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To,
BSE Limited
Scrip Code: 543228

National Stock Exchange of India Limited
Symbol: ROUTE

Sub: Transcript of the earnings conference call for the quarter ended September 30, 2025

Dear Sir/Madam,

We are enclosing herewith copy of the transcript of the Company's Q2 and H1 FY26 earnings conference call dated Tuesday, November 4, 2025.

The transcript is also available on the Company's website under the Investors section at:

<https://routemobile.com/compliance/2026/Route-Mobile-Ltd-Q2-FY26-Earnings-Call-Transcript.pdf>

Further, please note that no unpublished price sensitive information was shared/discussed by the Company during the said earnings call.

You are requested to take the above information on record.

Thanking you,
For **Route Mobile Limited**

Tejas Shah
Company Secretary & Compliance Officer
ICSI Membership No.: A34829



Route Mobile Limited
Q2 and H1 FY'26 Results Conference Call
November 04, 2025

Management:

1. Mr. Rajdipkumar Gupta – Managing Director and Chief Executive Officer
2. Mr. Vinay Binyala, Chief Strategy Officer and Investor Relations Officer
3. Mr. Raj Gill – Group Chief Financial Officer.

Route Mobile Limited
Q2 and H1 FY'26 Results Conference Call
November 04, 2025

Moderator: Good evening, ladies and gentlemen. I am Bhumika, moderator for this conference. Welcome to the conference call of Route Mobile Limited, arranged by Concept Investor Relations, to discuss its Q2 and H1 FY'26 Results.

We have with us today Mr. Rajdipkumar Gupta – Managing Director and Chief Executive Officer – Mr. Vinay Binyala, Chief Strategy Officer and Investor Relations Officer, and Mr. Raj Gill – Group Chief Financial Officer.

At this moment, all participants are in listen-only mode. Later, we will conduct a question-and-answer session. At that time, if you have a question, please press “*” and “1” on your telephone keypad. Before we begin, I would like to remind you that some of the statements made in today's earnings call may be forward-looking in nature and may involve certain risks and uncertainties. Kindly refer to Slide #2 of the presentation for the detailed disclaimer. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rajdip Gupta. Thank you and over to you, sir.

Rajdipkumar Gupta: Thank you. Good evening, everyone, and thank you for joining us today. I am delighted to share our results for the Second Quarter.

This quarter truly validates the strategic direction we outlined at the beginning of the year, and it demonstrates the power of disciplined execution. When we began this fiscal year, we made a deliberate choice to privatize profitable growth over volume. We are committed to enhancing our core business while simultaneously building new revenue streams. Q2 reflects the benefit of that discipline. We are seeing strong recovery across our businesses, expanded margins, and meaningful progress on the strategic initiative we have been building over the past several months. What excites me the most about this quarter is not just the financial performance, though I am pleased with our progress on margin and profitability, is that we are seeing our strategies translate into real-world traction. Our new product portfolio is gaining genuine market momentum. We are entering new verticals, sectors where we previously had not focused, and we are winning with customers that validate the strength of our omnichannel platform. Our partnerships are opening doors into geographies and customer segments we could not reach on our own. And critically, we are building capabilities and relationships in areas like Network API that represent structural opportunities for the industry. This is not just

about execution against the plan we laid out in Q1. It is about seeing that plan work in the real world. In concrete customer wins, in new customer entries, in partnerships that genuinely expand what we can do and where we can compete. The strength we are seeing in this quarter comes from progress across several dimensions. Our core business remains solid. We have maintained disciplined pricing and customer quality while growing. Our platform is finding traction with new customer segments and use cases. Our partnership ecosystem is delivering results, and we are seeing this reflect in meaningful ways across different geographies.

Equally important, we are investing in future-focused capabilities. The partnerships we are building, the products we are entering, are all positioning us for a different scale and scope of opportunity ahead. What I am most confident about is that we are only at the beginning of this journey. The foundation we have built in our core business, in our new products, and our strategic partnership position us well for sustained profitable growth. The discipline we have demonstrated, the market opportunities we are capturing, and execution we are delivering give me a real confidence in where we are headed as a company. We remain focused on what we do the best, delivering sustainable, profitable growth while expanding our addressable market. That balance, I believe, will create superior long-term value for all our stakeholders.

With that, I will hand over to Vinay to walk you through the key business developments for the quarter, and then Raj will take you through the detailed financial performance. Over to you, Vinay.

Vinay Binyala:

Thank you, Rajdip. Good evening, everyone. I hope you are all doing well. Thank you all for joining us today. We uploaded our quarterly earnings presentation last night, and I hope you had a chance to take a look at it.

Let me start by walking you through the highlights of our 2nd Quarter performance:

We are really pleased with the momentum we are seeing across the business right now. What is particularly encouraging is that we are demonstrating revived growth trajectory after strategically recalibrating our business over the first quarter. On the financial front, I am delighted to report that revenue from operations has expanded sequentially by 6.5%, demonstrating renewed momentum across our core business. More importantly, this growth has been achieved while maintaining strong unit economics.

Our gross profit percentage has also expanded sequentially to 22.1%, which is 70 basis points over the previous quarter. This reflects our continued focus on profitable growth. This dual expansion in both revenue and gross profit margin is exactly what we envisioned when we shifted our business model towards sustainable quality-led growth. Beyond the top line, EBITDA has also demonstrated strong growth of 16% sequentially. We grew from INR 115 crore in Q1 to INR 133 crore in Q2 in terms of EBITDA. Revenue and gross profit margin growth has slowed down to drive EBITDA margin expansion for us over the past quarter.

Now, I want to address an important point regarding our profitability metrics in the past quarter:

While profit before tax and before exceptional items has shown solid growth from INR 77 crore to INR 138 crore in Q2, I want to highlight that the reported profit after tax was impacted by one-time exceptional items during the quarter. This was related largely to advances to certain vendors, which were written off during the quarter. These exceptional items are detailed in the financial statements. However, they do not impact the underlying operational performance and strength of the business moving forward. Our core profitability trajectory remains strong and is a better reflection of the sustainable earnings power in our business.

Now, moving to the product and market:

On the product and market front, we made significant strides. Our new product revenue has shown solid growth of 13.1% sequentially, which is significantly higher than the growth in our consolidated revenue from operations, which was 6.5% for the quarter sequentially. This growth in new product revenues is driven by expanding adoption of our omnichannel and integrated solutions platform.

Let me highlight a few exciting developments in this space:

We have expanded our reach into the mobility and transportation sector. We recently secured a new customer in the train and metro segment, where we are providing our communication platform to enhance passenger information and engagement. Building on this momentum, we have also entered the bus booking segment at Bangladesh, a market with significant growth potential for digital ticketing and customer communication solutions. These wins demonstrate the versatility of our platform across different transportation use cases. Our partnership model continues to yield strong results. We are actively engaging with global system integrators and our integrations across the RCS platform, WhatsApp capabilities and omnichannel solutions continue to expand the addressable market and accelerate our time to market for these solutions. Additionally, we have added a significant customer through our strategic partnership with Tech Mahindra, which has opened doors into new segments and enterprises that we previously had limited access to. This partnership model is proving to be an effective channel for accelerating our go-to-market approach and reaching new customer segments.

Building on the commentary we shared in the last quarter about the exciting opportunity in the telecom API ecosystem, we are deepening our focus in this area. Although the development is post-completion of Q2, we are excited to share the progress we have made with our network API capabilities, particularly through the Konera initiative of Proximus Global. This positions us at the intersection of enterprise communication needs and telecom infrastructure services and also highlights the combined business initiatives across the three entities defining Proximus Global. Network API solutions will enable enterprises to leverage telecom operator capabilities

to provide value-added services to enterprises. This ties directly to our vision of future-proofing the business by participating actively in the broader API ecosystem and creating new revenue streams for digital service delivery. The network API space is still nascent but growing rapidly, and we believe our platform and partnership position us well to capitalize on this opportunity. On the firewall and security front, we are continuing to expand our deployments with major MNOs - Mobile Network Operators, driving meaningful revenue streams from our AI-powered spam protection and network security solutions.

Further as to the announcement regarding our deal with Claro, a leading Latin American-focused telecom operator, we have integrated our firewall platform with three networks managed by the operator and expect significant revenue ramp-ups with this client moving forward.

Overall, Q2 FY'26 reflects a strong recovery in momentum across the business. Our strategic decisions in Q1 combined with new product launches, market expansion, and deepening of strategic partnerships are delivering tangible results. We remain focused on sustainable, profitable growth with a keen eye on expanding our margin profile while growing our revenue base. The combination of our core CPaaS business strengths, emerging opportunities and network APIs, expanding product portfolio, and growing partnership ecosystem position us well for the quarters ahead.

With that, I will now hand it over to Raj to walk you through the detailed financial performance. Over to you, Raj.

Raj Gill:

Thank you, Vinay, and good evening, everybody. I will summarize our financial and operating performance during the quarter ending September'25 before opening the call to Q&A. As described by Rajdip and Vinay, the combination of focused execution and unlocking growth from our advantaged products has translated into strong year-on-year and sequential performance.

Our Q2 revenue from operations was INR 11,194 million, which is higher by 0.5% year-on-year and plus 6.5% sequentially. This is largely due to growth in routing synergies, non-SMS products, and particularly strong growth in Masivian, partly offset by structural SMS market impacts in parts of our business. In Q2, we reported a gross profit of INR 2,471 million, representing a 5.2% increase year-over-year and a 9.8% growth compared to the previous quarter due to the flow-through of revenue described earlier and gross margin expansion, which I will come on to next. Gross profit margin for the quarter stood at 22.1%, a 100 basis point improvement over last year and sequentially higher than the 21.4% achieved in the previous quarter. This upward trend reflects our strategic focus on optimizing customer mix and onboarding higher margin accounts, reinforcing our commitment to profitable growth and long-term value creation. We constrained operating costs growth to 11.5% year-on-year as salary inflation, a one-off severance cost and trade receivable write-offs, partially offset by cost

savings from lower headcount and discretionary spend. Adjusted EBITDA for Q2 increased by 0.7% year-on-year to INR 1333 million and increased by 15.5% versus the previous quarter due to the gross margin performance of the business. This all contributes to an adjusted EBITDA margin of 11.9%, which is consistent with the prior year and sequentially higher than the 11% seen in the previous quarter. On a reported basis, profit before tax and exceptional items was 1379 million, which is up 80% sequentially and higher by plus 5.2% year-on-year, driven by EBITDA and favorable foreign exchange movements in the current quarter. The effective tax rate was impacted mainly by exceptional items and to a much lesser extent the mix of profit in various geographies.

I will now hand over to the Q&A section.

Moderator: Thank you very much. The first question comes from the line of Rupesh Tatia from Long Equity Partners. Please go ahead.

Rupesh Tatia: Hello, sir. Thank you for the opportunity and congratulations on a good set of numbers. I am new to the industry, so I have a few questions and some of them might be basic. So, the first question is on SMS. Out of whatever Rs. 1100 crore revenue, what is the revenue from SMS? If you can give that number and further, if you can split that between promotional SMS and regulatory SMS. If you can give some color around that. The reason to ask that question is for the promotional category. It seems like there is a terminal risk to the SMS. So, if you can address the terminal risk in the SMS business on the promotional side.

Rajdipkumar Gupta: So Rupesh, Rajdip here. So, probably we will not be able to give you the bifurcation, but I will answer your question. Promotional-wise, there are multiple channels that have been now used, including RCS and WhatsApp. So, we do see there is a growth on the promotional side of traffic on WhatsApp and RCS nowadays. So, as a digital platform, we are offering our solution to our customers where we have all the three options available, including email as a fourth option for promotional services. So, even if you say there is a decline on SMS side, but there is a surge on WhatsApp and other channels. So, probably for us, I think one decline does not make any sense, but we make more revenue on other channels. In terms of promotional and transactional traffic bifurcation, I do not think we can share that. Vinay, if you want to add anything to this.

Vinay Binyala: Yes Rajdip, I agree that we have never shared the split of the regulatory and promotional business, but if you look at some of the slides in the presentation, we do share some details, Rupesh, around the non-SMS portfolio, the new products as we call them. So, new products are roughly around 8% to 9% of the revenue and we are seeing good growth traction around that part of the business. So, that should give you some indication of where we are heading with that product portfolio. And as Rajdip mentioned, email and WhatsApp and all of those non-SMS portfolios form part of that segment.

- Rupesh Tatia:** So, that is the worry. 90% of the business is SMS and I do not know, if let us say 50% of that is promotional, then that is a big risk. So, I do not know if there is a way you can address this question.
- Rajdipkumar Gupta:** Let me just answer. So, our portfolio is 85% is transactional, about 15% is promotional. We serve large banks and customers. Most of the transactions which we go through our platform is transactional type. So, we are not the most of promotional traffic. So, you can say 85%:15% combination.
- Rupesh Tatia:** That is very helpful. The second question, sir, is I wanted to understand how do these telecom operator firewall deals work? Is there like you get some one-time revenue?
- Rajdipkumar Gupta:** Rupesh, I suggest you can have a separate call with our investor team to understand the whole process. Because that would be good because you need one-hour time to get the full clarity on the deal. I am happy to share all this information one-on-one with you. I think because we have a limited time for this call and there are multiple questions, you know. So, can we just do offline that discussion?
- Rupesh Tatia:** Okay. So, maybe let me ask you another question. Another question is, I mean, when I look at Gupshup or when I look at Twilio or some of the global companies, WhatsApp, I think, is a big part of their revenue. So, maybe can you give some color around where are we in terms of our capabilities? Where are we in terms of our business development? What are we going to, you know, become, let us say, a WhatsApp first company, if I may put it like that. Maybe you can address this and then I will come back in the queue.
- Rajdipkumar Gupta:** So, we are a channel agnostic company, you know, like if you see some of the use cases which we have highlighted in our presentation, it talks about WhatsApp and RCS deployment. As a company, we have all the platform capabilities which is required for any company to use a digital platform. And when you talk about this concept abroad or even for India, I think we are fairly well placed in the right on top where we can probably say that all our platforms are working fine. And I think we have the capabilities to serve any customer who requires a digital platform from our side.
- Rupesh Tatia:** So, can WhatsApp, let us say, become 25% of our business in three, four years?
- Moderator:** Mr. Rupesh, I am sorry to interrupt you, but please rejoin the queue for further questions.
- Rupesh Tatia:** Yes, sure.
- Moderator:** Thank you. The next question comes from the line of Jyoti Singh from Arihant Capital Markets Limited. Please go ahead, Ms. Jyoti.

- Jyoti Singh:** Yes. Thank you for the opportunity. Sir, my question is on basically on the Proximus side. Just wanted to understand what kind of revenue and margin from there with the Route. Basically, when we are having the deal wins so how we are doing the sharing as per the revenue and margin? If you can talk about more in detail.
- Vinay Binyala:** Sure. So, Jyoti, in terms of business within the Proximus Global Group, it is not really a revenue-sharing kind of deal. It is more of a related party transaction. So, the way it works is, you know, Telesign and BICS and other components of the Proximus group, they have certain, let us say, for example, SMS traffic or WhatsApp customers where they want to leverage their Route Mobile platform. So, for example, when we are dealing with an enterprise client, let us say, in the US, for whom they want to deliver messages into geographies where Route Mobile is strong, for example, India or the Middle East. So, Telesign will, instead of purchasing those SMS from a third party, they will leverage the Route Mobile platform and purchase the services from us. So, we will have a cost for terminating those messages on which we would charge a markup, which is agreed as per our related party transaction documents, and we will charge Telesign that cost. And Telesign will then realize revenue from their end customers. And that is the way we are working with BICS and other parts within the Proximus ecosystem. Raj, do you want to add to that?
- Raj Gill:** Yes, again hi everybody, the synergies which is of the material when we have had a good year-on-year growth there. And a lot of this business comes at no incremental sales or marketing costs. So, at the EBITDA level, it is good, good healthy margins.
- Jyoti Singh:** So, yes, thank you so much, sir. So, just wanted to understand what kind of EBITDA we are getting from those kind of groups?
- Vinay Binyala:** So, you know, it will be at EBIT level, it is non-dilutive. So, we make around 10% to 11% EBIT margin on that business.
- Jyoti Singh:** That Route received it?
- Vinay Binyala:** Yes, that is what Route is realizing. That is how the entire transfer pricing or, you know, the related party documents are structured, so that it does not dilute our EBIT or EBITDA margins significantly or, you know, does not dilute those margins for us.
- Jyoti Singh:** And what Proximus get into this?
- Vinay Binyala:** Sorry, I did not get that. What does Proximus get into this?
- Jyoti Singh:** Basically, if a Proximus is winning any deal and then those deals transfer to Route Mobile. So, just wanted to understand what Proximus charge on those deals.

- Vinay Binyala:** So, again, you know, there is no consulting or any additional cost that we incur, which we need to pay Proximus or any other group company. It is more of providing a, so, let us say, for example, you know, one of the large deals which was announced by Proximus was the Microsoft deal. So, there were certain CPaaS business which we were expecting out of that deal, where Route Mobile would service Microsoft. And there again, you know, we would make our margins and revenue. There would be no additional consulting or, you know, any kind of fee that would lead to or partnership fee that would lead to go to Proximus or any other group companies. So, that is how the deals are structured.
- Jyoti Singh:** Okay, sure. Thank you so much.
- Vinay Binyala:** Sure.
- Moderator:** Thank you. The next question comes from the line of Nikhil Chaudhary from Nuvama. Please go ahead.
- Nikhil Chaudhary:** Yes, thanks for the opportunity. My first question is on overall growth. This part of the growth was clearly driven by the billable transaction, while ARPU declined further. So, is it fair to say that, you know, the growth was driven by NLD, while ILD makes it continue to decline? We also saw a decline in contributions from top five, top 10 clients. Just want to understand, are we still seeing pressure in ILD side, and when do you expect that to settle in?
- Rajdipkumar Gupta:** Let me just start with and then probably Vinay can add to this. So, as I already mentioned in my commentary, we are definitely working with customers where we see higher profitability as one aspect of our business and so on. And looking at a few customers, I think the customers win in the last quarter and probably the customer potential, we have some customers coming from Proximus as a partnership model. I think we do see a huge potential from these customers in coming quarters also. So, I think our focus is now going to be more on customer where we can make more margin rather than just volume game, rather than I will play with customer who has a quality requirement and we are solving their actual problems. So, I think our focus has completely changed from last few quarters and we have seen a drastic change in terms of our GP, gross profit as well as the margin also. Vinay, if you want to add to this.
- Vinay Binyala:** Sure, to add to what Rajdip is saying and again Nikhil, if we look at the numbers and if we compare to last quarter sequentially, we have seen growth in the top five customers and also if we look at the termination in India and across both ILD and domestic, we have seen an expansion in the volumes that we are terminating in India. So, if you compare sequentially, we have seen growth across these metrics. I think if you are looking at the chart in the presentation, it is comparing it to the previous fiscal year. So, that might be where you are seeing the numbers. So, because if we look at sequentially, we do not see any negative trend on these parameters.

- Nikhil Chaudhary:** Got it. So, this focus on profitable clients, does that mean the reduction in volume from let us say less profitable clients should continue going forward and where we are in this journey?
- Vinay Binyala:** So, we have not seen, we did announce certain moves that we made in the previous quarter but in the current quarter, we have not had any requirement to shuffle our customer base or take any drastic decisions. So, what we are also doing is on the routing front, we are doing some optimization. So, we are driving better cost for ourselves and delivering margin expansion but we have not made any drastic decisions on customer base or any of those parameters.
- Nikhil Chaudhary:** Then what led to lower revenue per billable transaction sequentially? Why?
- Vinay Binyala:** So, that is the mix where the Indian domestic business and certain other market domestic business has grown a bit faster than the ILD piece. So, the mix of the business has changed slightly where the average has come down a bit and plus, we had certain growth in email as well but that is not a significant contributor. The unit pricing on email is much lower than SMS or any other product.
- Nikhil Chaudhary:** Got it. The next one on the impairments, I think there was one on subsidiary. I am hoping it is one of the subsidiary shares. Second, the impairment may be related to Myanmar and third is related to Vodafone-idea. Correct me if I am wrong. And if there is any more impairment to be made or left field on current estimate?
- Vinay Binyala:** So, this is just to correct it and then Raj can, so, the impairment is more of a write-off. We have not had any impairment in any of the entities. The write-off that we are referring to one was for an operator and the other is for a vendor which is not really Russian. It is a Middle East based vendor. So, Raj, you want to talk about this?
- Raj Gill:** Yes, I will go into more detail in the published account. So, there was one an aggregator and an MNO. So, both related to advances which we have taken a prudent view and written off based on information received in the quarter. So, I hope that clarifies.
- Nikhil Chaudhary:** Got it. Do you expect any more or you have taken most of the impairment from this particular MNO or any other receivables are still pending?
- Vinay Binyala:** So, again Nikhil, on these two fronts as well although we have been conservative and we have taken the write-off but we continue to be in discussion with these vendors. So, technically both are vendors. One is an aggregator and the other is an operator. And we are trying to work out a structure or a deal where we can have some mechanism of recovery or generate some other business where some of these losses or write-offs can be let off through other business initiatives. So, we are still in discussion and the legal course of action has not closed out with a large operator either. So, that is still an ongoing

- Rajdipkumar Gupta:** Yes, I think there is a question, Vinay, about any further impairment or write-off. Nikhil, to answer your question, I think all other deals are on line and I think there is no further write-off we see in the coming quarters.
- Nikhil Chaudhary:** Got it. Last one on margin. The margins are back to 12% plus territory, almost there. So, do you think this is a sustainable margin going ahead as well or maybe this is one time thing to go straight in there?
- Rajdipkumar Gupta:** No, I think if you see our overall last two quarters strategy, Nikhil, I think we are very much focused on the margin portfolio and we would love to maintain this or in fact, if possible, we can grow this.
- Nikhil Chaudhary:** Got it. This was very helpful, Rajdip. Thanks, a lot, and good luck for coming years. Thanks.
- Moderator:** Thank you. The next question comes from the line of Dipesh Mehta from Emkay Global. Please go ahead.
- Dipesh Mehta:** Yes, thanks for the opportunity. Congrats on, I think, the overall operating performance. A couple of questions. First about revenue growth. Now, typically for Q2, we have seen good recovery in growth. Q3 is usually seasonally strong quarter. So, do you expect our growth momentum to sustain? This quarter, we return to Y-O-Y positive growth. Do you expect it to be a sustainable kind of trend entering into H2 from overall growth? And from a slightly medium-term perspective, how one should look at this business to deliver from a growth perspective, whether this business, considering all the pluses and minuses, considering omnichannel as well as changing channels and all those things, double-digit growth is doable from a medium-term perspective? That is question one. Second question is about capital allocation. Now, we have over Rs. 1,000 crore cash on balance sheet. Considering where the price is and valuation is, do you think it makes more sense to invest in the company rather than doing M&A? If you can provide your overall thought process about capital allocation. And last thing is about RPT, related party transactions. Can you give us some number? What is the percentage of revenue is RPT related revenue? Thank you.
- Rajdipkumar Gupta:** So, Dipesh, if you see, new product growth, you know, like, sequentially also we grew by 13% on new product. And I think our entire focus now is on new product sales, along with our new customer, when especially the large customers like Microsoft or Tech Mahindra or Infosys, I think we are working very closely with these customers to help their customer to start using the digital platform provided by Route Mobile. And we are getting also lots of support from the group companies, especially Proximus, for a larger introduction with large enterprises where we believe we go along with them and we sell our product portfolio to large enterprises like Microsoft, as I mentioned. So, we do see the H2 will definitely going to be better and we will do our best to maintain the momentum which we have received in last quarter. And because of the seasonality also, I think H2, we have been now certain events like Christmas and other

activities which is going to be there. And, yes, our pipeline also looks very strong and we are working very hard to maintain the momentum towards that. On capital allocation, Vinay, you want to add on our RPTs?

Vinay Binyala:

Yes, so on RPT, you know, the biggest transactions are with Telesign and that contributes to around 15% of the total revenue. On capital allocation, Raj, you want to take that?

Raj Gill:

Yes, I mean, we are, It's a good question. Yes, we have got a very strong net cash position on the balance sheet. From a capital allocation perspective, we have generally a CAPEX light business, but we are looking at, particularly, for example, our BPO business, which is showing good growth. So, we will always look to invest in capability there. But we are also working with Proximus on some platform improvement-type deals, which may require some initial CAPEX investment, but will likely be very positive returns and we will see some good benefits from that coming through. So, we look at it all the time and we will look at it on a quarter-by-quarter basis.

Rajdipkumar Gupta:

And I think, Dipesh, just to let you know that probably we definitely want to get into some kind of a tuck-in investment for some of the AI-based companies or maybe some companies where we believe can add more product portfolio offering to our product portfolio. So, yes, I think we are definitely in talks with some companies and we believe there are some good product companies right now, especially on AI. So right now, I cannot share much, but definitely, yes, we are working towards that. Something in voice as well. So, yes, maybe we can share more details in the coming quarters.

Dipesh Mehta:

Understand. I think I just want to go further on two things. I think Raj mentioned investment in BPO capability and second, he said some deal with Proximus. I am not very clear if you can provide some further detail on these two investment areas. I think AI and other things, maybe over the next couple of quarters you can provide more detail, but on these two, if you can give some sense.

Rajdipkumar Gupta:

So, let me just answer that question. So, our BPO capability right now, we have about 2,500 seat capabilities and there are lots of customers, happy customers we have, and they are looking out to offer more seats to us and we would love to build some of the new centers where we can add 500 to 1,000 more seats. Looking at the demand which we have in the market, current market and the customer satisfaction, I think that is where we believe we need to invest, not a big amount, but just for rental spaces and office. And there are already customers who are willing to give us more business and that is exactly where Raj is trying to highlight about the BPO.

Dipesh Mehta:

And what about the Proximus group?

- Raj Gill:** Yes, I mean, we are working with Proximus on delivering the synergies and some of these are technical synergies related to simplification and improvements in capability which will come at some CAPEX investment. So, there are opportunities looking at these. So, in the coming quarters, we will update on these initiatives as and when we see them coming in. But that would be a good use of capital as we see because there are some low-hanging fruits that can deliver some of the synergies that we expect to deliver from the Proximus tie-up.
- Rajdikumar Gupta:** So just a correction, it is not Proximus, it is Proximus Global, by the way.
- Dipesh Mehta:** Okay. And last question from my side is, now we have a healthy OCF to EBITDA in H1, 80% plus kind of number. Do we think this, because earlier we always used to maintain 50 plus, now 80 is a good number. How one should look this OCF to EBITDA conversion on a sustainable basis? Thank you.
- Vinay Binyala:** So, I think we should be able to sustain this Dipesh because we do not see any negative trend on the receivables and also on the payables. We are pretty much in control the way the payables are working. So, and that is the biggest, you know, working capital movement for us. So, we have that pretty much in control. So, we do not believe there is any reason for this metric to go south.
- Dipesh Mehta:** Okay. And effective tax rate, last, sorry. If you can give some sense, how one should look your effective tax rate? Thank you.
- Raj Gill:** Yes, as I mentioned in my opening remarks, the effective tax rate was significantly impacted by the exceptional item. So, if you normalize for that, there has only been a slight increase in the effective tax rate. And that is largely due to the geography mix of where we are generating profits. But we expect over the coming quarters for it to normalize at historic levels.
- Dipesh Mehta:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Amit Chandra from HDFC Securities. Please go ahead.
- Amit Chandra:** Yes, thanks for the opportunity. My first question is on the exposure that we have to, you know, the gaming companies. So, suddenly after the banning of these real money gaming companies, what is the exposure that we have to these companies? And already the impact of the downfall from the volumes there is already in the base. If you can provide some numbers from that. And the second question is, obviously, we have seen some recovery in terms of growth in this quarter. Maybe next quarter also, because being a seasonally strong quarter, there can be a growth. But from a full year perspective, despite seeing growth in two quarters, we are still on the negative side for the full year. So how do we see the normalized growth panning out? Maybe what takes us to hit the double-digit number maybe next year? And if you can give a

simple number that what part of the portfolio is seeing a volume increase and what part of the portfolio is seeing a volume decline? Thank you.

Rajdipkumar Gupta:

Amit, just to let you know that we are not very much impacted by these gaming companies because one of the companies we on boarded in last quarter, and I think this moment we on boarded and this whole thing happened. So, we are technically not impacted by any of these regulations because we are not serving these companies as a portfolio customer. So that is my answer. What was the next question?

Amit Chandra:

The next question was on the overall growth and the recovery with double digits. What is the requirement in terms of the portfolio and make sure the portfolio in terms of what part of the portfolio is seeing a volume growth and what part of the portfolio there is a volume decline?

Rajdipkumar Gupta:

Yes. So, Amit, as I think we have already shared that we won Claro deal and I think there is a synergy between BICS and 365 Squared right now. We built this AI-powered spam filter platform which is definitely one area where we want to work very aggressively with the operators where BICS has a good connect. Along with that, I think the RCS map server is a big opportunity for us. I am not talking about RCS, but just enabling the operator to serve their customer with RCS. Like we have a classic deployment with Robi Axiata. We are in talks with another operator in Bangladesh and probably very soon we will announce that deal as well. And I think we are going very closely with BICS to reach out to all these large MNOs globally and we would love to focus on CPaaS in a box and RCS map server as a one solution along with our spam filter and the firewall solutions. We do believe that it is a big market and still there is a huge opportunity we have right now and we are working towards that on product side basis. In terms of volume growth, I think as you must have seen 13% sequential growth on our new products especially on WhatsApp, RCS, and email. And most of the customers now we are trying to create a bundle deal with our customer not just SMS as one offering. And I think most of the customers they are liking our options where we are coming up with a solution where we are not talking about just SMS but we are talking about four different channels and then there is a blended price options which makes more sense for them to use one platform, one API for all the four channels. I think that is where we see growth on all the channels and that is what we believe in coming quarters also we will see this growth as well. And what was your last question? Vinay, do you want to add to this?

Vinay Binyala:

Yes, so Amit to add to what Rajdip just explained if you break down the portfolio into segments across so you can look at ILD, domestic SMS that is for India and SMS is in rest of the world and then the non-SMS portfolio. So, in the last quarter we have driven growth across all the components of the portfolio. And looking at the momentum that we are building and given that some of the customer case studies that we highlighted earlier in the discussion we believe we should be able to sustain this for the foreseeable few quarters as well. So, it looks like the traction that we have built will contribute to certain volume expansions moving forward as well just to add to what Rajdip already explained.

- Amit Chandra:** And sir, in terms of the portfolio rationalization that you mentioned obviously that is showing up in the margins but is it the strategy is more client specific rationalization or is it more from an overall portfolio specific or the horizontal kind of rationalization where we are changing the way we are approaching the business or in terms of the strategy if you can give some more color is it more client specific geography specific or is it more at a portfolio level?
- Vinay Binyala:** So, Amit you are aware that the business is transactional.
- Rajdipkumar Gupta:** Vinay, so Amit, Last quarter I think from last few quarters we have just defined two strategies one is telco and one is enterprise side of the business. So, now we have a telco focused team and then we have an enterprise focused team. When I say telco so our product like CPaaS in a box or map server or firewall is complete telco side of the business and we believe BICS is helping us on that side and then we have omnichannel stack which is like enterprise along with SMS. So that is a two different view we have now in company and we definitely want to, we already have a team whose one team is completely focusing on telco side of the sales and then the other one is enterprise. So, I think previously we were doing all together now we just made two different division where people from telco will not sell SMS and the people from SMS will not sell the telco product and I think that is really doing well for us. Yes, Vinay you can continue.
- Vinay Binyala:** Yes, Rajdip thanks. So and again you know Amit what we are also absolutely focused on is because of the industry and the business is fairly dynamic where you know the prices can also move at times and that is where we are taking an absolute conscious call that you know either if the cost prices in a certain market are moving we need to still sustain our percentage profitability on those accounts and if you are not able to then you know we try to find alternate routing or worst case you know if we are still not able to get a price increase with the customer and if it is significantly impacting our margins then we you know take certain drastic calls. So, it is a mix of various initiatives that we are following to make sure that the portfolio margin is sustained or expanding.
- Amit Chandra:** Okay and so last question is on the write-off that we had a lot of exceptional items that we had. So, you said that you are confident that we will not see any such kind of exceptional write-off in the coming quarters. So, what actually gives you that confidence and what percentage of customers or in terms of our top 10 customers or top 20 customers how many customers we are working with advance like advance model in which we have given advances in terms of the minimum revenue guarantee. So, what are the total advances that are there like sitting on the balance sheet and what is how do you assess the risk there?
- Rajdipkumar Gupta:** So, we work with operators only where we give this commitment in advances and I think we have very few right now and we have already consumed almost the commitment which we are given and there are certain commitments which is left for next three to four I think four to five months. I think we are very much confident that we will use those consume those numbers. So apart from I think one or two I do not think there is any more but we are very much confident

that we will consume the commitment which we have given to them and there is no challenge for us and apart from that we are not giving any further such commitment to any international operator and I think we are very conscious about this call and I think it really lets out certain deals go where we believe that the market maybe the volume operators are expecting high numbers but we know the numbers exactly how much traffic the operator has. Based on our assessment I think we are taking some conscious call to just say no to such businesses and that is the strategy we are going to follow henceforth and yes Vinay if you want to add to this.

- Vinay Binyala:** No, I think you addressed it so not much from my end.
- Amit Chandra:** Okay Rajdip Sir. Thank you and all the best.
- Rajdipkumar Gupta:** Thank you
- Moderator:** Thank you. The next question comes from the line of Nilesh Sharma from Anantnath Skycon Limited Please go ahead.
- Nilesh Sharma:** Hello sir. Congratulations Good set of numbers. My question is upon market outlook and cost structure. While the company continues to deliver the steady revenue growth. Could you please comment on the sustainability of the gross and EBITDA margin in the light of ongoing price pressure on CPaaS industry rising cost of connectivity?
- Rajdipkumar Gupta:** Nilesh, as I mentioned I think now we have a very clear focus on Telco and the enterprise segment of the business. Telco business is completely very high margin and if you see the new product portfolio which is growing 13% sequentially I think we would love to focus on that area where the margins are high and we are confident that we will able to maintain the numbers which we have achieved last quarter and that is where I have already mentioned before also that we have a higher aspiration as a company but we would love to maintain what we have achieved.
- Nilesh Sharma:** Okay and one more question upon, could you also elaborate on the key sector or geography that will be the driving factor for our revenue growth and EBITDA margin growth?
- Rajdipkumar Gupta:** So, Route Mobile is a global company. We serve customers all across the globe. We are based out of LATAM, Middle East India and Africa. So, our growth is coming I think from all the different markets but India could be the highest in terms of volume growth and the ILD business but overall if you see I think we are well spread out all across the globe and serving large customers from outside India.
- Nilesh Sharma:** Okay and sir could you also briefly outline the revenue growth that is expected and that we can expect in H2 of financial year 2026?

- Rajdipkumar Gupta:** So, I think we are not giving any guidance right now and what I can tell you right now is yes we are very much confident that the growth is something which we really want to work on and we do have a good pipeline we have now clear strategies of telco and enterprise side of the business and looking at how the things is moving right now we believe the future is good and we all as a team working very hard to achieve new heights.
- Nilesh Sharma:** Okay. Sir, one last question in terms of revenue bifurcation can you bifurcate which industry contribute how much percentage of revenue?
- Rajdipkumar Gupta:** It is already mentioned in the presentation. I think if you just referred the presentation, it is already mentioned.
- Vinay Binyala:** So, slide number 9 has that data in the presentation.
- Nilesh Sharma:** Okay. In this presentation only, the geography is mentioned America India and all but not industry.
- Vinay Binyala:** On the left-hand side you see those tables with the industry since they have finserv, digital native Tier-1 CPaaS. Those are the industry.
- Nilesh Sharma:** Yes, it is mentioned but percentage. Okay. Thank you, sir. Sir, how much percentage that we are targeting for telecom, that is our new focus area?
- Rajdipkumar Gupta:** It is not new focus area for sure I think we are already serving. We already have this product from very long time we were already deploying our telco services with multiple operators but now what we have a dedicated focus approach towards both the businesses and that is what. But how much if you talk about to quantify that probably I will not able to but as I mentioned since we have closed one large deal in last quarter we are looking out for such deals to be closed in coming quarters as well.
- Nilesh Sharma:** Okay sir. Thank you so much and all the best for future.
- Rajdipkumar Gupta:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Diya Jain from Sapphire Capital. Please go ahead.
- Diya Jain:** Hello sir. Thank you for taking my question. I just wanted to understand with the new deals with Claro and Tech Mahindra. Do we see the 15% growth guidance for the next three years sustainable or we can expect a little better than that?

- Rajdipkumar Gupta:** Diya, as I mentioned already, we will not give any guidance but we are working towards to achieve new heights as a company that is something which I can tell you right now but in terms of quantifying and giving a number probably I might not be able to give right now.
- Diya Jain:** Okay sir. Understood. Thank you.
- Moderator:** Thank you. The next question comes from the line of Anant Jain who is an individual investor. Please go ahead
- Anant Jain:** Thanks for the opportunity, sir. My first question is on the CPaaS, if you can give the market share of SMS versus WhatsApp and the growth rate of each segment?
- Rajdipkumar Gupta:** So, there is no data available right now technically anywhere. As we speak WhatsApp is still very early stage of adoption SMS is almost 20 - 25 years old ecosystem. So honestly Anant there is no data available which I can share with you like as of now.
- Anant Jain:** But our own experience should give us some information around that. I will just give one more question here which is you know what we realize on the WhatsApp side is that you know Gupshup and Twilio seems to be the market leader. Where are we when we compare in terms of capabilities with Gupshup or Twilio?
- Rajdipkumar Gupta:** See, I really do not want to comment about any company as such but if you talk about some of the product deployment which we have done in past and like ticketing system on WhatsApp is like we are the largest enabler for lots of metro in India and now taking the solution to Jakarta as well as Bangladesh. So, I think in terms of capabilities if you talk about, we are as good as any company present in the market today and who is leader and who is not leader probably I am not the person to answer that question but we as a company do understand what value these channels can bring and we really need to invest heavily on this and we have invested in past we are still investing and enhancing our platform every single day to make sure our customers are getting the solution which they need from the market and I think that is where we are today and that is exactly where we are focusing on.
- Vinay Binyala:** So, to add to what Rajdip is saying Anant, our WhatsApp platform supports native payments it supports interactive UI, for example while ticket booking you can choose a seat within the WhatsApp interface so it is fairly advanced. It supports any feature, I mean most of the features that any enterprise asks us we are able to support through our platform. Plus, it is not only WhatsApp we have the same capabilities across RCS we have a very strong email platform. So, in terms of capabilities I think our platform is fairly evolved as Rajdip was saying.
- Anant Jain:** Thanks for that. One last question if I may squeeze in I mean I have many more questions on this but I think it will take a lot of time but one question on something else is like on CPaaS

what we are also seeing is that the telcos are going downstream, so for example Airtel is getting into CPaaS and how do you see that as competition now for us?

Rajdipkumar Gupta: So, I think Anant for me it is very critical that what product offering we have and how stable our business platforms are. So, whether we get competition from Airtel or any other company we treat them as competition. Even you see our numbers are growing every single quarter on the new product. So, if my numbers are de-growing probably, I have something to think about but I think we are onboarding multiple customers on this channel and we do not see that as a challenge. We treat them as one single another single competition. That's it.

Anant Jain: Okay. Great. One last question on WhatsApp side how do you see our WhatsApp and you know the newer forms of communication being as a share of our total revenue. Let us say three years from now if you can give some color around that. Do you think there can be 25% of our revenues in three years?

Rajdipkumar Gupta: It can be, it can be more also it can be less as well it all depends how RCS and the WhatsApp pan out adoption, how the enterprises are going to adopt these channels based on their requirement because we being a channel agnostic company it is more important for us to make sure we keep on innovating our product in a way that the current customer requirements are fulfilled and that is the company's main role and it can be 25% - 30% also you never know. But we are onboarding customer every single month and quarter. So, that is what we can do and you never know it can be more than 30% or 25% as well.

Anant Jain: Great. All the best thanks.

Rajdipkumar Gupta: Thank you.

Moderator: Thank you. Ladies and gentlemen, we will take that as the last question for today's call. I would now like to hand the conference over to Mr. Raj Gill for closing comments.

Raj Gill: Thank you, moderator. As usual firstly thank you all for your questions and continued support and I hope you will all agree this is a quarter that we are showing some genuine momentum that is creating some good excitement here at Route Mobile. Now we look forward to engaging with you again and see you see you in the next quarter and best wishes you all. Have a good rest of the day and we will talk again soon. Thank you.

Moderator: On behalf of Concept Investor Relations and Route Mobile Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.