

Tanla's continued investment in communication platforms pays off in stellar Q3 results

Hyderabad, India – 06 February 2021: Tanla Platforms Limited today announced its results for the quarter ended 31 December 2020 in comparison with the same period the previous financial year.

Key Metrics

Revenues were ₹ 654.1 crore, up by 21%

EBITDA was ₹ 126.9 crore, up by 99%

Net profit was ₹ 93.5 crore, up from ₹ 0.7 crore

Cash and cash equivalents were ₹ 449.3 crore, up from ₹ 204.8 crore

Earnings Per Share (not annualized) at ₹ 6.87, up from ₹ 0.05

Uday Reddy, Chairman & CEO of Tanla Platforms Limited said, "The quarterly results demonstrate the depth of Tanla's capabilities in the platforms and commercial communications domain. Our unwavering focus, and investment in platforms and products, people, customer success and brand have all led to us posting the best quarterly performance till date. With our market position stronger than ever before, we are committed in our decision to expand our global footprint in the CPaaS business."

"Trubloq, the DLT platform built to enforce the TRAI regulation has seen massive adoption across enterprises, telemarketers and telcos. To date, we have onboarded more than 34,000 enterprises. Trubloq was only launched commercially in September, and now processes over 70% of A2P traffic in India, topping 1 Billion interactions in a single day last month. Trubloq significantly bolstered Tanla's revenues in the third quarter.

Data security, data privacy and traceability of digital footprint are no longer just compliance requirements, rather fast emerging as a potential source of competitive advantage and so are becoming a strategic priority for organisations. The Wisely platform, our latest offering launched in January ensures that end users data security and data privacy is never compromised when sending and receiving commercial communications. Wisely is on its way to "Uberize" the CPaaS ecosystem."

Financial Highlights

India's largest CPaaS provider delivered its best third quarter revenues.

On a year-on-year basis, revenues grew 21% to ₹ 654.1 crore accounting for more than a third of last year's annual revenues. The EBITDA was up by 99% to ₹ 126.9 crore for the same period, crossing the ₹ 100 crore mark for the first time. The company reported a highest ever net profit of ₹ 93.5 crore.

EBITDA to cash conversion was 78% and cash generated from operating activities was ₹ 225.2 crore, for the quarter. Tanla & all of its subsidiaries continue to remain debt free.

Business Highlights

Tanla's growth in business for the quarter was propelled by 81 new client opportunities. These new deals could augment the annual revenue by ₹ 90 crore.

Early January, Tanla also marked a significant milestone in the platforms business with the launch of Wisely, a blockchain-enabled CPaaS offering built & architected by Microsoft. As a unique marketplace for enterprises and suppliers, Wisely offers a global edge-to-edge network that delivers private, secure, and trusted communication experiences. It was the first time that an Indian technology company released a disruptive platform for global adoption.

New Enterprise Wins

- Tanla's new enterprise wins came from eight sectors for the quarter. Banking, fintech, retail and e-commerce accounted for more than 50% of new enterprise wins.
- Consumer goods and automobile, communications and entertainment, and BFSI sectors top the list of 6,278 enterprises that registered on Trubloq in Q3 alone.

Responding to COVID-19

During these trying periods, we focused on keeping our employees safe, encouraging them to work from home by providing them with adequate technology and infrastructure. Even as we worked remotely, we made certain that the needs of our customers and partners were always met and everybody remained engaged, healthy, and productive in their new working environment.

About Tanla:

Tanla Platforms Limited (NSE:TANLA; BSE:532790) transforms the way the world collaborates and communicates through innovative CPaaS solutions. Founded in 1999, it was the first company to develop and deploy A2P SMSC in India. Today, as one of the world's largest CPaaS players, Tanla processes more than 800 billion interactions annually and about 70% of India's A2P SMS traffic is processed through its distributed ledger platform-Trubloq, making it the world's largest Blockchain use case. Tanla touches over a billion lives carrying mission critical messages meeting the needs of the world's largest enterprises. Tanla Platforms Limited is headquartered in Hyderabad, India and is expanding its presence globally.

Consolidated Profit and Loss (Un-audited):

Particulars	₹ in Lakhs		
	Q3FY21	Q2FY21	Q2FY20
I. Revenue from operations	65,411.2	58,324.7	53,903.9
II. Other income	242.5	474.5	222.7
III. Total Income (I+II)	65,653.8	58,799.1	54,126.6
IV. Expenses			
Cost of services	49,296.8	44,891.7	43,510.6
Employee benefits expense	2,003.5	2,283.3	1,826.4
Depreciation expense	892.1	992.3	7,083.9
Connectivity expenses	286.4	280.8	203.8
Finance cost	17.4	8.9	183.9
Other expenses	1,136.3	1,115.7	1,994.2
Total expenses (IV)	53,632.5	49,572.6	54,802.7
V. Profit before tax (III - IV)	12,021.3	9,226.5	(676.2)
VI. Tax expense:			
Current tax	1,680.4	1,053.2	(464.7)
Prior period taxes/MAT credit	-	-	30.6
Deferred tax	988.9	26.0	(310.2)
VII. Profit for the year (V -VI)	9,351.9	8,147.3	68.2
VIII. Other comprehensive income	(173.0)	(330.5)	51.1
IX. Total Comprehensive income for the period (VII + VIII)	9,178.9	7,816.8	119.3
X. Earnings per equity share (in INR)			
Basic & Diluted (not annualised)	6.87	5.85	0.05