratik.

Pratik Jagtap: Thank you, Manuja. Good day and welcome to the Q4 FY'24 Earnings Call of OnMobile Global Limited. Representing the management today, we have FC, Executive Chairman, MD and Global CEO; Radhika Venugopal, Global CFO. The call will start with brief update about the overall performance during the quarter, business activity and future plans by FC. Radhika will update on financials. And then we will open the floor for Q&A session.

I would like to remind you that some of the statements made in today's call may be forward looking in nature and may involve risks and uncertainties that we see. For such lists and considerations, please refer to the earnings presentation. OnMobile Global undertakes no obligation to publicly revise any forward-looking statement to reflect future or likely events or circumstances.

Having said that, I now hand over the call to Mr. FC. Over to you, sir.

Francois Sirois: Thank you. Thank you all for joining this morning. As an intro, I'd like to say that, as most of you know, last quarter, I was not happy with the results, so I cannot say much more of these results with 2% more. I still believe we can do much more than this. For me, steady growth is important. I don't like spikes up and spikes down, so steady growth is important.

Gaming business is growing steady, 12% in the last quarter. The important thing to note is that we actually grew to 6.75 million net active subscribers, so a growth of 26%. The reason there's more subscribers than the average revenue growth, we're talking about 26% net active subscribers growth, is because, the last portion of the quarter, we acquired more subscribers than the first portion of the quarter. So obviously that will carry on quarter to quarter.

Overall today, when we look at the gaming business, we signed up, in the last 2 years, more than 150 operators. We have lived more than 100 operators, but the point I'd like to mention is that, when we look at optimized account for marketing, we only have about 35 optimized accounts today, out of the 100 deployed accounts. And obviously that's a challenge. We were planning to have way more accounts that would be optimized on the marketing front. So it is taking more time to optimize the accounts. When you look at the actual cost to marketing, we run this quarter at 74% marketing on revenue. Our goal was to be around 50%. We've said in the past that it takes us 2 quarters to optimize the accounts, so when you get a new account, you're over 100% marketing on revenue in the first quarter. Second quarter, you should be around 75%, and third quarter on, you should aim towards the 50%. And after a couple of years, we should be below 50%.

I looked at every single account, why are we not optimized in more accounts? Why is it costing too much money? And some accounts, it's not a deployment issue. It's really the metrics that are not okay yet. So wasting marketing dollars has got no use for all of us, so clearly we have to slow down on marketing in some accounts where the performance is just not there. You put the marketing. You don't get the revenues. It doesn't make any sense for now. Now we know exactly what needs be done to be able to optimize these accounts. So that's the work that the team has to do in the coming months and as I'm saying, I don't want the team to rush and push too much money because we want to show a spike in revenue, because that's going to come with a big spike in costs. And it's not going to be a steady growth. So for me, it's important to do this smartly on every account.

I believe also one thing we didn't do yet is the use of AI to optimize and analyze every single account and actually do campaign management with AI. That's something I'd like us to be able to really nail. With the evolution of AI in the last two years, actually even last 12 months, there's a lot that can be done here, so that's one path the team has today.

Last point I want to mention is that we've been focused in the last 2, 3 years really on gaming. If you look at our traditional business, which accounts for most of the revenues still today, it's very flat and my perspective on it is that there's no reason it should be flat. It is flat today. We have, for every single legacy product line, a nice evolution of where we see we can take the product and where we can really grow revenues. But the other thing also I'd like to mention is, with the gaming strategy and marketing, basically what we've been doing for the last 2 years is signing up operator, 150 plus. But what we did is actually increase our costs of deployment because we had to deploy every single operator in the billing system and then start with marketing. So we increased both our deployment costs and marketing costs. And revenue is following along, so I don't want to change that strategy, but what I want to add to it is that there's no reason, having a very big foot in the door of all these operators, that we don't carry on and actually elevate our old product line in gaming but also our legacy product line inside these operators and have a way more strategic discussion, whereby we could actually have revenues coming from the operators directly, not just from marketing through Google to get carrier billing revenue. So this was 20 years history of OnMobile getting revenues from the operator. In the last 2 years, we switched over and actually really pushed gaming direct to consumer using carrier billing, but there's no reason we cannot elevate this discussion, so that's really one and a big push I want the team to do in the coming quarters, which might not have an impact directly in this year but clearly will have a big impact in next year, 2026. So in a view, that's where we are this quarter. I will pass it to Radhika to review finance. And then we can go in Q&A. Radhika.

Radhika Venugopal: Yes. Thank you, FC. Welcome. And thank you, everyone, for joining us in this call. Let me share the key highlights of our finance performance for the fourth quarter and full year ended March 31 2024

Radhika Venugopal: In terms of FY’24 performance, we reported a revenue of INR 523 crores, which is a decline of 4.7% on a full year basis. This is mainly due to Voda Idea revenue loss, which was offset by the growth in other geographies and increase in gaming revenues. Our gaming revenues, which constitutes 16% of our total revenues, have grown by 19.5% on a YoY basis. Our gross profit margin stood at 53% on a full year basis. On the cost front, the manpower cost was down by

19.2%, as we continue to drive efficiency and productivity across our business. Marketing cost grew by 14.9% mainly due to our marketing investments in our gaming products. The reduction in people costs and opex have resulted in an improvement in EBITDA for the year. It stood at INR 28.3 crores, which is 2x over the last year. Our EBITDA margins was at 5.5%, as compared to 2.4% last year. FY'24 PAT increased by 126% over last year at INR 15.3 crores, with a margin of 3%. EPS is also up to INR 1.4 versus INR 0.6 in the last year.

Now coming to our quarterly performance. We reported a revenue of INR 125 crores, which is a marginal improvement over the previous quarter, around 2.4%; and this is coming mainly from higher revenues in gaming. Gaming grew by 12.6% sequentially, with a net active subscriber base of 6.75 million, which is a 26% growth over the previous quarter.

Gross profit stood at INR 643 crores at an improvement of 8.8% over the previous quarter. And the gross margin also improved by 305 basis points to 52.4% on a quarter-on-quarter basis. EBITDA for this quarter is at INR 3.4 crores, which is a significant increase over the previous quarter because previous quarter EBITDA was at INR 2 million. This is mainly due to higher revenues in gaming products and cost optimization. Marketing as a percentage of revenue has come down this quarter to 74%. This quarter, we reported a net loss of INR 70 lakhs, as compared to a loss of INR 2.4 crores in the previous quarter. And this quarter also includes an exceptional forex loss of INR 7.7 crores mainly due to the currency devaluation in our entities in Nigeria and Egypt. If I exclude this forex loss, our PAT would be INR 7 crores.

Overall, DSO is also improved at 94 days, as compared to 105 days in the previous quarter. This is the best in the last 12 quarters. During the quarter, we incurred R&D expenses of INR 14 crores as we continued our foray into the gaming space.

With this, I will now open the floor for Q&A session.

Moderator: Thank you. We will now begin the question-and-answer session. The first question is from the line of Prakash Ramaseshan from Pragya Consulting.

Prakash Ramaseshan: I have a question to FC. Over the past 2 years, we've been speaking about, at some stage, the mobile gaming business becoming larger than the traditional business. And the numbers still haven't really come through. I know that there have been hits this year on the Vodafone customer but, even though, should be fully recovered at this point in time. So, I'm just trying to understand. With the base that we now have in FY 2024 which includes the Vodafone hit, going forward from here through '25, '26, what is the kind of steady expectations you can see in growth both on the traditional business and the mobile gaming business? Just broad top line and percentage EBITDA is all we need because the hassle that we are having as investors is that we are not able to get a clear sight of how long it's going to take for the hits to happen before the value comes through. So just some broad guidance would be useful, sir.

Francois Sirois: By the way, I share the exact same impatience I'll say this because we put in a lot of investments in gaming. So our expectation was that it was going to grow faster. When we look at the plan, it does take more than two quarters to optimize an account, which to me is surprising. I was aiming to actually get it down to a quarter. And now, I mean, with the past performance, we're sort of dragging. Some of the operators have been there for four quarters and I don't see the performance really increasing. In some other cases, we've seen them boom up 10x other accounts, so I know the formula works. It's just how to optimize it.

I was surprised when I deep dive on the number of operators deployed, over 100, to see that only 35 accounts were optimized. And when I say optimized, they're not optimized to maximum capacity. They're optimized to a point where it's decent revenue coming in. And the marketing spend makes sense to continue spending, meaning that there's over 65 accounts right now or actually the two-thirds of the accounts which we cannot market at capacity because it's clearly having issues. To me that's a problem. You can't have a drag of 65% of your deployed operators that you cannot market because you have issues. So that's something the team has to fix pretty fast. Sometimes they're really basic items. Like we have too many click flows to activate a customer. Or the pricing is too high, and it's not the right pricing in the market. No conversion, for any reason, to a monthly plan doesn't work. So there's a lot of small items that can be optimized.

Now to your question and answer. I don't want to start what some of us have done in the past of really hyping up that next quarter is going to be awesome. "Next quarter is going to be awesome." It's really not my style to give guidance on we're going to boom up. I want it to be every-single-month growing, I'll come back to this major operator we lost in India. Relationship with operator is really key.. It's not just about marketing. And that's why I really want us to meet all operators that we have business with and really make this more strategic. I don't want to end up in the same situation, for any kind of reason, we lose a contract in the millions of dollars; and we're back two quarters, three quarters down. I really believe, on the opposite, that we can actually sign $1 million, $2 million, $3 million contracts by meeting more operators and getting this more strategic. So that would help the growth, instead of doing two steps forward and one step backward.

I know it doesn't clearly answer your question. I'd love to be able to share the financial model with all, but I'd like to keep it for now steady. All I can say is that, from my point of view, every single quarter, I want to see a growth. I don't want to see a spike up in 1 quarter and a spike down in the next quarter. For me, it's not the way to manage. So that's what I want the investor to understand, that for me it's important to grow step by step but always in the forward direction.

Prakash Ramaseshan: So just two more quick thoughts. One, of course, thank you for speaking about the strategic side, which I think is more important than the operating side because, once you get the strategic side right, the operating side actually follows from there; and not the other way. So thank you for reinforcing that. The other piece is some key members of your management team left over the past 2 quarters, so any flavor you can give us in terms of what the plan is going forward on the management team?

Francois Sirois: Yes. Let me start. I talked about Radhika joining, instead of Asheesh, last call, but just to be clear: I mean Radhika has been there since the IPO in 2008. She knows the company inside out. I have issues with management not being in the office. When I say that, I mean CXOs. Obviously I'm not in the Bangalore office, but I am, as I said, in the Madrid office. But it was very difficult to have a CFO based out of Mumbai flying in and out every 2 weeks. Now Radhika is full time on it. I'm very satisfied. She's beside me right now, but I find Radhika very solid. She's on the ball on every single item. For me, that's important, so I think we have a good CFO in Radhika.

For the case of Sanjay, just a bit of history, guys. I'm CEO of Telesystem, my family holding, also. We actually created OnMobile 24 years ago. I've been Executive Chair since 2014. When we did the offsite in December 2019, that's where we really decided to double up in gaming. We did the Appland acquisition a year before that. And we doubled up in gaming and built the ONMO service, gaming service, in 2020. I sat down with Rahul, our employee number 1 on ONMO. And I built the whole team, build the whole specs; got the rob0 acquisition so we could actually build the moments and get this working, so I obviously know, honestly, the company inside out. Sanjay Baweja was on our Board, accepted to join as CFO when Ganesh left as CFO. That's I'm going back a couple of years back but just to remember when we got into a COVID situation and we could not travel. I had an issue in who was the CEO. I asked Sanjay to step in because I could not even get in town. I could not travel. Nobody could travel, so Sanjay, based out of Delhi, accepted to step in as the CEO. During COVID, Sanjay, for a lot of personal reasons and the fact that he was based in Delhi, could not move to Bangalore either and could not travel much either. So that put a lot of constraint. When I talk about having relationship with carriers, it's very important. We need to meet them. So, for many reasons, personal reasons, Sanjay had to step down, but transition-wise, there was no transition to do. I've been there for 10 years.

Just in this trip here right now we're in Dubai for the offsite because it was a central place, easy to fly from India, easy to fly international in one hop. I used the opportunity to meet with 4 operators. I went to Qatar and met the 2 operators in Qatar. I met the 2 operators here in UAE. I see exactly what we need to make this more strategic and I feel that we can really elevate our game. So it's important for the key management of the company to really get involved in real business and strategic discussion with the operator. So that explains a bit Sanjay stepping down. And I also want to mention. Obviously I'm not in the Bangalore office. I'm in Madrid. I will also have a new position, which is the President COO, which will be based out of Bangalore, which as the first mandate, will be to make sure that we meet at least 80 of the 100 operators that we have deployed today. And we'll do a nice list out of the 150 that we've signed and see which one is really strategic for us this year, but we have to meet them in person. For me, it's very tough to be strategic on a Zoom call, all right? I think we got very used to it with COVID. And now it's like I stay home and I do Zoom calls, but when we were talking about spending more time with our operators and getting what I call million-dollar deals and when I say this, it's not a 5-year $1 million, more like $1 million a year deal. If you want to get that kind of relationship and deal, you have to be in person. You have to take the flight and be in their office, cannot do this on Zoom, so we have to restructure a bit our sales organization so that it's really aimed towards being strategic and meeting, taking the time to meet our operators.

And obviously, being based now out of Europe, it makes me way easier to meet all operators in Europe also. And we have LatAm that we've invested a lot in the last year that we have to do. So the globe is pretty big. That's why I did the changes on the top so that we can actually start really meeting the operators. So I hope that answer your question.

Prakash Ramaseshan: Yes. I'm actually based out of Dubai, so at the end of this call, I'll mail Radhika and Pratik and see if it's possible we catch up here.

Moderator: The next question is from the line of Bhavesh Patel from Patel Investments.

Bhavesh Patel: It is great to hear that we are on the path of improving profitability. Is there a fair confidence you have in terms of FY'25 and FY'26 will definitely have kind of a net profit and increasing? And also, I mean, it's great to hear you're sales focused, but do we have our delivery and platform capability in place to serve and scale without incremental issues?

Francois Sirois: So I'll tell you a small story. I went to Qatar to meet Vodafone Qatar, and I realized the platform we have deployed there is doing millions of transactions. The uptime that we stated was 99.999. And the reality is, in the last few years, there was 0 downtime. And our customers tell us that, compared to any other providers they have, we are the most solid one. I look at the product line that we have. We have fantastic product. I look at the revenues coming from these product lines. It's awful. I'm like, Guys, what's wrong here? Very strong product, but clearly there seems to be an issue on how we negotiated our contracts in the last few years. I'll just talk about Airtel. We do 20 million subscribers with RBT in India. The contract is minuscule, How could we offer such good and solid platforms with so low amount of money? Why we do this? So strategically it's not just the product line that has to be strategic. I mean the contract has to be strategic and material in terms of dollars, right, not just we do everything for free or close to low amount of money. I am very confident on our stability of our product line and the product line we have today. It's not a product issue here.

Radhika Venugopal: So on your question on net profit. You will have noted that, this quarter, excluding the exceptional forex loss, we had INR 7 crores of profit.

Bhavesh Patel: Okay. Thank you Radhika. And in that case, as an investors and long-term partners, do we expect revisiting our dividend-sharing guidelines as well, of course at the right time and not immediately?

Francois Sirois: As you know, almost half, 48%, of the shares, I own. I want a dividend more than all of you. Trust me. So for me, it's important that we can start cashing in. I'd like to be very transparent with all of us. And I want to highlight something also. I mean we've invested a lot of money, as you know, on ONMO in the past, so our cash went there. Future investments, it's in profitability of all the gaming business. It's raising in 2025.

One thing that will hit our P&L, and I just want to be transparent here, is that we have to amortize this investment now coming in the next year, and our depreciation will go up, but cash-wise, it's not a cash out. It's just that the cash has been already out. So that will impact the actual below-the-line profitability via actual cash that we can generate. And then back to your answer, can we start paying a dividend? 100% in my head. As soon as we start going back the profit, we bring back a healthy dividend.

Bhavesh Patel: Sure. And it's great to know that you are meeting likes of global Vodafone Qatar, you mentioned. And that should help leverage revisiting Vodafone Idea as well, because they have raised funds and they are getting to a better shape than what they were last year. So it will definitely help us.

Francois Sirois: Yes. And you bring a very good point. Vodafone Idea raised a lot of money, so there's no reason we cannot sit back down with them and see how we can re-increase our revenues. And again it's the same thing but really make sure that we capture back at least our share. I think there's a lot of products we can help them with, so it's more a question of sitting down and negotiating again. So that's on the agenda.

Moderator: The next question is from the line of Anshul Saigal from Saigal Capital

Anshul Saigal: You mentioned that in your discussions with some of the operators, you came to the understanding that our products and our offerings are quite robust, but the monetization of these offerings is not as you would expect it to be. Could you give us some more detail on those, what kind of products; or some examples of what you are trying to say here, please?

Francois Sirois: Well, the first product, to be honest with you, is our gaming products. When we meet the telcos today, they have like five stage gaming products. There's no link between each of them. There's issues on onboarding customers in each of them. And if we just stay with the same pitch that any of them are there, we're just 1 of 5. I don't like to be 1 of 5. I want to be on top of all the other gaming service. So that's the first strategic discussion, where a lot of them have a vision on a larger gaming platform. A lot of them have RFPs. Just as an indication: We have not answered any RFPs in the last 2 years. Why not? I mean I'd like to be driven with a strategy, but on the other side, we have to look at what the operators are asking. And you have to make sure your competitors don't step in one step away to your business, because then they're one step always to take everything. So the gaming side, for me, obviously remains a key aspect and can be more strategic.

Tones, the tones business. We keep saying tones has been there for 15 years. I met other customers during this visit, and for them, tones business is driving a lot. There is a lot of features on tones that they want. We have a product that we've been investing a couple of years now, which is video tones which can only be done with 5G with no apps. We have a nice road map on tones, but we don't seem to push it and once they push it, I mean, push the revenues.

We still have like 35 accounts on tones. We can grow these accounts, on one hand. On the other hand, we can upgrade them with video tones. Or at least we can at least upgrade the way we market the tones business and make sure we get more. Services like infotainment has very large. offering into it. They are very interesting platform on the messaging side. I mean we can do a lot on that front also. So all this to say that it's really not a product issue here. It's really a negotiating issue.

Anshul Saigal: Also, in your initial comments you mentioned that we have, we've been focusing on gaming over the last few years. And in the legacy business, we have been slightly underwhelmed in terms of how that business has performed; and that's largely because we haven't focused too much on that business. What exactly can we do to grow that business? The conventional understanding is that, that business as a whole is a declining business, so it's not something that we can do, just that the market is declining. Can you put some more light on that, please?

Francois Sirois: I really like the gaming business. I think we're at the right spot. I think it's a longer-term business than we thought, obviously, because we pushed it very hard. And again, I'm repeating myself. Trying to push a business, has to come on both sides. And I think we were pushing too much on our strategy, not enough on our relationship with operators to make sure they understand how strategic that was so that we're not just compared as another gaming service.

Having said that, let's assume we would not have spent any time, on gaming in the last 3 years or 4 years. Well, there's no way we would have let this traditional business decline that much. Although we say that we really took care of it, I'm looking at this with the team objectively and I don't think we did. I don't think we did a good job on maintaining the revenues every single line on the legacy went down, over the last 4 years. Why? And why we let this go down. So that's why I want to bring it back, but instead of just bringing back legacy, I want to bring it back more strategically with gaming also.

I really feel we have like 3, 4 very solid product lines, including gaming. And that makes a very interesting discussion also at CXO level when you meet the operators. So yes, I feel that this business could have declined less or at least be stable than what we actually did as a performance in the last 4 years.

Anshul Saigal: And then going forward, how do you look at this business? Are there going to be new lines that you want to bring in here? Also, on the existing lines, we can grow this business.

Francois Sirois: So going forward, we have to re-bring this B2B and customer management value in the company. We have a value of customer first, but most oftenly, in the last 3, 4 years in gaming, we were talking about the end customer, not that much the operator as a customer.

I think we have to come back with that B2B mentality of really making sure that we serve the operator as well and that we do our job on explaining to them why it's so strategic and why they should pay us for it. So as I was saying at the beginning of the call, our operating plan for this year is done. It doesn't capture any of this. The revenues will be driven this year by maintaining the legacy business while we grow the gaming business with marketing. Anyway, by the time we meet the operator, agree on a strategic deal and they start paying us, it will have an impact next year, right, in '25, '26. So in some cases, we might be able to get some low-hanging-fruit deals that will positively impact our core plan for the year, but if I want to be realistic, I think that the big impact of every efforts on business development that we can do this year will be next year.

So this year, the business is continue optimizing on the marketing front, 35 accounts going to 100, going to 150. If we sign 150 accounts we cannot spend deployment time, costs and maintaining costs on 150 accounts and just be marketing in 35. For me, that's a huge waste of money. So let's steadily increase that 35 up to 100 eventually. And I agree. And just to be clear: There's always going to be issues in some accounts. Some accounts doesn't work. You can have a 15%, 20% of accounts with issues, but I cannot live with 65% of the accounts not being optimized where I cannot put the marketing. Then it's a waste of effort, a waste of sales and a waste of deployment team. So that's really the plan for this year.

Anshul Saigal: Right. On what that may mean also is that, even though we are spending more than optimal dollars on these accounts, on these 65% accounts, they're not generating sufficient revenues. And so we may have to pull back on the marketing expenditure, which may in turn pull down revenues, whatever multi revenues that we are getting from these 65% accounts. Do you think that, in doing this and focusing more on the more active accounts, we will be able to, first of all, make good the loss of revenues from these 65% accounts; and beyond that, be able to grow?

Francois Sirois: So just to clarify. The 65 or 65% of the accounts that are not optimized today, we're not putting marketing dollars today or very low. We're testing, but it's not producing. I've seen just on charts, I've seen accounts where we market 200%. I was like, Guys, stop this right now, all right? There's no way we're going to waste that kind of money. So the money we have now on these accounts is very low, so it doesn't impact, so even if we stop today, you will not see a dip down. Actually we did stop today.

We're really focusing the money right now on these 35 accounts which are optimized and can grow more. The point still remain. We still sign 150 accounts and we will deploy all accounts that we sign. If not, it was useless to sign them. So I really need and the team really needs to grow these 35 optimized accounts.

Let's reverse the pie. Even if in the next year we go up to 100, 150 deployed accounts, we need to have at least 100 optimized accounts, which would make it 65% of the account optimized, 35% not optimized. It's still a big endeavour for the team to grow from 35 to 100. And the impact on cash is direct, you put too much marketing. The money comes out rapidly. And if the revenue is not there, then it really comes out. If we put a bit less marketing on revenue, but the revenue is really there, then we get the benefit of the revenue. And we have less costs on marketing, thus less costs on direct cash flow. So it's one of the most important job we have to do this year is to be able to really optimize the accounts.

That's why I'm saying to the team, with all the AI out there, if we can have all the AI doing campaign management, finding the cohort, doing the campaigns and really optimize, it's going to be worth we can get an uplift of 25%, 30% on the performance, minimum, and really make sure that we don't waste money on marketing, yes. So that's why I'm putting a special angle on this. Does this answer your question?

Anshul Saigal: Got it. So what is your essence is that we are going to be on putting in less dollars, but growth is likely to come given that we are optimizing our all accounts and growth will continue to come, if I get it right?

Francois Sirois: Yes. And what I don't want to start doing is managing quarters where we start the quarter in April. I'm putting full-blown marketing at 100%, 120%. And I'm going all out beginning of the quarter to get the revenues. And at the end of the quarter, I stop all marketing, in end of May, June, so that I get the maximum benefit of the revenues in the quarter, but now I'm like - it's like driving a race car, or a car. And I'm pressing gas and then brakes and then - gas brake in a straight line. Nobody wants to drive like this, so it's a bit the same. So that's why, if you look in this quarter, we have more subs at the end of the quarter in growth than the actual average revenue. Why? Because we've pushed the growth steadily and we didn't manage for the end of the quarter, right? I didn't manage it as of 31st of March. I managed it as we're entering the year and steady growth. We keep on going. So if it makes sense to grow, we grow. If it doesn't make sense, we let go the gas on one account and we put more gas on another, so that's a bit when I say steady growth but steady. That's what I want the team to be doing.

Anshul Saigal: Right. In your world, will gaming be 50% of our overall - or so 30% of overall revenues, maybe around 50% of legacy revenues? Is that a like you?

Francois Sirois: In the future, yes. I still have the same objective that we said. The only thing, though, is that if we start growing the legacy business with more revenues, then you're growing both balls, but that's a very nice problem to have. But on a steady state, if the legacy business doesn't grow and stay stable, it is still our objective in the future years to be 50-50.

Anshul Saigal: And this would be, say, in the next 2 years, 3 years? This objective is for how many years?

Francois Sirois: Obviously my objective is to do a good performance, but again when I say steady performance - I think we can assume in the course of the next 2, 3 years. Lets' say be reasonable. If we beat this, great, I'd say that's a fair statement. By the way, I know we've said that last year, that statement. And I know, last year, it was said that we'd grow way faster also.

The only gap when I compare the year to what we had as a budget last year and what we have today after 12 months, the difference is on these 35 accounts versus 100 deployed. We pretty much deployed what we thought we would deploy. The problem we have is that only a third of them are actually paying off on marketing. That's the problem.

Anshul Saigal: Right. My final question before I come back in the queue. You mentioned that your aim is to have steady growth month-on-month, quarter-on-quarter rather than spikes and then declines. So what that means? and then like Radhika mentioned, that if there is no FX loss this quarter, then we would have a INR 7 crores profit. Essentially what that means is that on a sequential basis we will see growth in revenue after the whole of Vodafone last quarter. And margins will start inching up every quarter henceforth. Fair assumption?

Radhika Venugopal: Yes, Anshul, sequentially, that is our endeavor, to see growth, steady growth, in revenues quarter-on-quarter. You're right. INR 7 crores was the profit excluding exchange loss impact this quarter because, NGN and EGP, both of these currencies devalued hugely.

Going forward, yes, we will not be able to comment on exchange fluctuations because that's beyond anybody's control. Other than that, our endeavour is to grow quarter-on-quarter and have a steady growth.

Anshul Saigal: While we will have steady revenue growth, do we expect margin uptick also from here going forward ex of any Forex fluctuations...

Radhika Venugopal: Yes, steady growth of revenues as well as margins is what we are aiming for. Having said that, I would also like to reiterate what FC just mentioned a bit earlier, that we will have the impact of depreciating the investment what we did in gaming which we capitalized. And that depreciation will start kicking in from quarter 1.

Anshul Saigal: Yes. That's all right. That's a noncash expenditure, so that is understandable.

Moderator: The next question is from the line of Shailendra Agarwal from Agreya Capital Advisors LLP. Please go ahead. Yes, Shailendra Agarwal.

Shailendra Agarwal: The INR 7 crores exchange fluctuation that you talked about, where exactly is that captured in your accounts?

Radhika Venugopal: That is a part of forex loss, if you see the detailed financial statements. That is a part of forex loss. You will not find that in the investor deck because that's a summarized form of the P&L which is given there. You can find it in the detailed P&L which is attached.

Shailendra Agarwal: So that's taken this quarter. Or it's taken previously. It's in this quarter, on side.

Radhika Venugopal: It was taken this quarter. Versus last quarter, we had a gain. Current quarter, we have a forex loss of INR 7.8 crores, and that's taken this quarter.

Shailendra Agarwal: So I am looking at your consolidated results that you released through the exchanges, but again over there I don't find that. The profit loss is minus INR 6.8 crores...

Radhika Venugopal: You see other expenses line...

Shailendra Agarwal: It's being captured there. I understand, okay.

Radhika Venugopal: So when there is a forex loss, it is clubbed with other expenses. And when there is a forex gain, it is clubbed with other income.

Shailendra Agarwal: I can understand that now. The second point that I wanted to make was, honestly, for me, the whole Vodafone India saga was kind of a bit surprising so ideally, going forward, can we get some disclosures on kind of revenue concentration that you have from top 5, top 10 clients? I think it's a very standard feature of a lot of companies, but that's something that we don't get from you. So that will just help us kind of get a sense on, if a Vodafone India kind of situation was to happen again, what could be the kind of impact.

Radhika Venugopal: So we have our nondisclosure agreements with the operators. We are not allowed to give out names.

Shailendra Agarwal: I am not asking you to disclose the name of the operators. I am just asking you to tell me top 5 operators or your clients. How much revenue do they constitute? Or the top 10. How much revenue does do they constitute of your total revenue?

Radhika Venugopal: We will give you the data on that.

Moderator: As there are no further questions, I would now like to hand the conference over to the management for closing comments.

Francois Sirois: Thank you all for joining this call. I look forward to our next call, which will be in beginning of August, so with this Q1. So thank you very much for your ongoing support in the company. And we will talk to you this summer. Thank you.

Moderator: Thank you. On behalf of OnMobile Global Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.