




onmobile

ANNUAL  
REPORT  
17-18

GLOBAL  
LEADER IN **MOBILE  
ENTERTAINMENT**

A young woman with dark hair, wearing a light blue cable-knit sweater, is smiling and holding a black smartphone to her ear. She is looking slightly off-camera to the right. The background is a bright, out-of-focus indoor setting. A large, semi-transparent red geometric shape, resembling a stylized 'M' or a series of overlapping triangles, is positioned on the right side of the image. Inside this red shape, the text 'DELIVERING HIGH-QUALITY EXPERIENCES AND UNIQUE MOMENTS ON YOUR MOBILE' is written in white, uppercase, sans-serif font, arranged in five lines.

DELIVERING  
HIGH-QUALITY  
EXPERIENCES  
AND UNIQUE  
MOMENTS ON  
YOUR MOBILE

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# Overview



**85M**  
MILLION  
Subscribers  
across key products



**155**  
BILLION  
Tones played



**1.5**  
BILLION  
Consumer reach



**314**  
DAYS  
Average usage  
per subscriber



**75**  
CUSTOMERS  
Across the globe

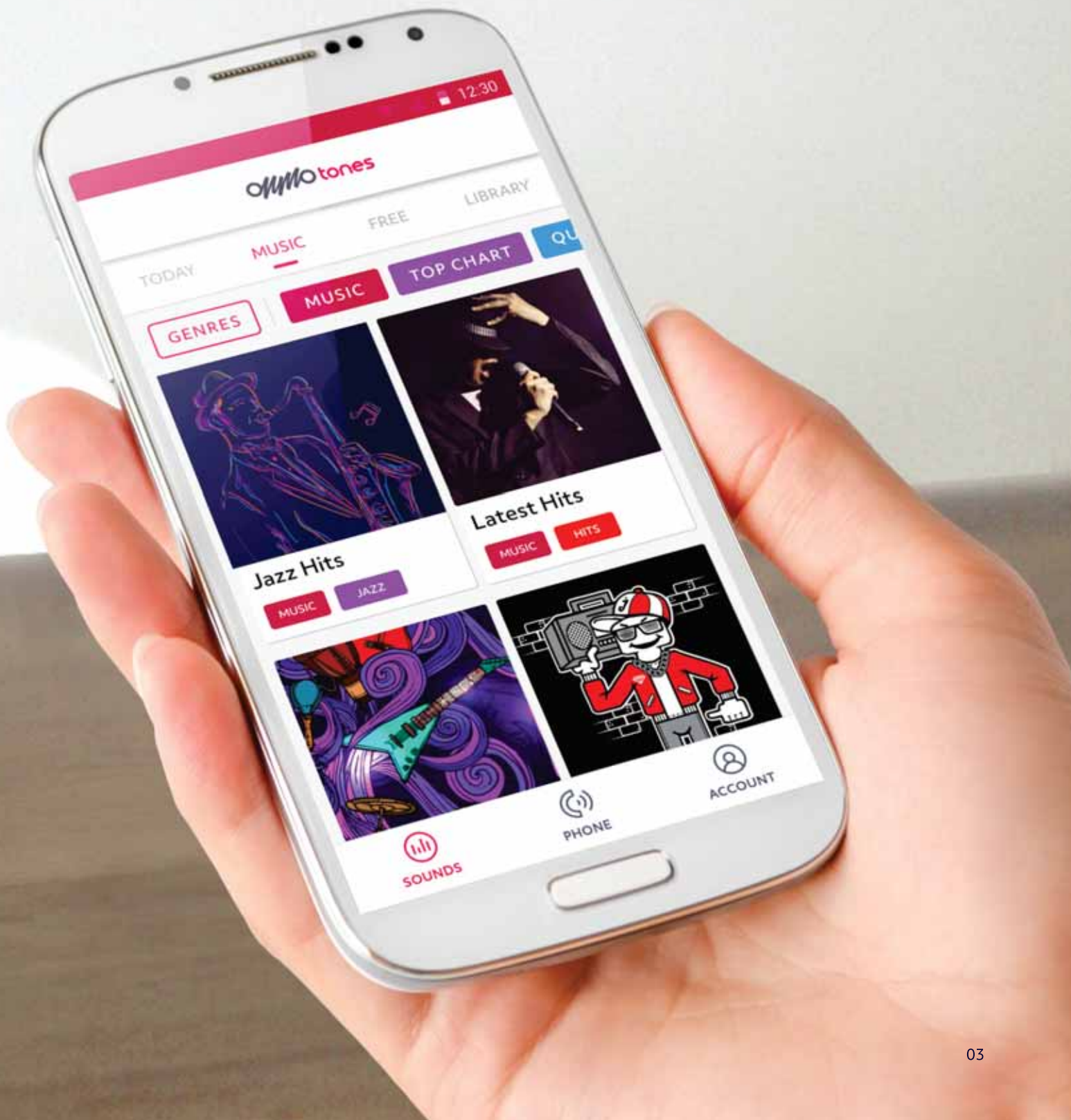


**₹537**  
MILLION  
Cash generated  
from operations



**₹113**  
MILLION  
Profit after tax







# Chairman & CEO's Message



Dear Shareholders,

2017-18 proved to be a transformational year for OnMobile as we improved our operational efficiencies and expanded our product portfolio. We now have over 60% of our revenues coming from Mobile Entertainment while Tones, our flagship product, is well integrated with the majority of our 75 carriers. The year ended with revenue of ₹6,356 million, EBITDA of ₹685 million and a record cash position of ₹3,052 million.

Innovation is core to our efforts, and we have developed robust roadmaps for each of our product lines and are actively testing many components in diverse markets. All of this is being done to ensure that we are in a strong position to provide leading product solutions to carriers worldwide. In addition, we have improved the time to market through automation and process

efficiencies to meet the demands of carriers. As 2018-19 begins, our efforts during the past year to expand our product portfolio into a games subscription product as well as regional video portals should provide significant growth for OnMobile. Our strategy with Tones now sees traction towards bundling our services with carriers' packs in India, and we plan to deploy our complete sound application and features to all subscribers worldwide.

Over the coming years, we anticipate that the company will see double digit revenue growth in Mobile Entertainment with new and existing carriers, especially as the global mobile gaming and video markets continue to see tremendous growth year over year. We have aligned our global objectives as an organization and have put in place solid leadership across the 905 employees worldwide. I firmly believe that we are in a very strong position for growth, with durable carrier relationships and solutions that address the needs and challenges facing the industry.

**François-Charles Sirois**  
**Executive Chairman & Chief Executive Officer**



# President & COO's Message



Dear Shareholders,

This was a year of consolidation for OnMobile in India, Asia and the Middle East and Africa. We maintained our focus on the immense possibilities in the mobile entertainment space and further enhanced our relationships with carriers.

This year the industry in India recovered from the after-effects of demonetization which was implemented in FY17 and the teething problems of Goods and Service Tax (GST) in the current year. Most of the countries in the African subcontinent saw a stable currency and commodity prices, resulting in a healthy business situation.

The disruption in late FY17 in the Indian telecom industry further played out in FY18 with new entrants offering free and bundled services thus forcing the incumbents to introduce bundled services thereby changing the landscape dramatically. With these changes all players in the telecom space had to rethink and recalibrate their

strategies, so did we. I'm happy to report that we were able to navigate through the year by leveraging our strong relationships and successfully started to place our services within respective carrier bundles.

In the past year, we successfully consolidated our position in the market. We have seen strong growth in the acquisition of new users for our RBT product, due to our retention and engagement services to carriers. As stated above our bundling initiatives with carriers have started showing green shoots by end of FY18. We launched our RBT App with 2 leading Indian carriers which cumulatively had 2.35 million installs exiting FY18. We witnessed new business wins with leading carriers in Bangladesh, Oman & Kenya. Our products delivered through the testing times and we saw double-digit growth in our contest product due to innovative formats launched in India.

With an enhanced strategy that focuses on videos and gaming products we believe will provide the growth curve in the coming years.

As I look back, I would like to extend my gratitude to our customers, partners, shareholders and colleagues for their unshakable faith in OnMobile. I strongly believe they are our greatest strength and I look forward to their continued support for an eventful year ahead.

**Sanjay Bhambri**  
**President & Chief Operating Officer - India,**  
**Asia, Middle East & Africa**



# President & COO's Message

Dear Shareholders,

2017-18 proved to be a very successful year for our business in the Americas and Europe. Even more importantly, we have firmly set the foundation with new, exciting products and strengthened our operator relationships. In Europe, we continued to increase our revenues and margins for the fifth consecutive year, mainly driven by the Mobile Entertainment business (Video & Editorial). We have also made some organizational changes that will drive improved processes and efficiencies, boosting our operations and delivery of services.

This year, the addition of the new ONMO Games subscription product has been very well received across Europe, and the Americas. As the smartphone penetration continues to increase in Latin America, this should lead to additional opportunities to further our penetration with existing relationships, as well as build new relationships with operators looking to offer great value to their customers.

The continued rise in demand by mobile phone users for personalization apps and features has created a great opportunity for us, and we are working with several operators to meet the demands for mobile users on the go, around videos, tones, sports, and kids. The move towards 5G in Western Europe also presents opportunities for enriched content delivery. I am confident that our newest offerings will meet the demands of operators in both Europe and the Americas.



Finally, OnMobile's strong partnerships with operators and new product offerings should expand and deepen our relationships in the coming years. I want to thank our customers, partners, employees and shareholders for their continued support and faith in OnMobile.

**Ignacio Martin Velasco**  
**President & Chief Operating Officer - Americas & Europe**

# Corporate Information and Board of Directors

## Board of Directors

François-Charles Sirois	Executive Chairman and CEO
Rajiv Khaitan	Independent Director
Nancy Cruickshank	Independent Director
Sanjay Baweja	Independent Director
Chris Arsenault	Independent Director
Sanjay Kapoor	Independent Director
Gianluca D'Agostino	Independent Director

## Board Committees

### Audit Committee

Sanjay Baweja	Chair
Rajiv Khaitan	Member
Chris Arsenault	Member
Gianluca D'Agostino	Member

### Nomination and Compensation Committee

Nancy Cruickshank	Chair
Sanjay Kapoor	Member
Chris Arsenault	Member
Gianluca D'Agostino	Member

### Stakeholders Relationship Committee

Rajiv Khaitan	Chair
Sanjay Baweja	Member
Sanjay Kapoor	Member
Gianluca D'Agostino	Member

### Corporate Social Responsibility Committee

Rajiv Khaitan	Chair
Chris Arsenault	Member
Nancy Cruickshank	Member

### Risk Management Committee

Sanjay Kapoor	Chair
François-Charles Sirois	Member
Nancy Cruickshank	Member
Sanjay Baweja	Member

\*The constitution of the Board and Committees is as on July 27, 2018

## Company Secretary

P V Varaprasad

## Statutory Auditors

B S R & Co. LLP

## Internal Auditors

Grant Thornton India LLP

## Bankers

Kotak Mahindra Bank Limited  
Citibank N A  
ICICI Bank Limited  
State Bank of India  
RBL Bank Ltd  
IDBI Bank Limited  
Punjab National Bank  
Axis Bank Limited  
HDFC Bank Limited  
BBVA Banco Continental, Peru  
Bank of Cyprus  
Banco de Chile  
Banca Popolare Di Milano  
Eco Bank  
Banco De America Central  
Banco De La Produccion Produbanco SA

## Registered Office

Tower#1, 94/1C & 94/2,  
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Anekal Taluk, Electronic City Phase - 1,  
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CIN: L64202KA2000PLC027860  
E: [investors@onmobile.com](mailto:investors@onmobile.com)  
[www.onmobile.com](http://www.onmobile.com)

## Registrar and Share Transfer Agent

Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli Financial  
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Hyderabad – 500 032  
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