

HYDERABAD, India — January 21, 2022 — Tanla Platforms Limited, India's largest CPaaS provider, today announced its financial results for the quarter three of FY'21-22.

Key Metrics: Third Quarter

- Revenue increased by 35% year-over-year to ₹8,849 million.
- Gross profit increased by 62% year-over-year to ₹2,610 million. Gross margin at 29.5% and improved by 486 basis points year-over-year.
- EBITDA increased by 60% year-over-year to ₹2,028 million. EBITDA at 22.9 % and improved by 352 basis points year-over-year.
- Profit after tax increased by 69% year-over-year to ₹1,580 million.
- Earnings per share increased by 70% to ₹11.66.
- Free cash flow at ₹302 million and Cash & Cash Equivalents at ₹8,807 million

Key Metrics: Nine months

- Revenue increased by 39% year-over-year to ₹23,529 million.
- Gross profit increased by 66% year-over-year to ₹6,647 million. Gross margin at 28.2% and improved by 457 basis points year-over-year.
- EBITDA increased by 72% year-over-year to ₹5,161 million. EBITDA at 21.9% and improved by 425 basis points year-over-year.
- Profit after tax increased by 57% year-over-year to ₹3,987 million.
- Earnings per share increased by 65% to ₹29.37.
- Free cash flow at ₹3,804 million.

Uday Reddy, Founder Chairman & CEO, Tanla Platforms Limited said, "Tanla has delivered year-on-year growth for 22 quarters in a row with a very strong performance in the quarter across all metrics, and we are confident this momentum will continue."

Significant events during the quarter

- Tanla and Vodafone Idea Limited (Vi) entered into an exclusive multi-year partnership for deployment of patented block-chain enabled Wisely Platform to secure, encrypt and enhance performance for the entire international messaging traffic on the Vi network.
- Onboarded two of the top ten Indian banks for secure and critical notification service on Wisely.
- Trubloq, our DLT platform crossed 31bn transactions in December 2021, handling more than 1bn transaction a day.
- Tanla has been included in Nifty India Digital Index, newly launched by NSE to track stocks broadly representing digital theme.
- The customer base has expanded with addition of 77 new customers. Revenue from >₹10Mn+ customers grew by 36% year-over-year.

- As part of our net zero journey, we have measured our baseline carbon footprint and are working towards achieving commendable USGBC certifications for our new premises.

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 4.30 PM IST on January 24, 2022. 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 8009644448, 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, Nifty Digital Index, 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 | Q3 FY22 | Q2 FY22 | Q3 FY21 |
| I. Revenue from operations (net) | 88,492.00 | 84,161.76 | 65,411.22 |
| II. Other income | 409.19 | 314.48 | 242.55 |
| III. Total Income (I+II) | 88,901.19 | 84,476.24 | 65,653.77 |
| IV. Expenses | | | |
| Cost of services | 62,394.27 | 61,138.78 | 49,296.79 |
| Employee benefits expense | 3,797.02 | 3,305.47 | 2,003.54 |
| Depreciation and amortisation expense | 1,110.07 | 1,041.40 | 892.10 |
| Connectivity expenses | 326.38 | 351.00 | 286.40 |
| Finance costs | 28.21 | 57.87 | 17.37 |
| Other expenses | 1,690.34 | 1,498.37 | 1,136.29 |
| Total expenses (IV) | 69,346.29 | 67,392.89 | 53,632.49 |
| V. Profit before share of profit/loss of associate and income tax (III - IV) | 19,554.90 | 17,083.35 | 12,021.28 |
| VI. Share in net profit/(loss) of associate | - | - | - |
| VII. Profit before tax (V - VI) | 19,554.90 | 17,083.35 | 12,021.28 |
| VIII. Tax expense: | | | |
| Current tax | 3,553.31 | 3,356.95 | 1,680.40 |
| Prior period taxes/MAT credit | - | (177.66) | - |
| Deferred tax | 201.31 | 287.01 | 988.93 |
| IX. Net Profit for the period (VII - VIII) | 15,800.28 | 13,617.05 | 9,351.95 |
| X. Other comprehensive income | 16.93 | 25.11 | (173.02) |
| XI. Total Comprehensive income for the period (IX + X) | 15,817.21 | 13,642.16 | 9,178.93 |
| XII. Earnings per equity share | | | |
| Basic & Diluted (not annualized for quarters) | 11.66 | 10.04 | 6.87 |

Consolidated Abridged Cash Flow Statement:

| | Rs. Lakhs | | |
|--|--------------------|------------------|--------------------|
| | 9M FY 22 | FY 21 | 9M FY 21 |
| | (Unaudited) | (Audited) | (Unaudited) |
| Net cash provided by/(used in): | | | |
| Operating activities | 41,487.09 | 56,101.69 | 41,862.24 |
| Investing activities | (2,293.47) | (977.64) | (957.01) |
| Financing activities | (9,534.98) | (16,767.36) | (16,030.03) |
| Net increase in cash and cash equivalents | 29,658.64 | 38,356.69 | 24,875.20 |
| Cash and cash equivalents at the beginning of the year | 58,414.16 | 20,057.47 | 20,057.47 |
| Cash and cash equivalents at the end of the period | 88,072.80 | 58,414.16 | 44,932.67 |

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 | 2,702.65 | 2,966.56 |
| Intangible assets | 9,111.81 | 8,881.46 |
| Intangible assets under development | 2,767.90 | 638.67 |
| Goodwill | 13,455.69 | 13,455.69 |
| Capital work in progress | 745.88 | - |
| Right-of-use assets | 5,577.19 | 385.79 |
| Other financial assets | 1,027.33 | 627.09 |
| Deferred tax assets | 3,712.03 | 4,284.37 |
| Other non-current assets | 2,053.32 | 3,069.23 |
| Total non-current assets | 41,153.80 | 34,308.86 |
| Current assets | | |
| Trade receivables | 52,117.18 | 37,314.68 |
| Cash and cash equivalents | 86,815.48 | 53,710.97 |
| Bank balances other than cash and cash equivalents | 1,257.32 | 4,703.18 |
| Loans and advances | 8.89 | 343.55 |
| Other financial assets | 38,505.55 | 25,646.05 |
| Other current assets | 4,564.81 | 5,233.46 |
| Total current assets | 1,83,269.23 | 1,26,951.89 |
| TOTAL ASSETS | 2,24,423.03 | 1,61,260.75 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 1,357.46 | 1,360.36 |
| Other equity | 1,19,207.73 | 87,949.86 |
| Total equity | 1,20,565.19 | 89,310.22 |
| Non-current liabilities | | |
| Lease liabilities | 5,435.29 | 348.67 |
| Other financial liabilities | 37.33 | 45.35 |
| Provisions & other liabilities | 155.90 | 820.54 |
| Total non-current liabilities | 5,628.52 | 1,214.56 |
| Current liabilities | | |
| Financial liabilities | | |
| Trade payables | 66,165.84 | 50,619.82 |
| Other financial liabilities | 28,578.53 | 18,599.54 |
| Other current liabilities | 1,273.87 | 1,249.60 |
| Provisions | 20.67 | 96.42 |
| Liabilities for current tax (net) | 2,190.41 | 170.59 |
| Total current liabilities | 98,229.32 | 70,735.97 |
| TOTAL EQUITY AND LIABILITIES | 2,24,423.03 | 1,61,260.75 |