

May 19, 2021

To
The BSE Limited
The National Stock Exchange of India Limited

Dear Sir/Madam,

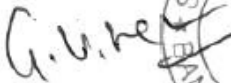
Sub: Subex Limited “The Company”- Updated Investor Presentation for Q4FY21 Earnings Call on May 19, 2021

As per Regulation 30 of the SEBI (LODR) Regulations, 2015, please find enclosed the Updated Investor presentation for Q4FY21, which will be presented by the Company at the Earnings Call scheduled to be held today at 04.00 PM (IST).

Kindly broadcast the same on your website.

Thanking you.

Yours truly,
For Subex Limited



G V Krishnakanth
Company Secretary & Compliance Officer



Subex Limited

CIN - L85110KA1994PLC016663

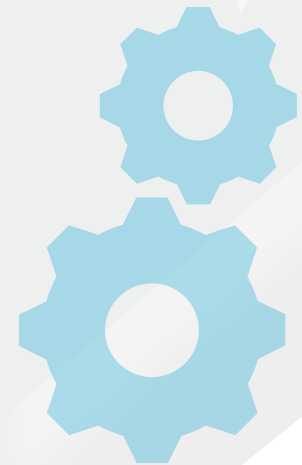
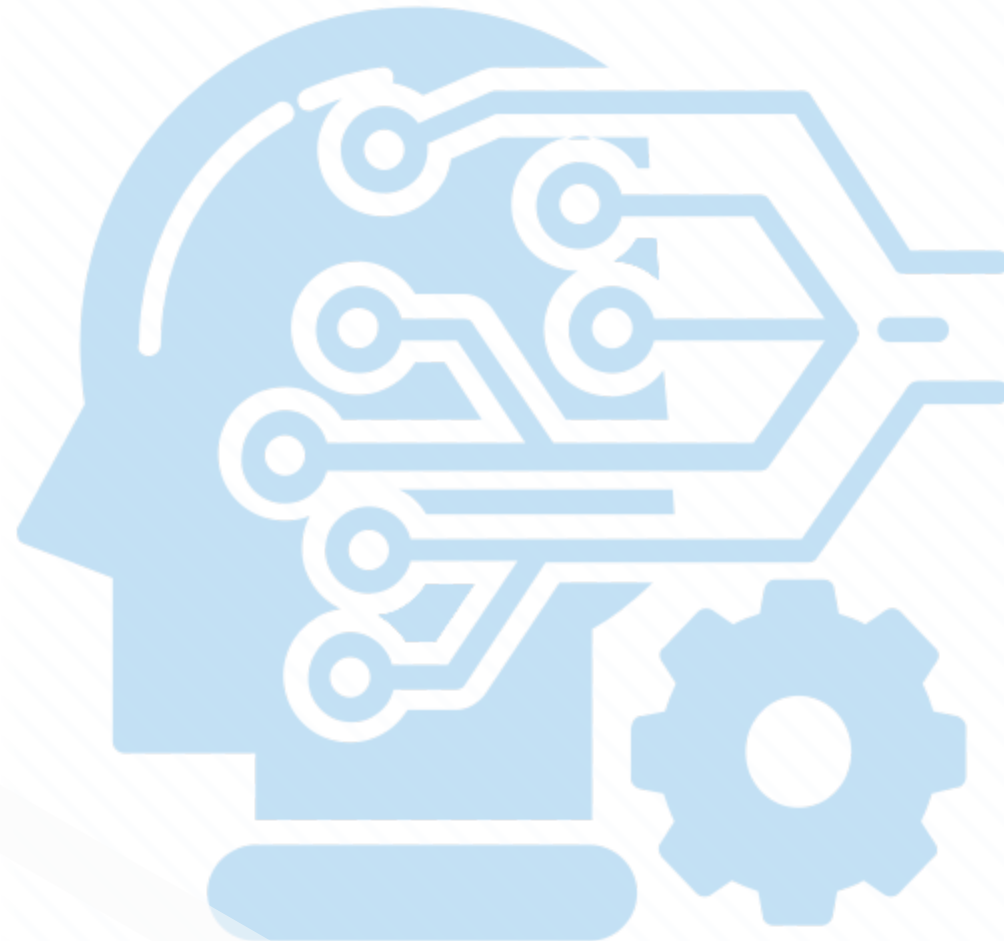
Registered Address : Pritech Park - SEZ, Block-09, 4th Floor B Wing
Survey No. 51 to 64/4, Outer Ring Road, Bellandur Village, Varthur Hobli, Bengaluru - 560 103. India



Subex Limited

Investor Presentation – Q4FY21

19th May 2021



Forward looking statement

Certain statements in this presentation concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, fluctuations in earnings, our ability to successfully integrate acquisitions, competition in our areas of business, client concentration, liability for damages in our contracts, withdrawal of tax incentives, political instability, unauthorized use of our intellectual property and general economic conditions affecting our industry

Agenda

- Company Overview
- Investment Rationale
- Quarterly Financial Performance
- Awards & Recognitions





Company Overview

Snapshot

Nature of Business

- Pioneer in enabling Digital Trust for businesses globally
- Focus on six tenets of Digital Trust like privacy, security, risk mitigation, identity and intelligence to enable trust across people, processes & systems

Management

- Managed by handpicked professionals from a cross-section of the industry
- Supported by an experienced second in line management team

Products

- Revenue Assurance
- Network Analytics
- Fraud Management
- Identity Analytics
- Partner Ecosystem Management
- IOT Security
- Analytics Center of Trust
- Anomaly Detection
- Augmented Analytics

Financial Performance FY21

REVENUE



₹ 3,720.3 Mn

↑ 2%

EBITDA



₹ 985 Mn

Margin
26.5%

Profit After Tax



₹ 517 Mn

↑ 119%

Subex Today



1994
*Foundation of
Company*



Years of Experience



1000+
Employees



300+
Global Installations



90+
Countries



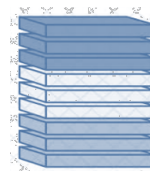
200+
*Customers
Globally*



35+
Industry Awards



US\$ 3.0mn
*R&D spend in
new areas*



US\$ 40 mn
Order Book in FY21

Vision Statement

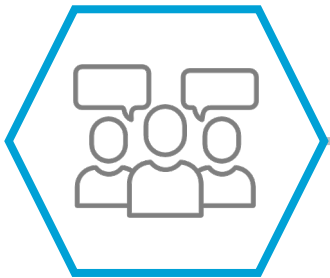
PURPOSE

Unlocking Possibilities

VISION

To be the Global Leader in Digital Trust

OUR VALUES



THINK CUSTOMER



MAKE IT HAPPEN



CREATE VALUE

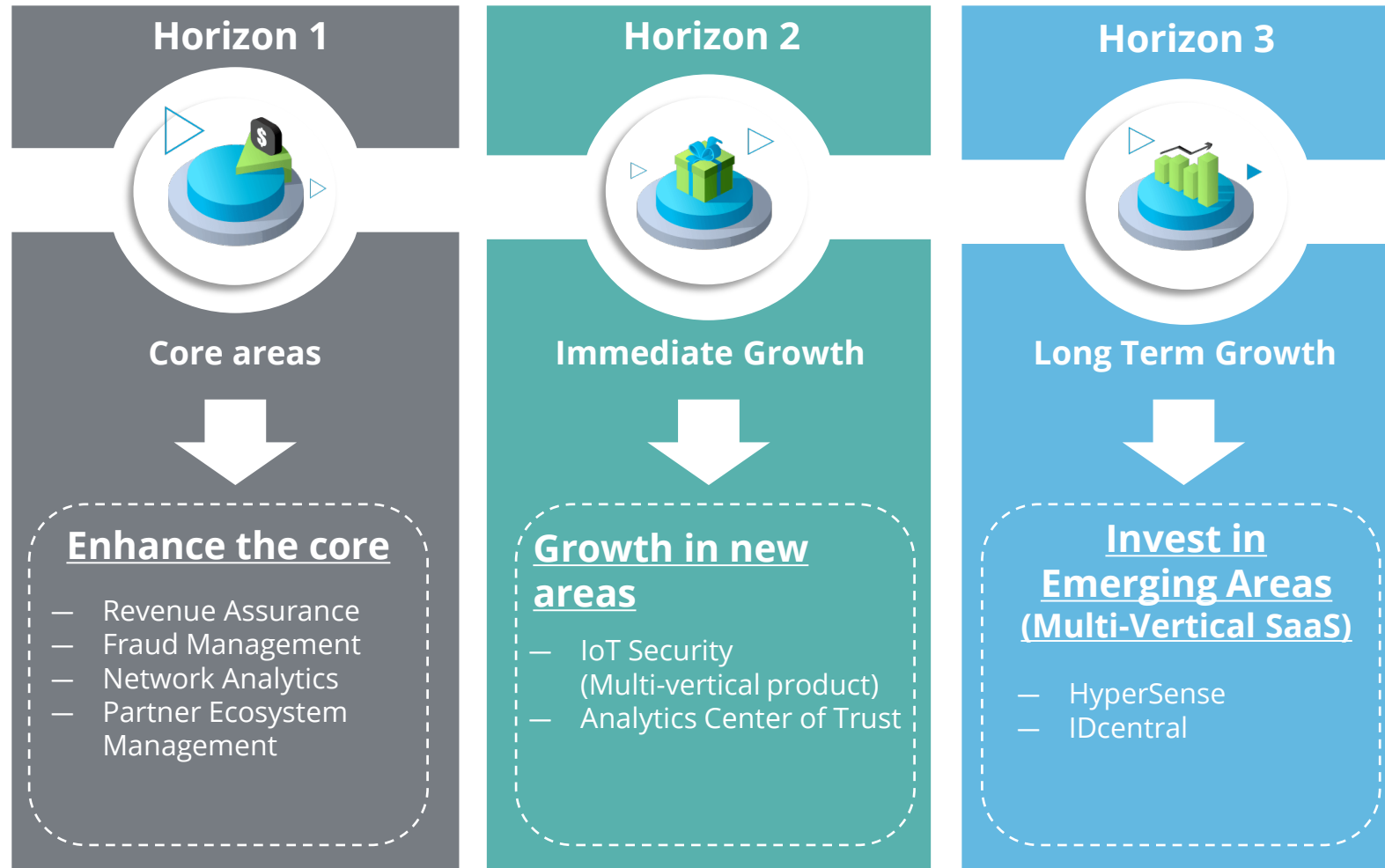


BE OPEN. BE FAIR.



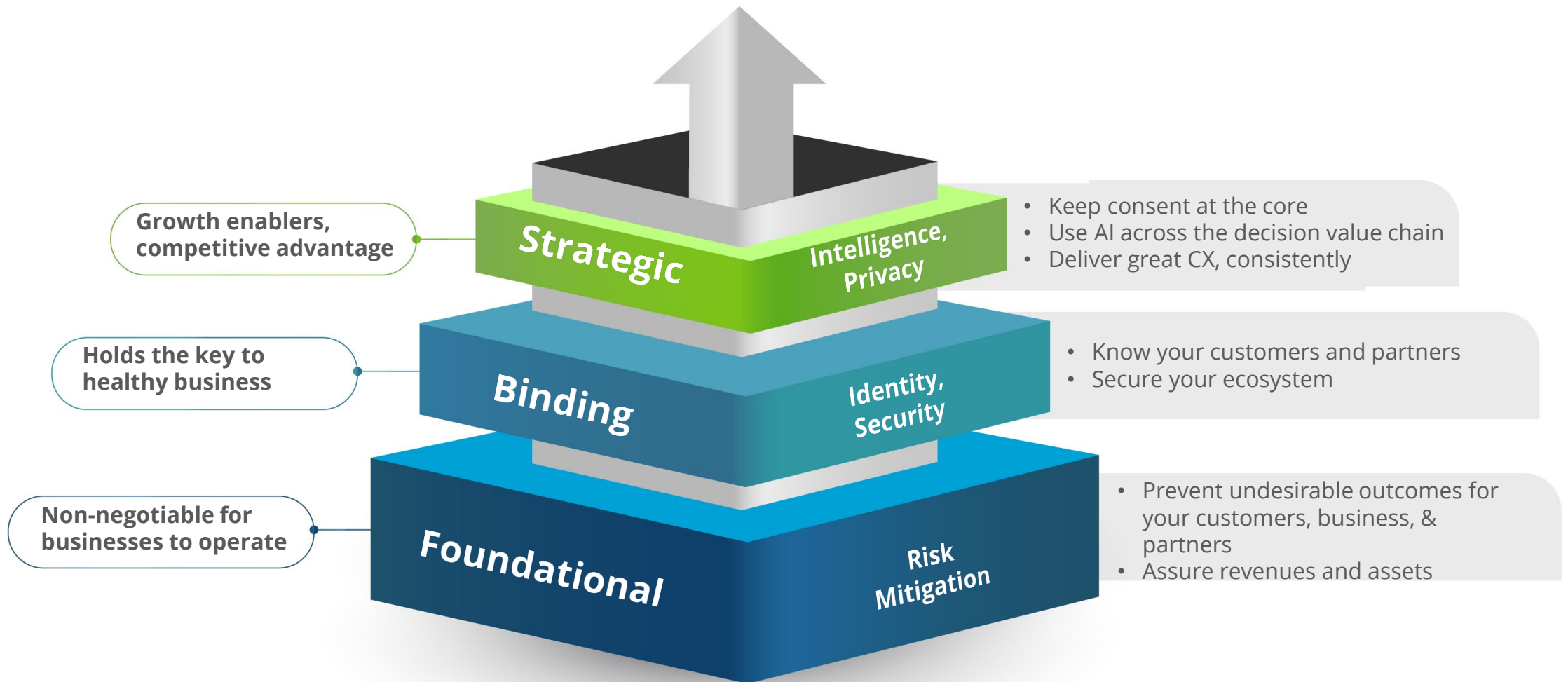
WIN TOGETHER

3 Horizon Strategy for Growth

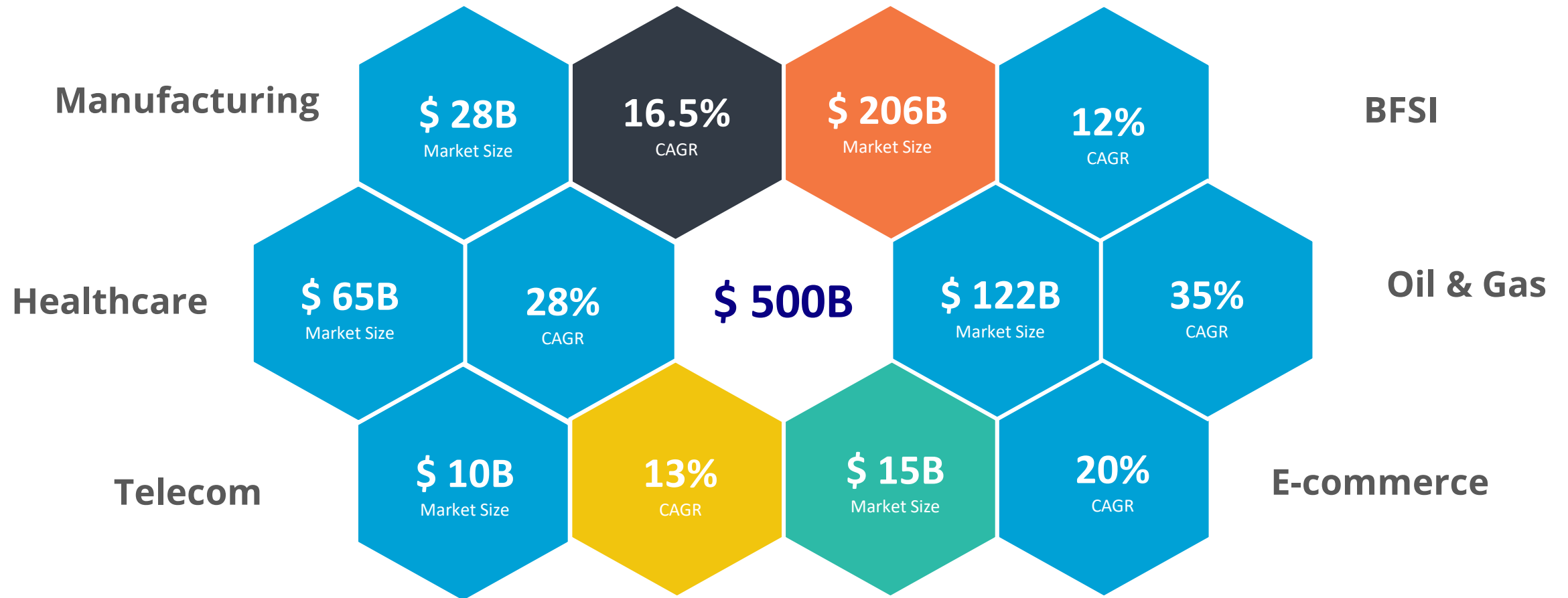


Successful execution of strategy will create substantial value for all stakeholders

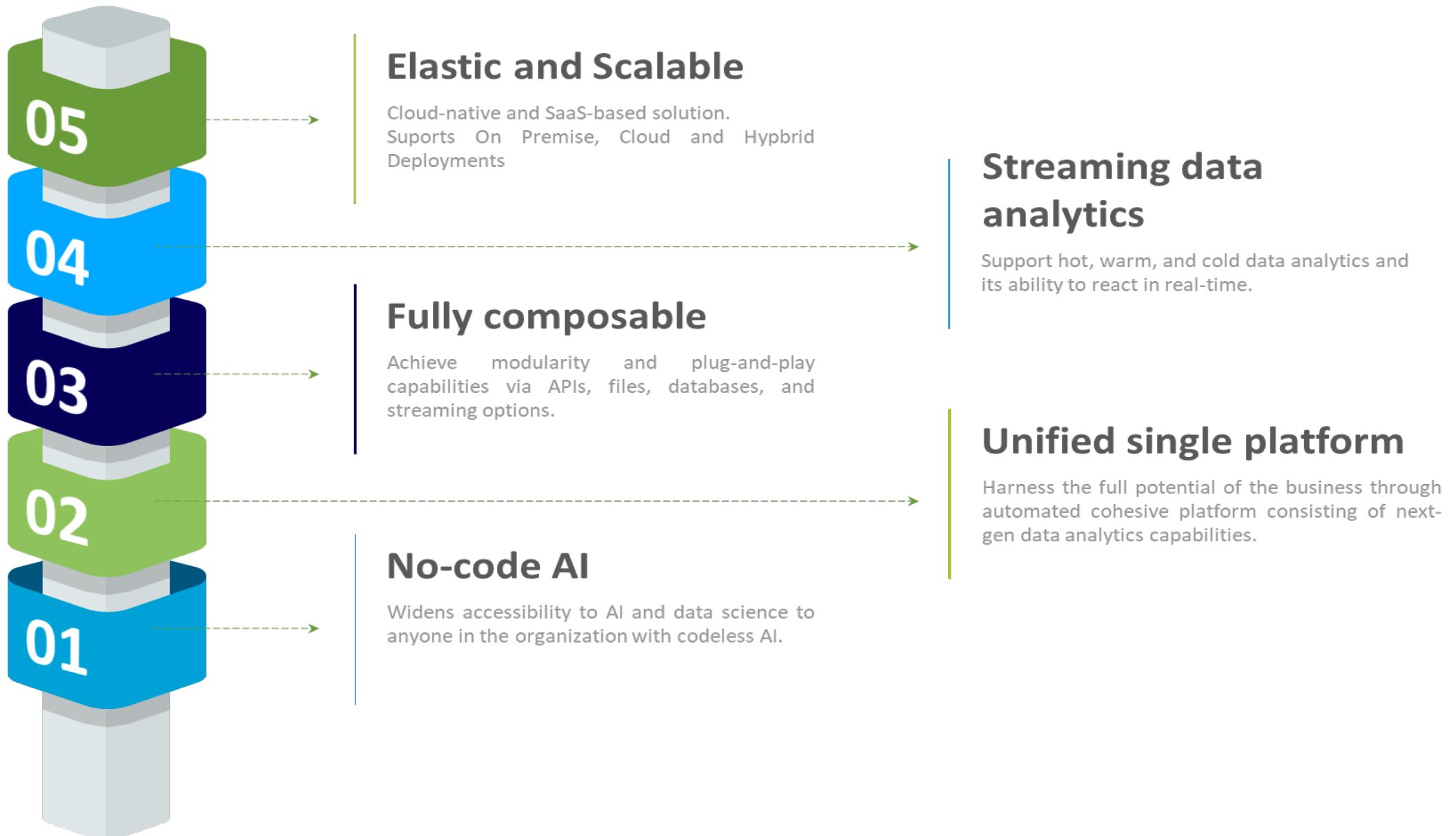
Subex – Partner for Digital Trust



Analytics Market Size



Advantages of HyperSense Platform



Investment Rationale

- ❑ Leader in Digital Trust space and helping businesses thrive by leveraging Digital Trust as a competitive advantage
- ❑ Making strong inroads in the multi vertical IoT Security space; IoT Security Market is expected to touch US\$ 4.5 billion by 2022
- ❑ Incubating virtual startups within the organization to diversify into new areas and verticals
- ❑ Sticky Revenue Model – about 60% of revenue is annuity / recurring and >98% customer retention
- ❑ Investing heavily in newer areas like Digital Trust and AI/ML, Augmented Analytics and Deep learning-based anomaly detection
- ❑ With launch of HyperSense and progress on IOT-Security and ID Central company transitioning towards a Platform based SaaS business model
- ❑ Passionate and committed team led by CEO Vinod Kumar with clear focus to put the company on growth track

Highlights of the Year

❑ Capital Structure

- ✓ Successful Completion of the capital reduction process
- ✓ Board recommended a final dividend of 5%, together with interim dividend of 10%, total dividend for the FY21 stood at 15%

❑ Product Launches

- ✓ Partner Ecosystem Management to help CSPs to accelerate their digital services portfolio expansion

❑ Core Product Wins

- ✓ stc (Saudi Telecom Company) for integrated Revenue Assurance and Fraud Management solution
- ✓ Telefonica for the latest version of Fraud Management
- ✓ Tier-I North American operator for Partner Ecosystem Management
- ✓ Tier-I APAC operator for Business Assurance

❑ New Area Wins

- ✓ Africa regulatory body for Capacity Management
- ✓ Tier-I APAC operator for IDcentral
- ✓ Leading mobile lending platform in the APAC market for IDcentral
- ✓ Middle East petroleum company for Subex Secure

❑ Other Announcements

- ✓ Gartner's Emerging Technologies and Trends Impact Radar for Artificial Intelligence in Telecom Report - Sample Provider for Augmented Analytics
- ✓ Tech Mahindra partnership to drive adoption of blockchain-based solutions for telecom operators globally
- ✓ SkyLab partnership to secure shipping industry
- ✓ O-RAN Alliance participation to help accelerate the adoption of open radio access networks



Quarterly Financial Performance

Financial Highlights – Q4FY21

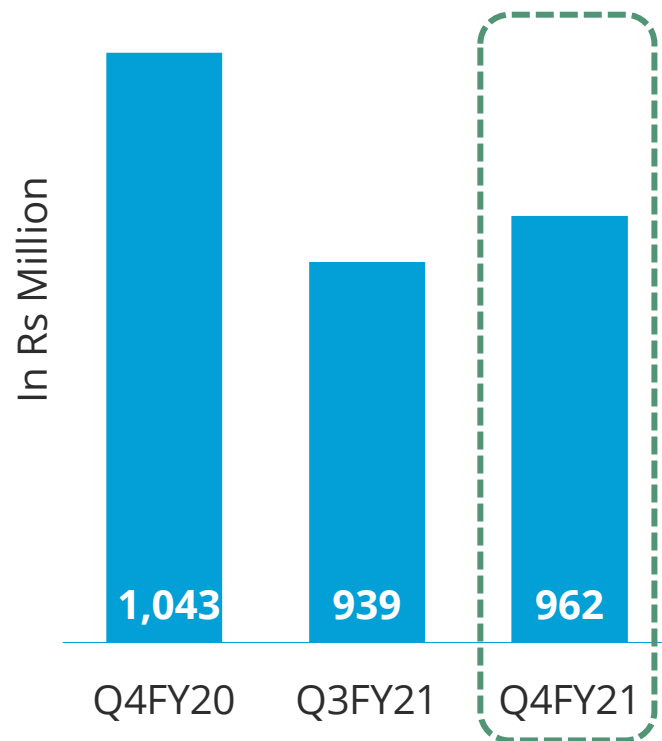
- ❑ Operating Revenue was at Rs 961.6 Million, up 2.4% Q-o-Q
- ❑ EBITDA was at Rs 231.5 Million, up 13.8% Q-o-Q
- ❑ EBITDA margin stood at 24.1%, up 240 bps Q-o-Q
- ❑ Profit before exceptional items & tax was at Rs 221.9 Million, up 32.2% Q-o-Q
- ❑ Profit after tax was at Rs 156.0 Million, up 79.1% Q-o-Q
- ❑ EPS was at Rs 0.29 as against Rs 0.16 in Q3FY21 and Rs 0.59 in Q4FY20
- ❑ As on 31st March 2021, total contracted backlog is US\$ 110 Million; out of this the next 12 months backlog is US\$ 39.7 Million

Financial Highlights – FY21

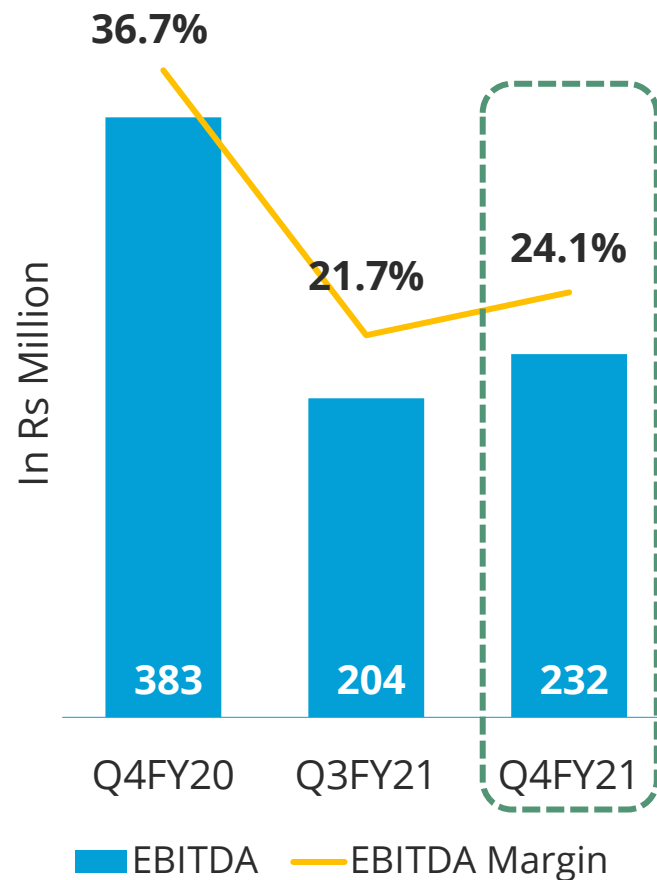
- ❑ Operating Revenue was at Rs 3,720.3 Million, up 1.9% Y-o-Y
- ❑ EBITDA was at Rs 985.0 Million and EBITDA margin stood at 26.5%
- ❑ Profit before exceptional items & tax was at Rs 865.0 Million, up 8.2% Y-o-Y
- ❑ Profit after tax was at Rs 517.2 Million, up 119.2% Y-o-Y
- ❑ EPS was at Rs 0.96 as against Rs (4.94) in FY20
- ❑ Total cash, cash equivalents and free cash flow stood at Rs 1,429.4 Million and Rs 824.0 Million respectively
- ❑ ROE is 9.1% and ROCE is 15.6% for FY21 as compare to ROE of 7.4% and ROCE of 15.2% for FY20 excluding exceptional gains and losses
- ❑ Board recommended a final dividend of 5%, together with interim dividend of 10%, total dividend for the FY21 stood at 15%

Financial Summary – Q4FY21

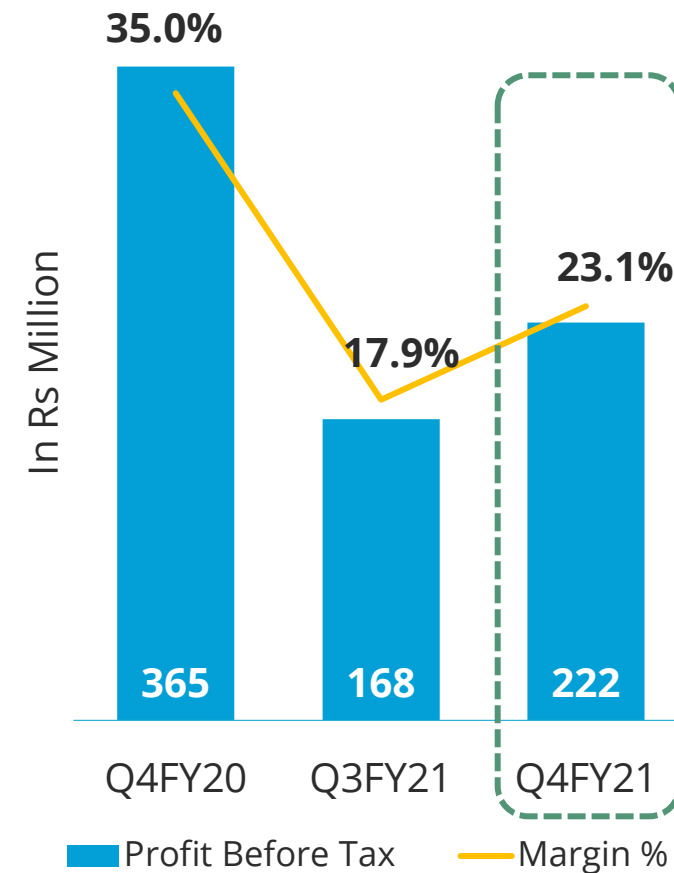
Operating Revenue



EBITDA

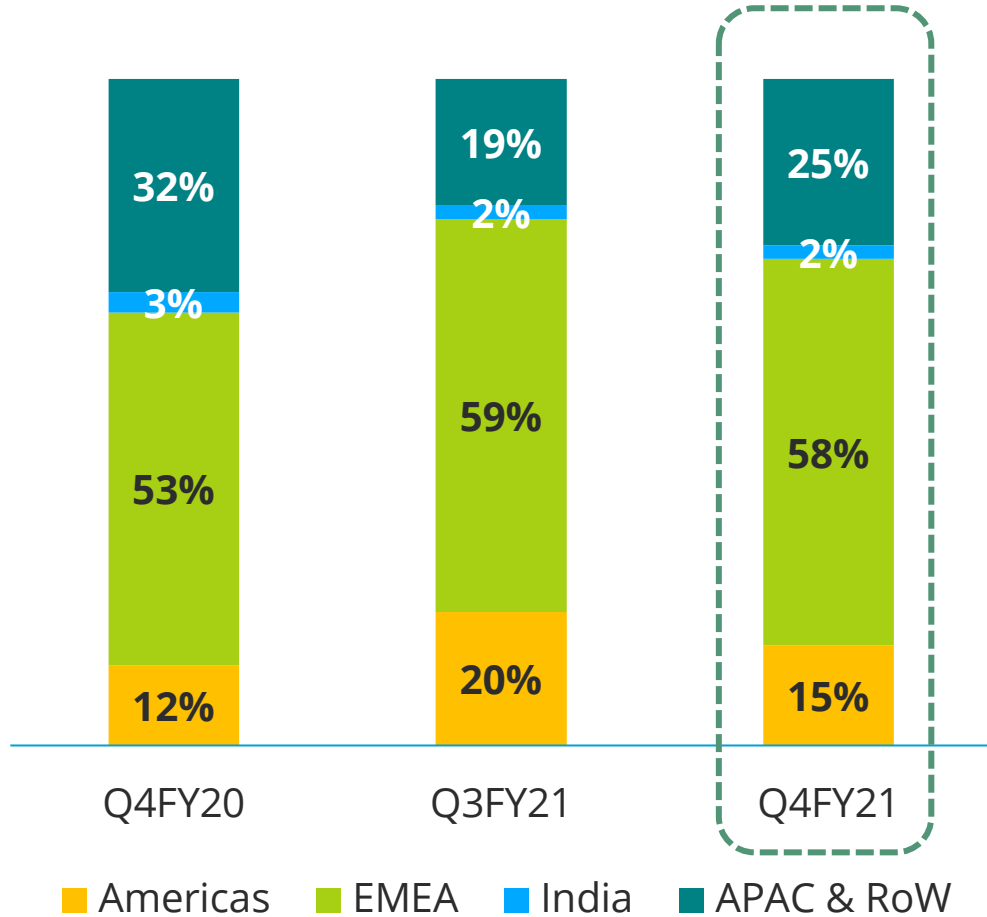


Profit Before Tax

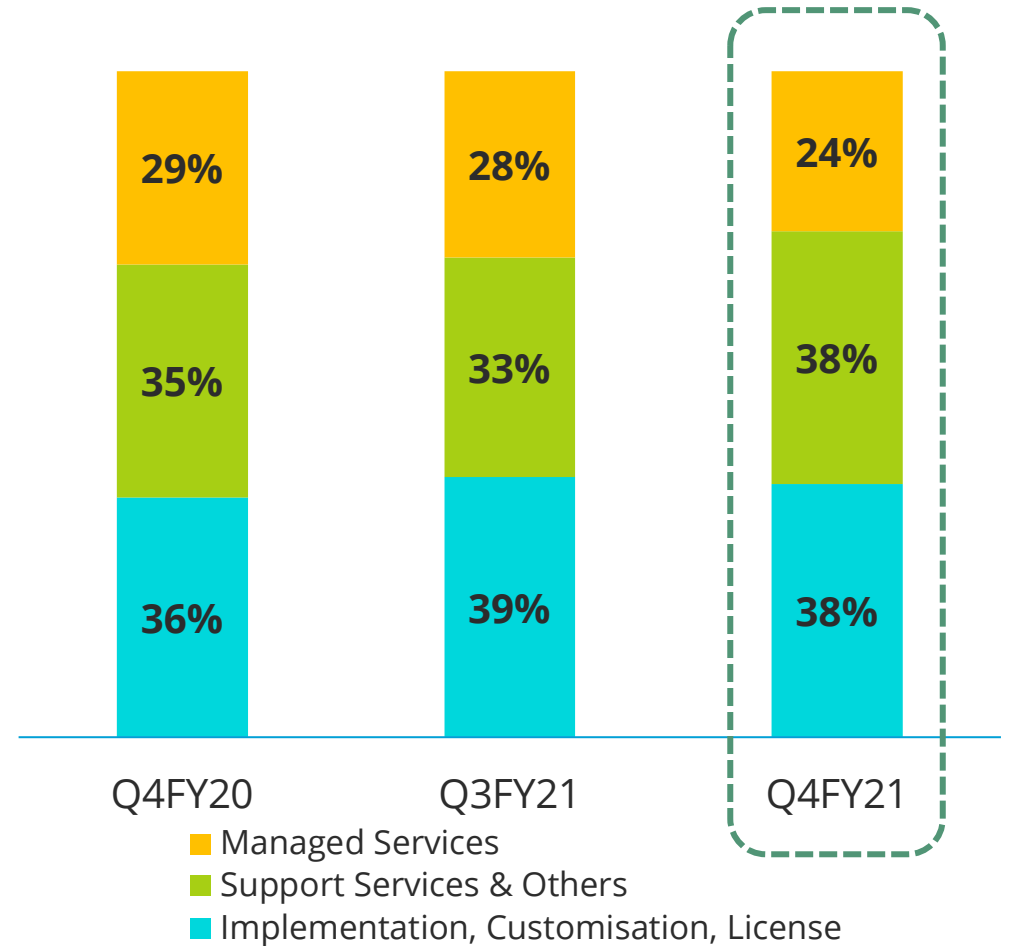


Revenue Metrics – Q4FY21

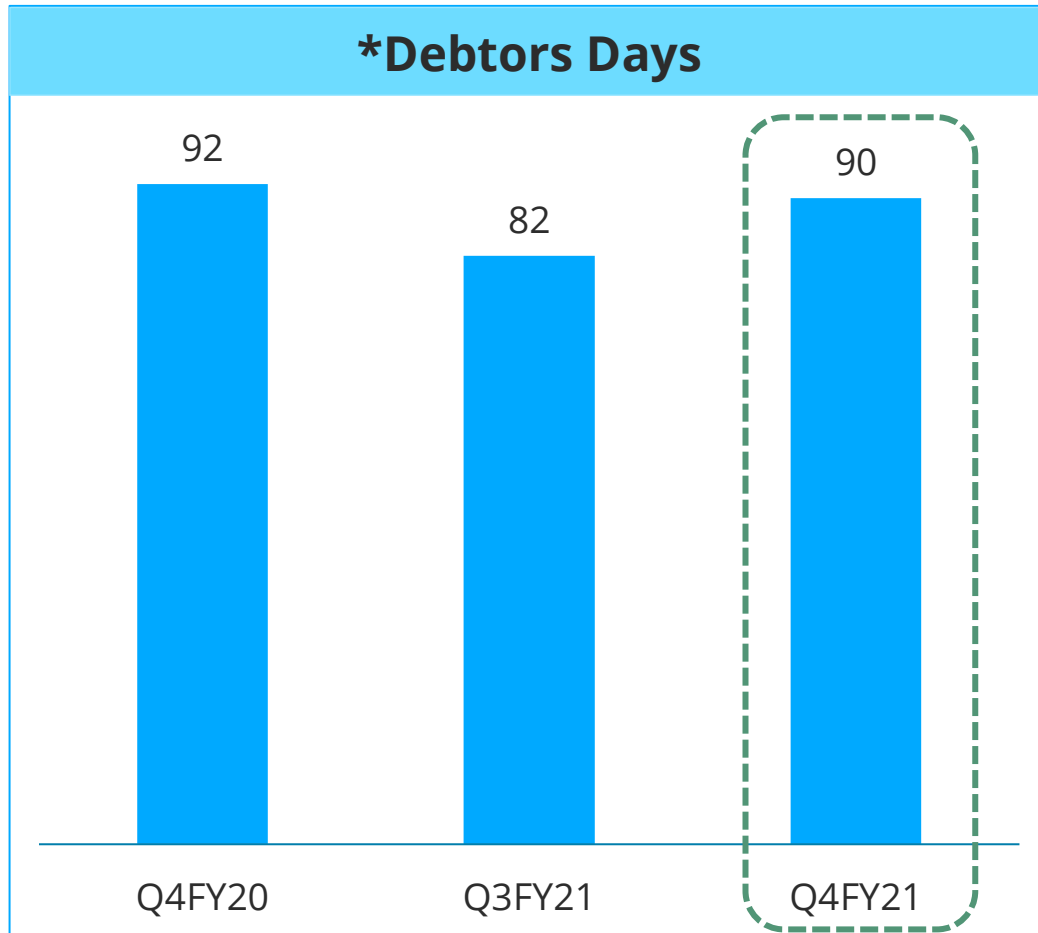
Revenue by Region



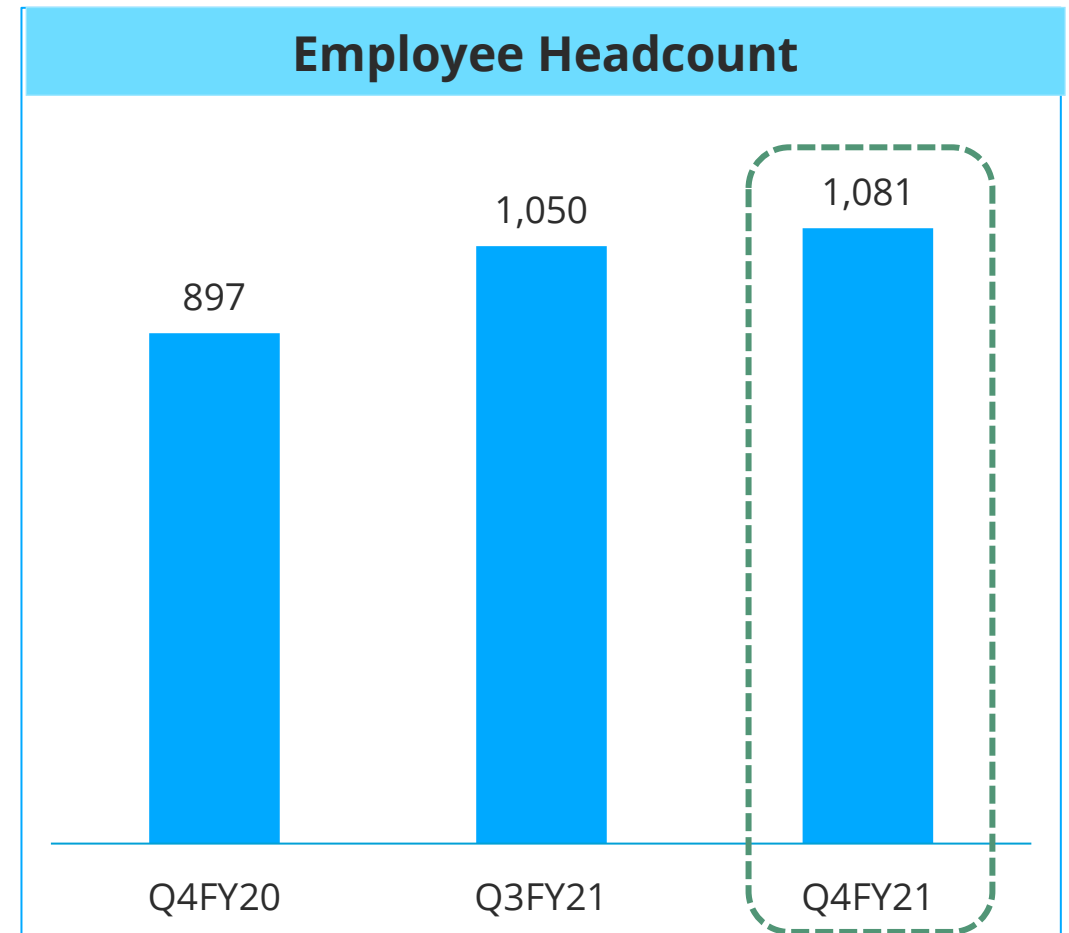
Revenue by Service



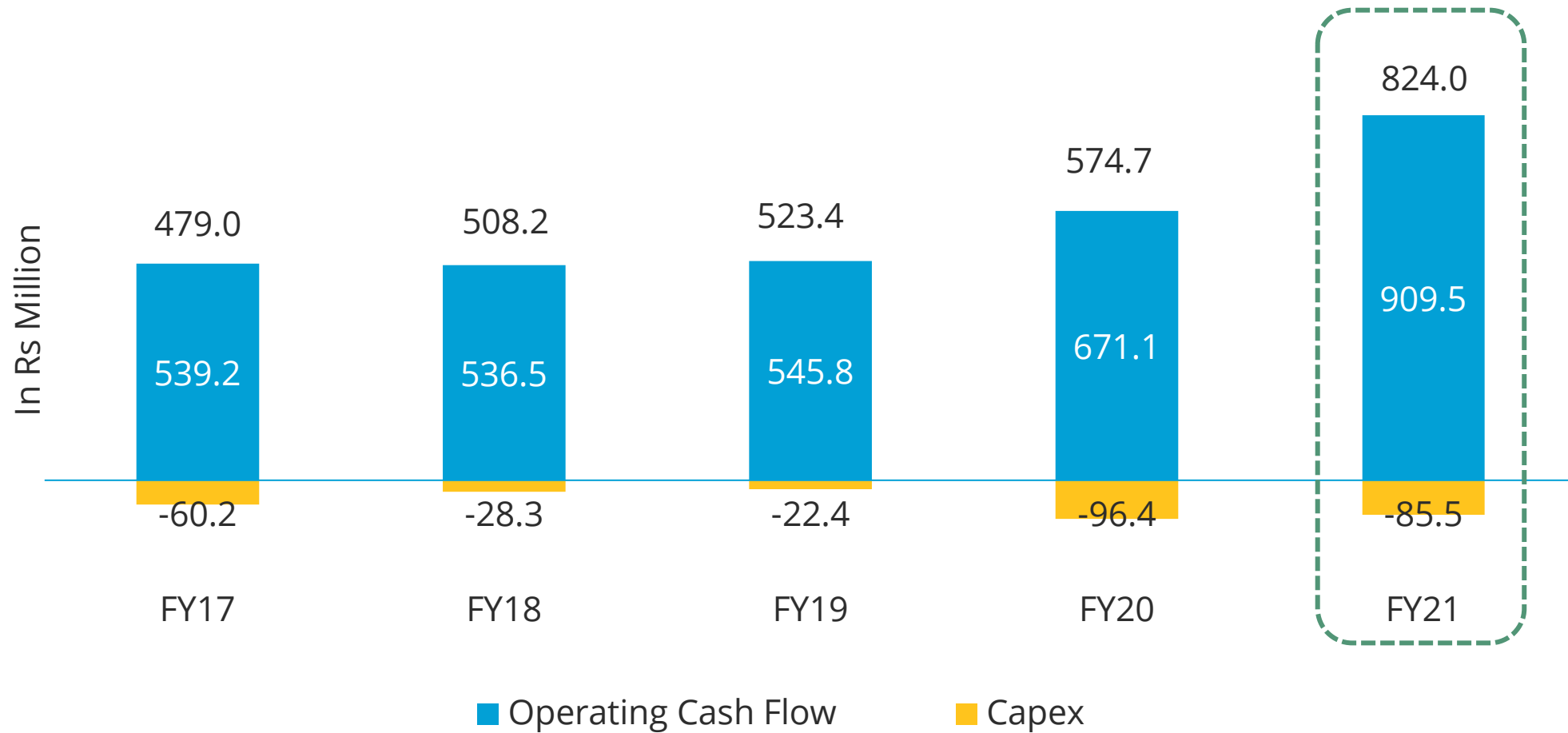
Operating Metrics – As of March 31st, 2021



**Debtors Days is calculated based on 12 months trailing revenue*



Free Cash Flow Overview



Consolidated Financial Performance – Q4FY21

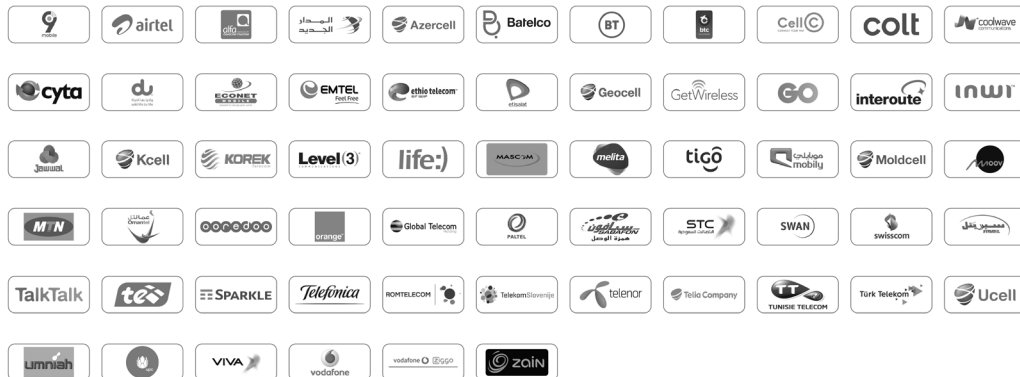
Particulars (All Figures in Rs Million)	Q4 FY21 31-Mar-21	Q3 FY21 31-Dec-20	Q-o-Q Growth %	Q4 FY20 31-Mar-20	Y-o-Y Growth %
Income					
Revenue from operations	961.6	938.8	2.4%	1,042.7	(7.8%)
Other income	17.2	10.6		33.5	
Total income	978.8	949.4	3.1%	1,076.2	(9.1%)
Employee benefits expense	501.7	525.6		415.2	
Other expenses	199.3	164.8		329.7	
Exchange fluctuation (gain)/ loss, net	29.1	44.9		(84.8)	
EBITDA	231.5	203.5	13.8%	382.6	(39.5%)
EBITDA Margin %	24.1%	21.7%	240bps	36.7%	(1262bps)
Depreciation	22.3	42.4		39.2	
Finance Cost	4.5	3.8		11.9	
Profit before tax	221.9	167.9	32.2%	365.0	(39.2%)
Tax Expenses	65.9	80.8		45.1	
Net Profit / (Loss)	156.0	87.1	79.1%	319.9	(51.2%)

Consolidated Financial Performance – FY21

Particulars (All Figures in Rs Million)	FY21 31-Mar-21	FY20 31-Mar-20	FY 19 31-Mar-19	FY 18 31-Mar-18	FY 17 31-Mar-17
Income					
Revenue from operations	3,720.3	3,649.8	3,481.2	3,243.2	3,573.3
Other income	47.4	56.3	10.1	14.0	115.4
Total income	3,767.7	3,706.1	3,491.3	3,257.2	3,688.7
Employee benefits expense	1,972.0	1,745.4	1,910.5	1,747.1	1,587.1
Other expenses	664.4	1,051.3	1,068.1	1,021.7	1,205.3
Exchange fluctuation (gain)/ loss, net	98.9	(88.7)	(17.1)	165.0	(69.8)
EBITDA	985.0	941.8	519.7	309.4	850.7
EBITDA Margin %	26.5%	25.8%	14.9%	9.5%	23.8%
Depreciation	137.8	150.8	48.3	51.7	49.5
Finance Cost	29.6	47.7	10.7	44.2	163.8
Profit before tax and exceptional items	865.0	799.6	470.8	227.5	752.8
Exceptional items	28.7	(3176.6)	0.0	116.6	(1,089.0)
Profit Before Tax	893.7	(2,377.0)	470.8	344.1	(336.2)
Tax Expenses	376.5	314.5	218.6	137.3	96.1
Net Profit / (Loss)	517.2	(2,691.5)	252.2	206.8	(432.3)

Key Clients

EMEA



Asia



Americas



200+
Global customers

300+ Installation in
90+ Countries

Board of Directors



Anil Singhvi

*Chairman, Non-Executive,
Non-Independent Director*

Anil is the Chairman of ICAN Investments Advisors Pvt Ltd. Prior to ICAN Investments, he was advisor to the Reliance ADA Group. He has over 30 years of experience in the corporate sector, of which 22 years were with Ambuja Cements Ltd, where he rose from Manager to Managing Director and CEO.



Nisha Dutt

Independent Director

Nisha is a member on the board of Decodem Technologies. She has more than 15 years of experience in consulting across mainstream and development projects in over a dozen countries. She has a keen understanding of markets and consumer behavior at the base of the pyramid, and works on addressing a range of challenges for clients across inclusive business divisions, international foundations and development finance institutions.



George Zacharias

Independent Director

George has over 30 years of diverse and successful work experience. He is a graduate from Nagpur University with a B.Tech in Chemical Engineering and has a PG Diploma in Business Management from XLRI, Jamshedpur. He has worked at Grindwell Norton, Madura Coats Threads, Madura Garments, Sify and Yahoo! India. He was also the co-founder and CEO of 7Strata Inc and Chief Strategy Officer, Mindtree. He has been on the Board of Internet Companies including CricInfo and Refco-Sify Securities. He is presently an Independent Director on the Board of Matrimony.com.

Board of Directors



Poornima Prabhu

Independent Director

Poornima is Legal Head at Lodha Ventures Holdings Private Limited. She has rich experience in corporate law, including mergers and acquisitions, divestment and litigation settlement. Earlier, she was a Counsel at J. Sagar Associates, a law firm. She has also worked with Khaitan & Co., another leading law firm.



Vinod Kumar

CEO & Managing Director

Vinod is responsible for leading the strategic direction for the company and driving its execution by fostering the right culture of leadership and talent development. Prior to becoming the CEO and Managing Director, Vinod served as a COO of Subex where he spearheaded several initiatives that helped the company engage with its customer as a long-term strategic partner. These initiatives, in turn, helped Subex emerge as a global leader in Revenue Management space.



Shankar Roddam

Chief Operating Officer & Whole-Time Director

Shankar is the Chief Operating Officer, responsible for Sales, Marketing, Engineering and Delivery. He is management professional with close to two and half decades of experience in Telecommunications, Cloud and PaaS. He holds a Management degree from IMDR Pune, with a specialization in Sales & Marketing with minor in Systems. He is an undergrad in Electronics Telecommunications Engineering and is a graduate in Triple Mathematics.

Executive Management Team



Vinod Kumar

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Suresh Chintada

Chief Technology Officer

Suresh is the CTO of Subex, and brings with him a wide ranging leadership, managerial and technical experience of over 27 years. Prior to Subex, he was worked with companies like Motorola, ARRIS and CommScope, where he built and scaled large global software engineering, professional services and technical support services operations, serving Industry verticals like cable, telecom, mobile and wireless networking. Suresh holds a Bachelor's and Master's Degree in Electronics & Communications Engineering from Osmania University and Post Graduate Diploma in software enterprise management, from IIM, Bangalore.

Executive Management Team



Venkatraman GS

Chief Financial Officer & Senior Vice President

Venkatraman GS is the Chief Financial Officer of Subex and has over 20+ years of industry experience, across all facets of Finance function. He is a B.Com graduate with Honours and holds an MBA degree in Finance. Prior to his current role, he was the Finance Controller for Mindtree. He has worked with large companies like Accenture, Wipro and Pepsi in the past and has experience in the areas of Enterprise Risk Management, Project Financials, Financial Reporting, Business Planning and Management Reporting.



Mohan Sitharam

Chief Human Resources Officer

Mohan manages human capital and human resources (HR) functions at Subex. He has nearly two decades of HR experience at Mindtree, HCL, Mphasis, and ANZ. Mohan has rich experience in change management, leadership development, mergers and acquisitions, public listing, global employment norms, and employer branding. He holds both Senior Professional in HR (SPHR) and Global Professional in HR (GPHR) certifications from the HR Certification Institute, Virginia, US.



Rohit Maheshwari

Head of Strategy & Products

Rohit is responsible for delivering business growth using innovation and product strategy. He leverages his expertise in artificial intelligence (AI), analytics and digital services to contribute to Subex's solutions and enables its clients to build new offerings, drive business growth and deliver great customer experience. Before joining Subex, Rohit worked with companies like Crompton Greaves and Kirloskar Electric Company. He is a graduate in electrical and electronics engineering from University of Mysore

Executive Management Team



Kiran Zachariah

Head of IoT security

Kiran is a leader in the field of IoT Security Solutions. He is responsible for building and strengthening Subex's presence in IoT Security by driving revenue growth, setting and executing the strategic and technology direction of IoT Security business, building the current team to capitalize on Subex's investment in IoT space. He has over 17 years of telecom experience in security, network analytics, machine learning. He also heads Procurement & IT function of Subex.



Suraj Balachandran

Head of Sales – EMEA & APAC

Suraj is responsible for strategy and direction of Subex's sales organisation in EMEA & APAC. With 23 years of experience in global ICT industry, he relentlessly focus on forging long term association with customers. In his current role, he works with the Regional Vice Presidents to help them exceed their business goals, by providing effective guidance & executive coverage. Suraj has been previously associated with Jamcracker Inc., Critical Path Inc., and Crompton Greaves Ltd. in sales leadership positions and is a graduate from the Indian Institute of Management, Kozhikode.

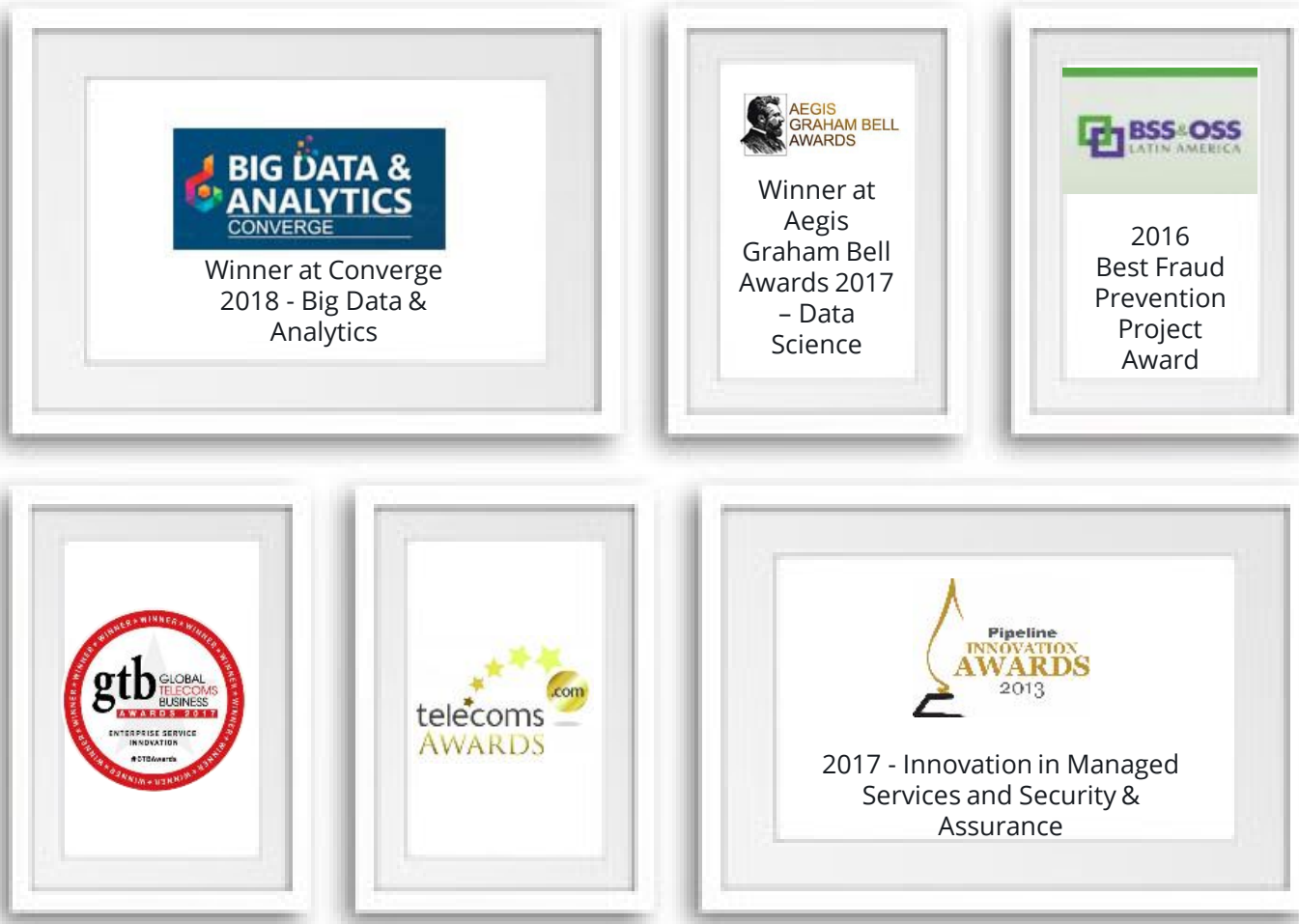


Bhavna Singh

General Counsel

Bhavna heads the company's legal functions. Bhavna has over 20 years of legal experience across major IT corporations like Accenture, Wipro and Sun Microsystems, as well as consulting firms like PwC. She has held senior positions in Contracting and Compliance, with rich experience in Software Products and Technology law.

Awards & Recognition



35+

Industry
recognized
awards



Thank You

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dpingle@christensenir.com | +91 02242150210