

ONMOBILE GLOBAL LIMITED  
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CIN - L64202KA2000PLC027860  
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[www.onmobile.com](http://www.onmobile.com)

June 22, 2020

To,  
The Secretary  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai-400 001  
**BSE Symbol: 532944**

The Secretary  
**National Stock Exchange of India Limited**  
Bandra Kurla Complex  
Bandra East  
Mumbai – 400 051  
**NSE Symbol : ONMOBILE**

Dear Sir/Madam,

**Sub: Investor Presentation- Q4 FY 2019-20**

Pursuant to Regulation 30 & 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Investor Presentation on the Financial Results of the Company for the quarter ended March 31, 2020, which is made available on Company's website: [www.onmobile.com](http://www.onmobile.com).

Request you to kindly take the same on record.

Thanking you,

Yours sincerely,  
For OnMobile Global Limited

*P.V. Varaprasad*

P.V. Varaprasad  
Company Secretary



Encl: a/a

**onmobile**

# **Investor presentation**

June 2020

onmobile

# Cautionary statement

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This presentation may contain statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to OnMobile Global Limited’s (OnMobile Global or the Company) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

OnMobile Global undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

# Agenda

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- **History and milestones**
- **Product portfolio**
- **Strategy FY20**
- **Financials Q4 and FY20**

A woman with short brown hair, wearing a blue textured jacket and a beaded necklace, is smiling and looking at her smartphone. The background is a blurred outdoor setting with green foliage. The entire image has a dark blue overlay. In the top left corner, the text 'onmobile' is displayed in white, with the 'o' in red. In the center, the text 'The Global Leader in Mobile Entertainment' is displayed in white, with 'The Global Leader in' in red.

**onmobile**

**The Global Leader in  
Mobile Entertainment**

# Global presence

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**1.68 BILLION**

CONSUMER REACH

**81 CUSTOMERS**

ACROSS THE GLOBE

**900 MILLION**

DIGITAL REACH

**100+ MILLION**

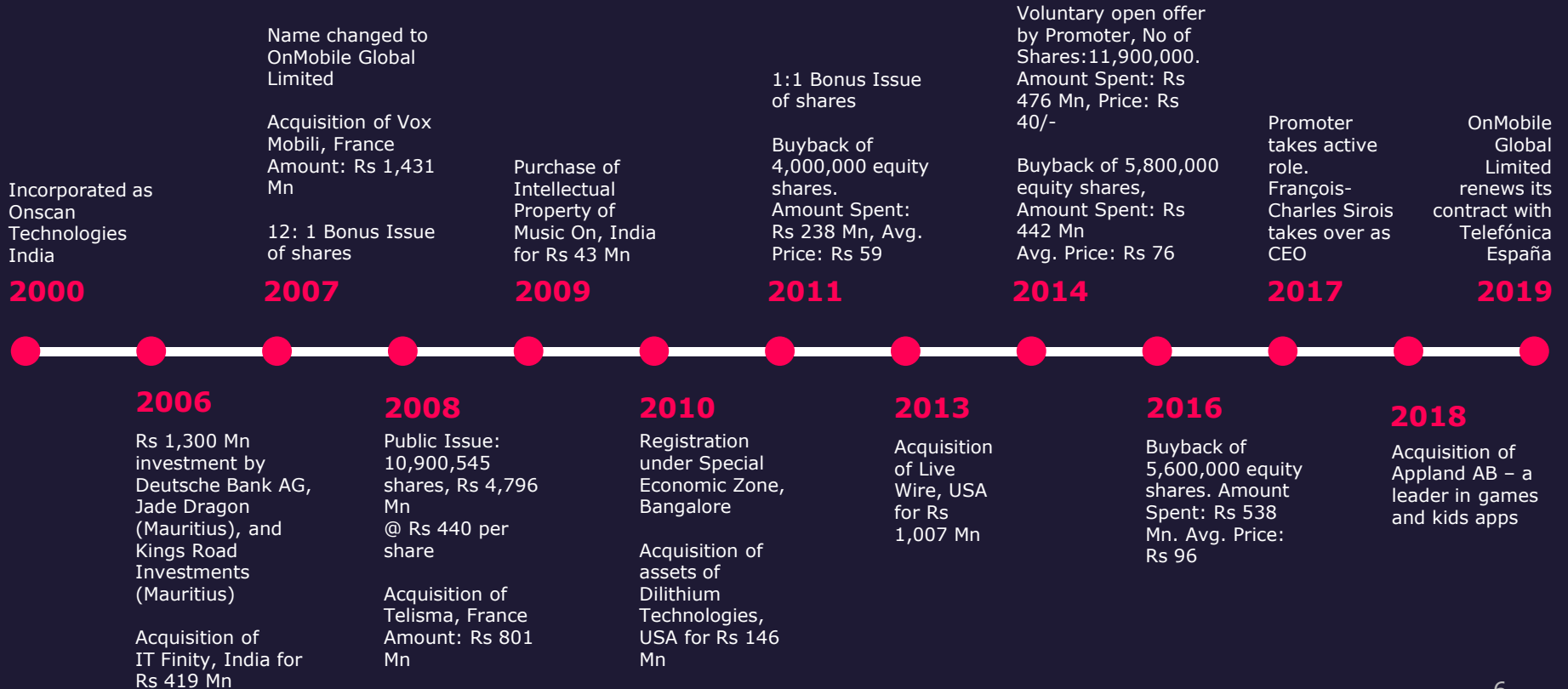
MONTHLY ACTIVE USERS ACROSS ALL PRODUCTS

**10+ MILLION**

APP INSTALLS



# History and milestones



# Investor Highlights

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- Global Reach
- Dominating market share in Tones business
- Investment in growth products
- Emerging turnaround story
- Big Investments and focus on cloud and social gaming
- Solid cash position
- Healthy cash flow from operations
- Debt free
- High dividend yield



# Suite of products



**OMMO**  
tones



**OMMO**  
games



**OMMO**  
videos



**OMMO**  
contests

# Strategy FY20

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- **Grow Videos**
- **Expand Games**
- **Leverage Tones**
- **Digitize contests**
- **Beyond operator wallet**



# Financials

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# Q4 FY2020 Key Highlights

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**Revenue:** Revenue remains stable despite Covid-19 outbreak impacting global economy.

**Manpower cost:** Our rationalization efforts continue to yield savings with a 9.2% reduction QoQ in manpower costs with an exit headcount of 702.

**EBITDA:** Increase by 8.4% from INR 110.7 Mn in Q3 to INR 120.0 Mn in Q4; achieved mainly through rightsizing our manpower and optimizing our costs. We believe these trends will continue in future quarters too and the benefits are here to stay.

**Operating Profit:** Increase by 13.0% from INR 75.2 Mn in Q3 to INR 85.0 Mn in Q4 with the abovementioned benefits percolating down to margins.

**Profit Before Tax:** PBT at INR 234.7 Mn has grown by 138.8% from last quarter. Out of this, INR 82.0 is due one-time reversal in the current quarter and the next major reason is appreciation in Euro and USD.

**Tax:** ETR down to 24% in the current quarter from 34% in the last quarter due to increase in Deferred tax liability.

**Cash balance:** Increase in cash balance from INR 2,525.3 Mn to INR 2,744.8 Mn due to increased cash from operations and favorable forex fluctuations in USD and Euro.

# P&L Q4 FY2020 (QoQ)

P&L(INR Mn)	Q4 FY20	Q3 FY20	% Growth
<b>Gross Revenue</b>	<b>1,517</b>	<b>1,488</b>	<b>1.9%</b>
Less Customer acquisition cost as per the new contract	(57)	(57)	0.4%
<b>Net Revenue</b>	<b>1,460</b>	<b>1,432</b>	<b>2.0%</b>
Content	697	636	9.6%
Other COGS	52	58	-11.4%
<b>Gross Profit</b>	<b>712</b>	<b>737</b>	<b>-3.5%</b>
<b>Margin (%)</b>	<b>48.7%</b>	<b>51.5%</b>	
Manpower Cost	362	390	-7.3%
Severance cost	1	9	-93.7%
Marketing Cost	65	77	-15.7%
Other Opex	164	151	8.9%
<b>EBITDA</b>	<b>120</b>	<b>111</b>	<b>8.4%</b>
<b>Margin (%)</b>	<b>8.2%</b>	<b>7.7%</b>	
Depreciation	35	36	-1.4%
<b>Operating Profit</b>	<b>85</b>	<b>75</b>	<b>13.0%</b>
<b>Margin (%)</b>	<b>5.8%</b>	<b>5.3%</b>	
Other Income	18	20	-8.9%
Exchange gain (Loss)	50	3	1393%
Exceptional items - Gains / (Loss)	82	-	100%
<b>Profit before Tax</b>	<b>235</b>	<b>98</b>	<b>138.8%</b>
Tax	56	33	68.5%
<b>Profit After Tax</b>	<b>179</b>	<b>65</b>	<b>174.5%</b>
<b>Margin (%)</b>	<b>12.3%</b>	<b>4.6%</b>	

# P&L Q4 FY2020 (YoY)

P&L(INR Mn)	Q4 FY20	Q4 FY19	% Growth
<b>Gross Revenue</b>	<b>1,517</b>	<b>1,433</b>	<b>5.9%</b>
Less Customer acquisition cost as per the new contract	(57)	(32)	78.8%
<b>Net Revenue</b>	<b>1,460</b>	<b>1,401</b>	<b>4.2%</b>
Content	697	589	18.4%
Other COGS	52	74	-29.8%
<b>Gross Profit</b>	<b>712</b>	<b>739</b>	<b>-3.7%</b>
<b>Margin (%)</b>	<b>48.7%</b>	<b>52.7%</b>	
Manpower Cost	362	399	-9.3%
Severance cost	1	11	-95.1%
Marketing Cost	65	85	-23.9%
Other Opex	164	191	-14.0%
<b>EBITDA</b>	<b>120</b>	<b>53</b>	<b>128.3%</b>
<b>Margin (%)</b>	<b>8.2%</b>	<b>3.8%</b>	
Depreciation	35	26	35.7%
<b>Operating Profit</b>	<b>85</b>	<b>27</b>	<b>217.7%</b>
<b>Margin (%)</b>	<b>5.8%</b>	<b>1.9%</b>	
Other Income	18	36	-49.7%
Exchange gain (Loss)	50	(17)	-391%
Exceptional items - Gains / (Loss)	82	-	100%
<b>Profit before Tax</b>	<b>235</b>	<b>45</b>	<b>416.3%</b>
Tax	56	23	142.0%
<b>Profit After Tax</b>	<b>179</b>	<b>22</b>	<b>698.7%</b>
<b>Margin (%)</b>	<b>12.3%</b>	<b>1.6%</b>	

# P&L FY2020

P&L(INR Mn)	FY20	FY19	% Growth
<b>Gross Revenue</b>	<b>5,884</b>	<b>5,939</b>	<b>-0.9%</b>
Less Customer acquisition cost as per the new contract	(160)	(127)	25.4%
<b>Net Revenue</b>	<b>5,724</b>	<b>5,812</b>	<b>-1.5%</b>
Content	2,547	2,442	4.3%
Other COGS	236	277	-14.8%
<b>Gross Profit</b>	<b>2,941</b>	<b>3,092</b>	<b>-4.9%</b>
<b>Margin (%)</b>	<b>51.4%</b>	<b>53.2%</b>	
Manpower Cost	1,572	1,709	-8.0%
Severance cost	45	62	-27.1%
Marketing Cost	296	339	-12.6%
Other Opex	618	752	-17.8%
<b>EBITDA</b>	<b>409</b>	<b>230</b>	<b>77.6%</b>
<b>Margin (%)</b>	<b>7.1%</b>	<b>4.0%</b>	
Depreciation	185	144	28.5%
<b>Operating Profit</b>	<b>224</b>	<b>86</b>	<b>160.0%</b>
<b>Margin (%)</b>	<b>3.9%</b>	<b>5.3%</b>	
Other Income	90	96	-6.4%
Exchange gain (Loss)	39	131	-70.0%
Exceptional items - Gains / (Loss)	82	-	100%
<b>Profit before Tax</b>	<b>435</b>	<b>313</b>	<b>38.8%</b>
Tax	159	124	27.8%
<b>Profit After Tax</b>	<b>276</b>	<b>189</b>	<b>46.0%</b>
<b>Margin (%)</b>	<b>4.8%</b>	<b>3.3%</b>	

# Balance sheet

INR Mn	As at Mar 31st, 2020	As at Dec 31st, 2019	As at Mar 31st, 2019
Shareholders' Funds	5,900	5,635	5658
Non-Current Liabilities	229	80	39
Trade Payables	2,242	2,111	2117
Current Liabilities	486	998	912
<b>Total Liabilities</b>	<b>8,857</b>	<b>8,825</b>	<b>8726</b>
Fixed Assets	354	352	437
Goodwill	534	783	763
Right to use Assets	136	148	0
Financial Assets	60	64	65
Deferred Tax Assets	621	527	522
Non-Current Assets	1,366	1,396	1432
Cash and Cash Equivalents	2,745	2,525	2723
Trade Receivables	2,368	2,300	2266
Other Current Assets	674	730	518
<b>Total Assets</b>	<b>8,857</b>	<b>8,825</b>	<b>8726</b>



# P&L (Excluding Games & LatAm- YoY)

P&L(INR Mn)	FY20	FY19	% Growth
<b>Net Revenues</b>	<b>5,724</b>	<b>5,812</b>	<b>-1.5%</b>
EBITDA	409	230	77.6%
Add back: Gaming EBITDA (Loss)	(125)	(92)	35.4%
Add back: Latam EBITDA (Loss)	(117)	(180)	-35.0%
<b>Profit from Operations</b>	<b>651</b>	<b>503</b>	<b>29.5%</b>
<b><i>EBITDA Margin (%)*</i></b>	<b><i>13.2%</i></b>	<b><i>10.4%</i></b>	

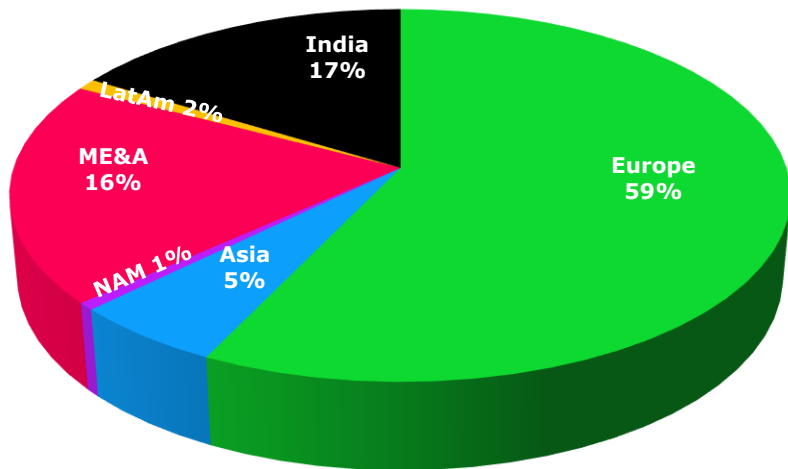
\* EBITDA Margin % on Net revenues (Excluding LatAm and Games Revenues)

# India tax one time adjustments FY'20

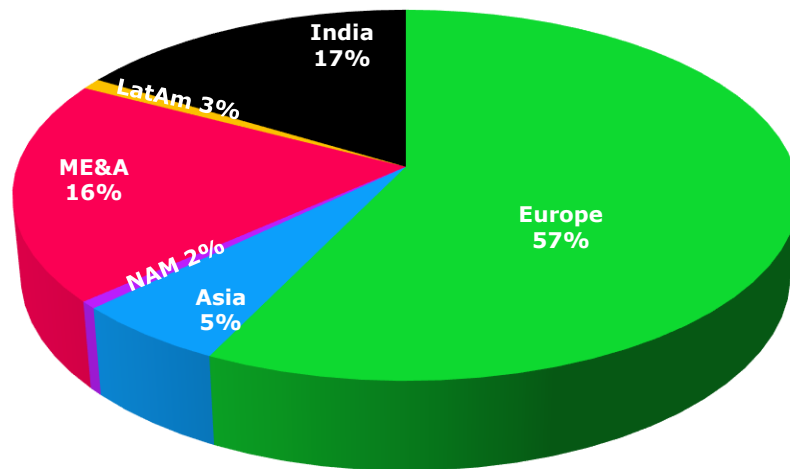
Sr. No	Particulars	Tax Impact (in Million INR)
<b>One-time adjustments</b>		
1	Tax impact on re-statement of opening deferred tax asset owing to revision in corporate tax rate from 34.94% to 29.12%	42.18
2	Tax impact on disallowance of provision for impairment in equity investments in foreign subsidiaries	10.66
3	Tax provision created for prior periods' in Bangladesh branch	47.80

# Revenue by geography – FY 20 vs FY 19

FY'20

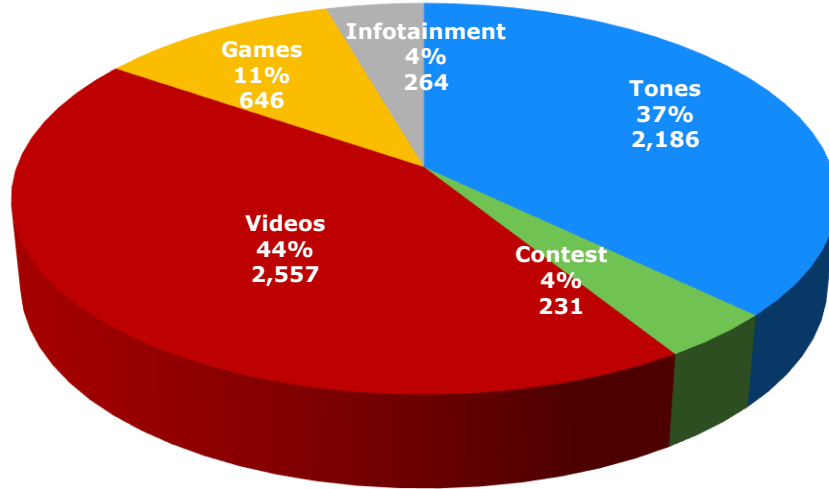


FY'19



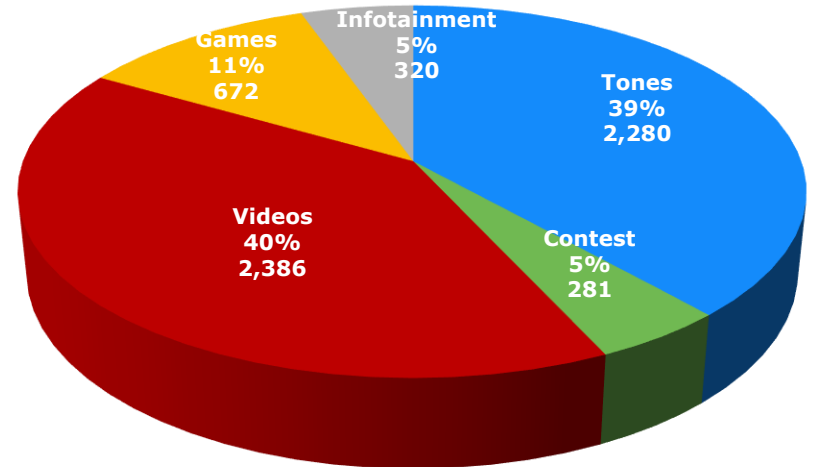
# Revenue by products – FY 20 vs FY 19

**FY'20**



**FY'19**

INR Mn



# Cash position

INR Mn	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20
Gross Cash	3,169	3,486	2,672	2,723	2,510	2,344	2,525	2,745
Less: Total Debt	-	-	-	-	-	-	-	-
Net Cash	3,169	3,486	2,672	2,723	2,510	2,344	2,525	2,745

Net Cash decreased by INR 814 Mn in Q3 FY 19 due to:-

- a) Acquisition of Appland INR 410 Mn
- b) Dividend payout for FY'18 INR 191 Mn

Contract acquisition cost paid in Q2 FY'20: INR 323 Mn

Dividend payout for FY'19: INR 191 Mn

# Cash flow FY'20

Particulars	Q4 FY'20	FY 19-20
<b>Opening Cash balance</b>	<b>2,525</b>	<b>2,723</b>
Net Cash generated from operating activities (Post tax)	223	176
Net cash from investing activities	(16)	44
Net cash from Financing activities	(10)	(241)
Fx Impact on Cash balances	23	43
<b>Net Increase/(Decrease) in cash/cash equivalents</b>	<b>220</b>	<b>22</b>
<b>Closing Cash balance</b>	<b>2,745</b>	<b>2,745</b>

## FY'20

- a) Financing activities :Dividend paid – INR 191 Mn paid in Q3 impacting FY20 cash balance
- b) Net cash generated from operating activities: include Contract acquisition cost paid in the full year numbers –INR 323 Mn in July impacting full year cashflow
- c) Investing activities : Payment to capex creditors in Q4 FY'20 INR 40 Mn

# Ratio Analysis – Financial Performance

Ratio Analysis	Q4 FY18	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20
<b>Profit and Loss</b>									
Export revenue / revenue	78%	81%	83%	84%	83%	84%	85%	84%	84%
Gross profit / revenue	54%	55%	54%	54%	54%	53%	52%	52%	49%
Aggregate employee costs / revenue	29%	31%	28%	29%	28%	31%	29%	28%	25%
Operating profit / revenue	0%	1%	3%	1%	2%	0%	4%	5%	6%
Profit before tax (PBT) / revenue	6%	2%	16%	0%	3%	2%	5%	7%	16%
Effective tax rate - Tax / PBT	49%	91%	20%	nm	51%	30%	85%	34%	24%
<b>Balance sheet</b>									
Current ratio	2.43	2.46	2.38	1.86	1.82	1.85	1.84	1.79	2.12
Day's sales outstanding (Days)	140	140	151	141	139	143	155	140	144
Liquid assets / total assets (%)	58%	57%	61%	51%	50%	55%	53%	55%	58%

# Dividend & buyback history

(INR Mn)	Mar'15	Mar'16	Mar'17	Mar'18	Mar'19	Mar'20
Dividend Payout ( Incl. Tax)	197	195	188	190	191	159
Dividend %	15%	15%	15%	15%	15%	15%
Buyback (shares in Mn)	5.8	-	5.6	-	-	-
Buyback amount utilized	442	-	538	-	-	-

Pursuant to the resolution passed by Board of Directors in the meeting held on April 09, 2020 has approved proposal for Buyback of fully paid up Equity shares of face value of INR 10 each not exceeding 19,321,429 Equity shares for an aggregate amount not exceeding INR 541 Mn for the price not exceeding INR 28 per share.

Further Board of Directors in the meeting held on June 22, 2020 has recommended Dividend of Rs. 1.5 per equity share of Rs. 10/- each for the financial year ended March 31, 2020 subject to approval of shareholders at AGM.



# Onmobile vs Nifty 50 Share Price Movement



For any queries mail us at:

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**[investors@onmobile.com](mailto:investors@onmobile.com)**