

ANNUAL REPORT 2019



onmobile

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Overview



1.68
BILLION
Consumer
reach



900
MILLION
Digital
reach



100+
MILLION
Monthly active users
across all products



10+
MILLION
App
installs



99
CUSTOMERS
Across
the globe

Chairman & CEO's Message



Dear Shareholders,

This year's highlights were about signing new contracts, renewing major customers and launching new services globally. Following an encouraging upward trend we have renewed contracts over 200M\$ of our current business, to be carried out in the next five years, as well as signing over 35M\$ of new business to be accounted in our revenues over the next three years.

Our investments in product development are yielding results. Last year's introduction to videos and sports has led us to deploy a variety of new services in many different languages and countries. This year we launched digital contests, kid's applications and games clubs. Digital contests got the first deployments outside of India with high demand in the Middle East. The kid's application successfully debuted in Europe. It focuses on video, games and music, especially curated for children. Finally, games had so much traction from operators globally that we acquired Appland.

This platform makes it possible for us to rapidly deliver games clubs in every targeted region. We expect in the next two years, to have over 100 profitable games clubs and new services. Each of these services will represent only approximately one-tenth of our mature business in their first year's revenues. We forecast that by the three-year mark, the new services revenues will be at cruising speed.

As for tones, our flagship product, we did significant upgrades to the app this year, becoming a music service and adding key features such as video tones. The engagement and virality are booming and our focus is to ensure that more of our subscribers download the smartphone app. We are also quite positive about the soon to be launched advertisement based services, which will add to our subscription revenues and drive subscribers' growth.

Our global revenues for the year were of INR 5939 million and EBITDA of INR 358 million. Most of the revenue decline was in India, which now represents only 16% of total revenue as compared to 22% a year ago. However, considering our new deals not only with mobile carriers but also with handset manufacturers, OTT players and wallet providers, we believe Indian revenues will stabilize for the coming year without impairing our global growth.

Lastly, I want to thank our 760 employees for their dedication and continuous efforts to bring efficiencies while building OnMobile as a global leader in Mobile Entertainment. A special thanks to all our shareholders for their continuous support. I remain very confident that our investments will reflect clear value. The company has great assets, a solid cash position of INR 2510 million and so many good opportunities that will materialize in the near future.

François-Charles Sirois
Executive Chairman & Chief Executive Officer

President & COO's Message



Dear Shareholders,

FY 18-19 was an action-packed year for OnMobile in India, Asia and the Middle East and Africa. We created new opportunities in a challenging market scenario and ventured into new territories. We focused on launching our products in the mobile entertainment space that helped us strengthen our relationships with carriers and build new relationships with mobile wallet operators, OEM's and OTT's.

This year, India was more stable post initial implementation challenges of its federal tax reform, Goods and Service Tax (GST) and the impact of the erstwhile new telecom entrant. The Indian telecom industry firmly consolidated into a 3+1 structure, with muted revenues and lower tariff plans.

The Indian telecom industry saw the new entrant making rapid progress on the back of free and bundled services, thereby leading to new standings in the marketplace. There was a sharp growth in data consumption due to low tariff and exponential growth in smartphone penetration.

Video consumption surged and continued to be the reason for an increase in data usage. The revenue pressure continued with a gradual drop in the Indian operator's wallet, leading to bundled services.

In the past year, we started to focus on non-operator channels like Mobile Financial Services, Handset OEM's and OTT apps, by providing them with our premium mobile entertainment services. Am happy to report that we successfully moved ahead on this game plan and announced a strategic partnership with bKash Limited, the largest Mobile Financial Services (MFS) provider in Bangladesh.

To appeal to the Millenials, our contests product was given an upgraded digital avatar in terms of Progressive Web App (PWA), which evolved as a beneficial channel for engaging users with new contest formats and announcing winners instantly. We ventured into Qatar with our Contest PWA which delivered an encouraging response.

Our Tones App across operators cumulatively had around 9 million installs exiting FY19. Besides, we have integrated Tones services with bundled packs, which significantly boosted our user acquisitions. Keeping our focus on gaming and videos products, this year, we launched our digital sports portal in Mozambique, Kenya and India.

The situation in most countries across Africa, Middle East & Asia saw stable currency and commodity prices, leading to a healthy business situation. Overall the company witnessed moderate growth in the Middle East, Africa and Asia.

Lastly, I would like to thank our customers, partners, shareholders and colleagues for their support and faith in us. We seek your continued support and guidance in the year ahead.

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

President & COO's Message



Dear Shareholders,

FY 2018-19 has been a challenging yet exceptional year for business in the Americas and Europe. For the 5th consecutive year, in Europe, we have maintained a stable revenue growth, thanks to the shift of content mix to categories like games, lifestyle and videos. We have successfully adapted to the new European privacy regulation GDPR and significantly improved our marketing efficiency and our customer acquisition costs.

The highlight of FY 18-19 was the contract renewal of one of our largest customers, Telefónica Spain for another five years. OnMobile has been providing videos, editorials, games, tones, and a host of similar services to Telefónica's subscribers since 2012. The long-term contract renewal ensures continued revenue growth and is a testimony to the deep and trusted relationship that OnMobile has with Telefónica.

Over the years, we have kept our pace with the ever-increasing consumer expectations for newer and relevant content. Based on our understanding that "content is key" we decided to make video and

gaming services as the cornerstone of our growth. As part of our innovation lab, we have launched Kids planet with Vodafone Spain, an entertainment app with over 3,000 contents from Sanrio, Planeta Junior, Highlights for Children, Lingo Kids, Motion Pictures and many others, with a high educative value, addressed to kids from 3 to 12 years. Additionally, we launched our games services with Movistar, which is a part of the brand Telefonica Spain.

We introduced a B2C portal in Italy and got new contracts outside our RBT segment in LATAM as we launched Games in Brazil and Mexico.

Finally, we are transforming ourselves to take on new challenges which the operators face due to investments in the 5G network and competition from OTT services. With the help of big data, business intelligence and analytics, we are optimistic about opportunities that lie ahead in our future services leveraging IoT and 5G bandwidth to run new apps and fresh content.

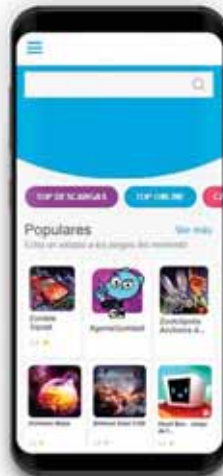
I am very grateful to all our customers, partners, employees and shareholders for their continued support and faith in OnMobile.

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

Services Powered

Q1 & Q2

- ▶ **Contests**
Progressive Web App
Leading operator in India
- ▶ **Sports**
Progressive Web App
Leading operator in India



Games
App
Leading operator in Spain



Sports
Progressive Web App
Leading operator in Mozambique



Videos & Editorials
Progressive Web App
D2C Italy

Q3

- ▶ **Tones**
Embedded App
Leading operator in India
- ▶ **Tones**
App
Leading operator in Bahrain
- ▶ **Videos & Editorials**
Progressive Web App
2 Leading operators in Spain
- ▶ **Videos**
App
Leading operator in Egypt
- ▶ **Games**
App
2 Leading operators in Myanmar



Games
App
D2C Spain



Videos
App
Leading operator in UAE



Contests
Progressive Web App
Leading operator in Qatar

Services Powered

Q4

- ▶ **Tones**
App
2 Leading operators in Spain
- ▶ **Sports**
Progressive Web App
Leading operator in Kenya
- ▶ **Games**
App
2 Leading operators in Nigeria
- ▶ **Tones**
App
2 Leading operators in India
- ▶ **Games**
App
3 Leading operators in Netherlands
- ▶ **Games**
App
Leading operator in South Africa
- ▶ **Games**
App
Braintree Global
- ▶ **Games**
App
Leading operator in USA



Tones
App
Leading operator in Spain



Games
App
Leading operator in India



Contests
Engagement Tool
D2C India



Kids
App
Leading operator in Spain

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

Company Secretary

P V Varaprasad

Statutory Auditors

B S R & Co. LLP

Internal Auditors

Grant Thornton India LLP (up to March 31, 2019)

Ernst & Young LLP (from April 01, 2019)

Bankers

Kotak Mahindra Bank Limited

Citibank N A

ICICI Bank Limited

State Bank of India

Stanbic Bank

Ciaxa Bank, Spain

Standard Bank, South Africa

Skandinaviska Enskilda Banken, Sweden

HSBC Bank, Bangladesh

Registered Office

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Anekal Taluk, Electronic City Phase-1,
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CIN: L64202KA2000PLC027860
E: investors@onmobile.com
www.onmobile.com

Registrar and Share Transfer Agent

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