

## Tanla delivers record breaking 20-21, operating profit jumps 134%

**HYDERABAD, India — 19 May 2021:** Tanla Platforms Limited, India's largest CPaaS provider, today announced its results for the fourth quarter and full year ended 31 March 2021 in comparison with the same periods of the previous financial year.

### Key Metrics: Fourth Quarter

- Revenue was ₹648.56 crore, and increased by 24%
- Operating profit was ₹134.04 crore, and increased by 129%
- Net Profit was ₹102.54 crore
- Earnings per share was ₹7.54

### Key Metrics: Full year 20-21

- Revenue was ₹2,341.47 crore, and increased by 21%
- Operating profit was ₹433.46 crore, and increased by 134%
- Net Profit was ₹356.14 crore
- Cash conversion (operating cash flow to operating profit) was at 129%
- Cash & Cash Equivalents was ₹584.14 crore, up from ₹200.57 crore
- Earnings per share was ₹25.27

Final dividend of 100% has been recommended by the board subject to shareholders' approval. Total dividend for the year would be 200% including the interim dividend paid.

For the year, Tanla would have returned ₹193.27 Crore to shareholders through a combination of share buyback, interim dividend, proposed final dividend and applicable taxes.

**Uday Reddy, Chairman & CEO, Tanla Platforms Limited said,** "We delivered another fantastic quarter to cap a record breaking 20-21 across all key parameters, with ₹2300+ crore in full year revenue. These stellar results continue to demonstrate Tanla's strong platform and enterprise offerings, our focus on customer success, and commitment to enable their communication needs."

"Tanla is powering digital communications for the world's largest vaccination drive by converting vaccines to vaccinations. Despite a raging pandemic, our team members displayed remarkable strength of character and proved that success can be achieved even in this adversity."

Uday Reddy further added "As part of our ESG initiative, Tanla will target to become carbon neutral by 2025."

### Financial Highlights

The financial year 20-21 was India's largest CPaaS provider's best performing year so far with quarterly and full year revenues touching a spectacular high.

On a year-on-year basis, revenues grew 24% to ₹648.56 crore during the fourth quarter with the full-year revenue breaching the ₹2,000 crore mark for the first time since inception standing at ₹2,341.47 crore, increasing by 21%.

Expanded profits - The Operating profit for the quarter more than doubled to ₹134.04 crore in comparison with last year's Q4 figures. Tanla generated an annual Operating profit of ₹433.46 crore with the Operating profit margin for the year increasing to 19% from 10%. Cash conversion (Operating cash flow to operating profit) at 129%.

Net profit for Q4 was at ₹102.54 crore. The full year net profit was at ₹356.14 crore.

Tanla and all its subsidiaries continue to remain debt free with surplus cash reserves.

## **Business Highlights**

### **Products & Platforms**

- Wisely, launched in January this year continues to disrupt the CPaaS ecosystem and is handling over 7.9 billion transactions till date for leading enterprises in India providing data security & data privacy for the end users.
- Trubloq, the DLT platform built to enforce the TRAI regulation saw massive adoption of the blockchain-based solution. We added 5,374 enterprises to the platform in Q4, bringing the total to 33,710 in 20-21. Trubloq has scrubbed 158 billion transactions since its commercial launch in September 2020 for some of the biggest enterprises across industries.

### **Total Enterprise Wins – Quarter & Full Year**

Tanla's growth in business for the quarter was propelled by 68 new customer wins. Tanla and its subsidiaries also added a total of 259 customers during the year that bolstered the company's revenues by ₹95 crore.

### **Responding to Covid**

The company is prioritizing employee well-being, health, and safety and is continuously taking extensive measures to offer timely support and care. A dedicated WhatsApp chatbot has been created as a helpline for all employees and many People First Initiatives have been taken:

- Tanla Aid has been setup to help employees with medical assistance, financial & emotional support as needed.
- Work from Home – Most employees have been asked to work from home and all steps to ensure continued service delivery to the clients are in place.
- Recuperation Leave – A 30-day leave has been granted to employees who have battled Covid for rest and recuperation. Employees can also avail a five-day leave as caregivers to assist family members recover from the pandemic.
- Remote Working Assistance – An allowance to set up an ergonomic home office and stable infrastructure for making these spaces more conducive was extended to every employee.

### **Environmental, Social, and Governance (ESG)**

To better execute on Tanla's mission, we focus our Environmental, Social, and Governance (ESG) efforts where we can have the most positive impact. A key initiative approved by the ESG council is to become carbon neutral by 2025.

### **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 62% 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 customers. Tanla Platforms Limited is headquartered in Hyderabad, India and is expanding its presence globally.

\*Operating Profit – Earnings before Interest, Taxes, Depreciation and Amortization.

## Safe Harbour

This document contains "forward-looking" statements, and these statements involve substantial risks and uncertainties. All statements other than statements of historical fact could be deemed forward-looking, including, but not limited to, expectations of future operating results or financial performance, market size and growth opportunities, the calculation of certain of our key financial and operating metrics, plans for future operations, competitive position, technological capabilities, and strategic relationships, as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, you can identify forward-looking statements by terminology such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "plan," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," "shall," and variations of these terms or the negative of these terms and similar expressions. You should not put undue reliance on any forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all.

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**P&L ACCOUNT– Q4, Full Year 20-21**

<b>Particulars</b>	<b>Q4FY21</b>	<b>Q3FY21</b>	<b>Q4FY20</b>	<b>FY 20-21</b>	<b>FY 19-20</b>
I. Revenue from operations	64,855.9	65,411.2	52,207.6	2,34,146.6	1,94,284.0
II. Other income	153.7	242.5	370.2	2,193.5	1,236.5
<b>III. Total Income (I+II)</b>	<b>65,009.6</b>	<b>65,653.8</b>	<b>52,577.8</b>	<b>2,36,340.0</b>	<b>1,95,520.4</b>
<b>IV. Expenses</b>					
Cost of services	47,167.0	49,296.8	41,012.5	1,76,380.1	1,55,171.8
Employee benefits expense	2,328.2	2,003.6	1,802.2	8,605.2	10,893.1
Depreciation expense	923.4	892.1	8,407.4	3,956.5	37,779.6
Connectivity expenses	409.9	286.4	240.0	1,174.1	816.3
Finance cost	11.2	17.4	191.6	107.5	641.6
Other expenses	1,546.2	1,136.3	3,294.3	4,641.3	8,900.4
<b>Total expenses (IV)</b>	<b>52,386.0</b>	<b>53,632.5</b>	<b>54,948.2</b>	<b>1,94,864.6</b>	<b>2,14,202.8</b>
<b>V. Profit / (loss) before exceptional items, share of profit/loss of associate and income tax (III - IV)</b>	<b>12,623.6</b>	<b>12,021.3</b>	<b>(2,370.4)</b>	<b>41,475.4</b>	<b>(18,682.4)</b>
VI. Exceptional item: Impairment of Goodwill	-	-	4,873.1	-	4,873.1
<b>VII. Profit / (loss) before non-controlling interest/share in net profit/(loss) of associate (V- VI)</b>	<b>12,623.6</b>	<b>12,021.3</b>	<b>(7,243.5)</b>	<b>41,475.4</b>	<b>(23,555.5)</b>
VIII. Share in net profit/(loss) of associate	-	-	-	-	(169.0)
<b>IX. Profit / (loss) before tax (VII + VIII)</b>	<b>12,623.6</b>	<b>12,021.3</b>	<b>(7,243.5)</b>	<b>41,475.4</b>	<b>(23,724.6)</b>
<b>X. Tax expense:</b>					
Current tax	2,603.4	1,680.4	1,125.5	5,890.8	1,125.5
Prior period tax	-	-	-	(1,074.8)	-
Deferred tax	(233.8)	988.9	543.9	1,045.6	(3,733.5)
<b>XI. Profit / (loss) for the year (IX - X)</b>	<b>10,254.0</b>	<b>9,351.9</b>	<b>(8,912.9)</b>	<b>35,613.8</b>	<b>(21,116.6)</b>
XII. Other comprehensive income	(30.4)	(173.0)	310.5	(535.6)	992.7
XIII. Total Comprehensive income for the period (XI + XII)	10,223.6	9,178.9	(8,602.4)	35,078.1	(20,123.9)
<b>XIV. Earnings per equity share</b>					
Basic & Diluted (not annualised for quarters)	7.54	6.87	(6.11)	25.27	(14.77)

**Media Contact:**

**For further information, please contact:**

Deepika Amirapu

Email: [deepika.amirapu@tanla.com](mailto:deepika.amirapu@tanla.com)

Phone: +91 900 099 9082.