

HYDERABAD, India — October 21, 2021 — Tanla Platforms Limited, India's largest CPaaS provider, today announced its financial results for the quarter two of FY'21-22.

Key Metrics: Second Quarter

- Revenue increased by 44% year-over-year to ₹8,416 million.
- Gross profit increased by 71% year-over-year to ₹2,302 million. Gross margin % at 27.4% and improved by 440 basis points year-over-year.
- EBITDA increased by 83% year-over-year to ₹1,787 million. EBITDA % at 21.2 % and improved by 452 basis points year-over-year.
- Profit after tax increased by 67% year-over-year to ₹1,362 million.
- Earnings per share increased by 72% to ₹10.04.
- Free cash flow at ₹2,217 million and Cash & Cash Equivalents at ₹8,457 million

Key Metrics: Half Yearly

- Revenue increased by 41% year-over-year to ₹14,680 million.
- Gross profit increased by 68% year-over-year to ₹4,037 million. Gross margin % at 27.5% and improved by 443 basis points year-over-year.
- EBITDA increased by 82% year-over-year to ₹3,132 million. EBITDA % at 21.3% and improved by 473 basis points year-over-year.
- Profit after tax increased by 50% year-over-year to ₹2,407 million.
- Earnings per share increased by 61% to ₹17.71.
- Free cash flow at ₹3,502 million.

Uday Reddy, Founder Chairman & CEO, Tanla Platforms Limited said, "Our stellar performance was contributed by higher wallet share from existing customers and additional market share expansion from newer clients."

Significant events during the quarter

- Gartner recognizes Tanla In the latest CPaaS market guide as a key global solution provider in the Developer market. Only Asian Company to be recognized under Developer category.
- We celebrated the first anniversary of commercial launch of Trubloq, world's first and largest block-chain use case and increased our market share to 63%.
- We closed two significant partnerships on Wisely platform, which will be announced during the quarter.
- The customer base has expanded with addition of 87 new customers. Revenues from >₹10Mn+ customers grew by 46% year-over-year.
- We hired 111 employees during the quarter. To date, 91% of employees have received first dose of vaccination. Our senior leadership team are back to office, and we plan to bring rest of employees back in a phased manner.

- Appointed PwC as our consultants to advise us on our ESG aspirations & roadmap. Under Social of ESG, Tanla Foundation signed an MoU with Education Dept, Govt of Telangana for PILLARS (Project for Improvement of Learning Levels through Academic support for Rural Schools).
- Completed buyback of equity shares. Total of 705,677 shares were bought back at an average price of ₹ 907 per equity share. ₹ 801 million was incurred towards buyback, out of which, ₹ 649.8 million was returned to shareholders, ₹ 151 million was paid as buyback tax@ 23.36% on distributed amount and ₹ 16 million was paid towards transaction cost. The buyback was closed on September 06, 2021.
- Final dividend was approved by the shareholders in the annual general meeting, and we have completed the payouts.

Invitation to conference:

Tanla will host a conference call and live webcast to discuss the financial results.

Conference call details:

The conference call will begin at 4.00 PM IST on October 22, 2021. Interested parties may listen to the call by dialing +91 22 6280 1141 / +91 22 7115 8042, or if outside India, by dialing toll free number UK 08081011573, USA 18667462133, Hong Kong 800964448, and Singapore 8001012045. The live audio webcast link will be available on the Tanla website

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About Tanla

Tanla 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, it processes more than 800 billion interactions annually and about 63% of India's A2P SMS traffic is processed through Trubloq, making it the world's largest Blockchain use case. Wisely, our patented enterprise grade platform offers private, secure, and trusted experiences for enterprises and mobile carriers. Tanla Platforms Limited is headquartered in Hyderabad. Tanla is listed on two national exchanges, the NSE and BSE, (NSE: TANLA; BSE:532790) and included in prestigious indices such as the Nifty 500 and BSE 500, FTSE Russell and MSCI.

Safe Harbor

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.

Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control. Our actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors. If the risks or uncertainties ever materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. We assume no obligation and do not intend to update these forward-looking statements or to conform these statements to actual results or to changes in our expectations, except as required by law.

This document contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this document.

By receiving this document, you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of our business.

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Consolidated statement of Profit and Loss (Unaudited):

			Rs. Lakhs
Particulars	Q2FY22	Q1 FY 22	Q2 FY 21
I. Revenue from operations (net)	84,161.76	62,638.36	58,324.67
II. Other income	314.48	430.13	474.47
III. Total Income (I+II)	84,476.24	63,068.49	58,799.14
IV. Expenses			
Cost of services	61,138.78	45,292.73	44,891.65
Employee benefits expense	3,305.47	2,530.56	2,283.26
Depreciation and amortisation expense	1,041.40	914.97	992.26
Connectivity expenses	351.00	275.18	280.78
Finance costs	57.87	16.28	8.94
Other expenses	1,498.37	1,087.01	1,115.73
Total expenses (IV)	67,392.89	50,116.73	49,572.62
V. Profit before share of profit/loss of associate and income tax (III - IV)	17,083.35	12,951.76	9,226.52
VI. Share in net profit/(loss) of associate	-	-	-
VII. Profit before tax (V - VI)	17,083.35	12,951.76	9,226.52
VIII. Tax expense:			
Current tax	3,356.95	2,488.48	1,053.21
Prior period taxes/MAT credit	(177.66)	(195.37)	-
Deferred tax	287.01	210.16	26.00
IX. Net Profit for the period (VII - VIII)	13,617.05	10,448.49	8,147.31
X. Other comprehensive income	25.11	200.28	(330.52)
XI. Total Comprehensive income for the period (IX + X)	13,642.16	10,648.77	7,816.79
XII. Earnings per equity share			
Basic & Diluted (not annualized for quarters)	10.04	7.68	5.85

Consolidated Abridged Cash Flow Statement (Unaudited):

			Rs. Lakhs
Net cash provided by/(used in):	H1 FY 22	FY 21	H1 FY 21
Operating activities	37,308.22	56,101.69	19,339.4
Investing activities	(1,546.19)	(977.64)	7.78
Financing activities	(9,608.81)	(16,767.36)	(16,013.84)
Net increase in cash and cash equivalents	26,153.22	38,356.69	3,333.34
Cash and cash equivalents at the beginning of the year	58,414.15	20,057.47	20,057.47
Cash and cash equivalents at the end of the period	84,567.37	58,414.16	23,390.81

Consolidated statement of assets and liabilities

ASSETS	As at Sept 30, 2021	Rs. Lakhs
	(Unaudited)	As at Mar 31, 2021
		(Audited)
Non-current assets		
Property, plant and equipment	3,170.21	2,966.56
Intangible assets	9,852.11	8,881.46
Intangible assets under development	1,232.23	638.67
Goodwill on Consolidation	13,455.69	13,455.69
Right-of-use assets	3,492.28	385.79
Other financial assets	728.39	627.09
Deferred tax assets	3,787.20	4,284.37
Other non-current assets	1,681.47	3,069.23
Total non-current assets	37,399.58	34,308.86
Current assets		
Trade receivables	44,289.49	37,314.68
Cash and cash equivalents	79,573.80	53,710.97
Bank balances other than cash and cash equivalents	4,993.57	4,703.18
Loans and advances	353.92	343.55
Other financial assets	33,502.88	25,646.05
Other current assets	5,492.04	5,233.46
Total current assets	1,68,205.70	1,26,951.89
TOTAL ASSETS	2,05,605.28	1,61,260.75
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,353.31	1,360.36
Other equity	1,02,858.23	87,949.86
Total equity	1,04,211.54	89,310.22
Non-current liabilities		
Lease liabilities	3,589.08	348.67
Other financial liabilities	34.60	45.35
Provisions	482.74	600.98
Other non-current liabilities	40.85	219.56
Total non-current liabilities	4,147.27	1,214.56
Current liabilities		
Financial liabilities		
Trade payables	69,500.58	50,619.82
Lease liabilities	178.68	86.24
Other financial liabilities	23,895.59	19,188.38
Other current liabilities	2,710.13	574.53
Provisions	122.88	96.41
Liabilities for current tax (net)	838.61	170.59
Total current liabilities	97,246.47	70,735.97
TOTAL EQUITY AND LIABILITIES	2,05,605.28	1,61,260.75