

August 10, 2020

To
BSE Limited
The National Stock Exchange of India Limited

Dear Sir/Madam,

Sub: Subex Limited “The Company”- Investor Presentation on August 11, 2020

As per Regulation 30 of the SEBI (LODR) Regulations, 2015, please find enclosed the revised Investor presentation for Q1 of FY 21, which will be presented by the Company at the Earnings Call scheduled to be held at 3.30 PM (IST) on Tuesday, August 11, 2020.

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

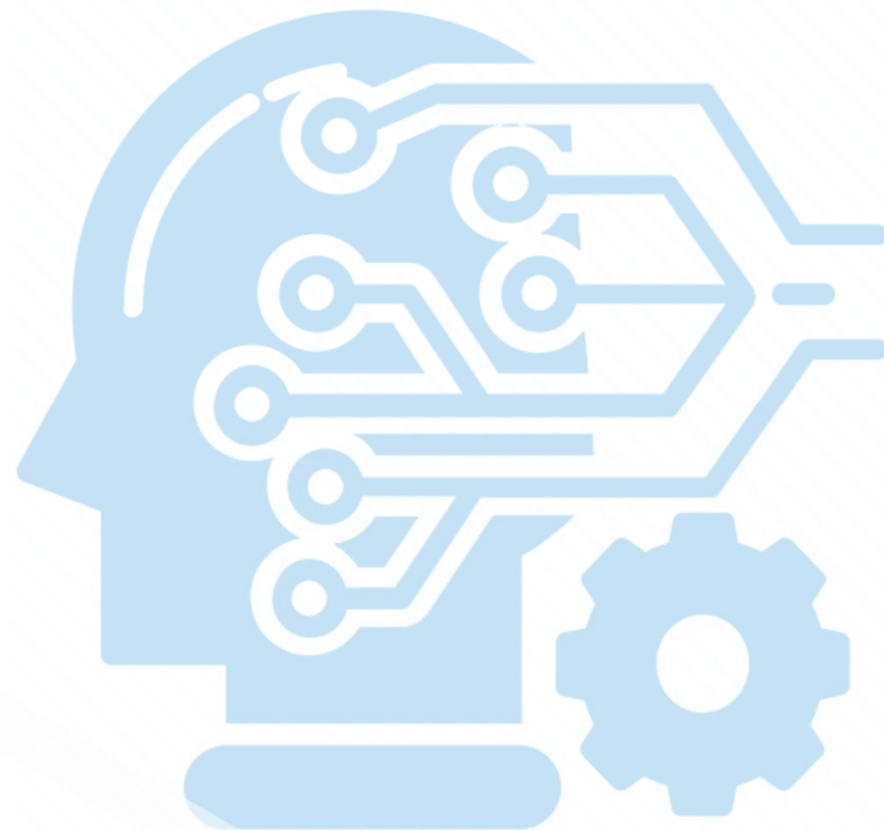
Registered Address: RMZ Ecoworld, Outer Ring Road, Devarabisanahalli, Bangalore - 560103, India



Subex Limited

Investor Presentation – Q1FY21


August 10, 2020





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, predictability, identity and data integrity 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
- Partner Management
- IOT Security
- Analytics Center of Trust

Financial Performance FY20

REVENUE



₹ 3,649.8 Mn

↑ 5%

EBITDA



₹ 941.8 Mn

Margin
25.8%

Profit (Before Tax & Exceptional Item)



₹ 799.6 Mn

↑ 70%

Subex Today



1994
*Foundation of
Company*



25⁺ *Years of Experience*



800+
Employees



300+
Global Installations



90+
Countries



200+
*Customers
Globally*



35+
Industry Awards



US\$ 3.1mn
*R&D spend in
new areas*



US\$ 44 mn
Order Book in FY20

Vision Statement

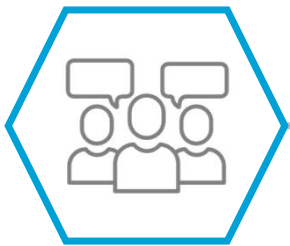
PURPOSE

Unlocking possibilities

VISION

To be the Global Leader in digital trust

OUR VALUES



THINK CUSTOMER



MAKE IT HAPPEN



CREATE VALUE

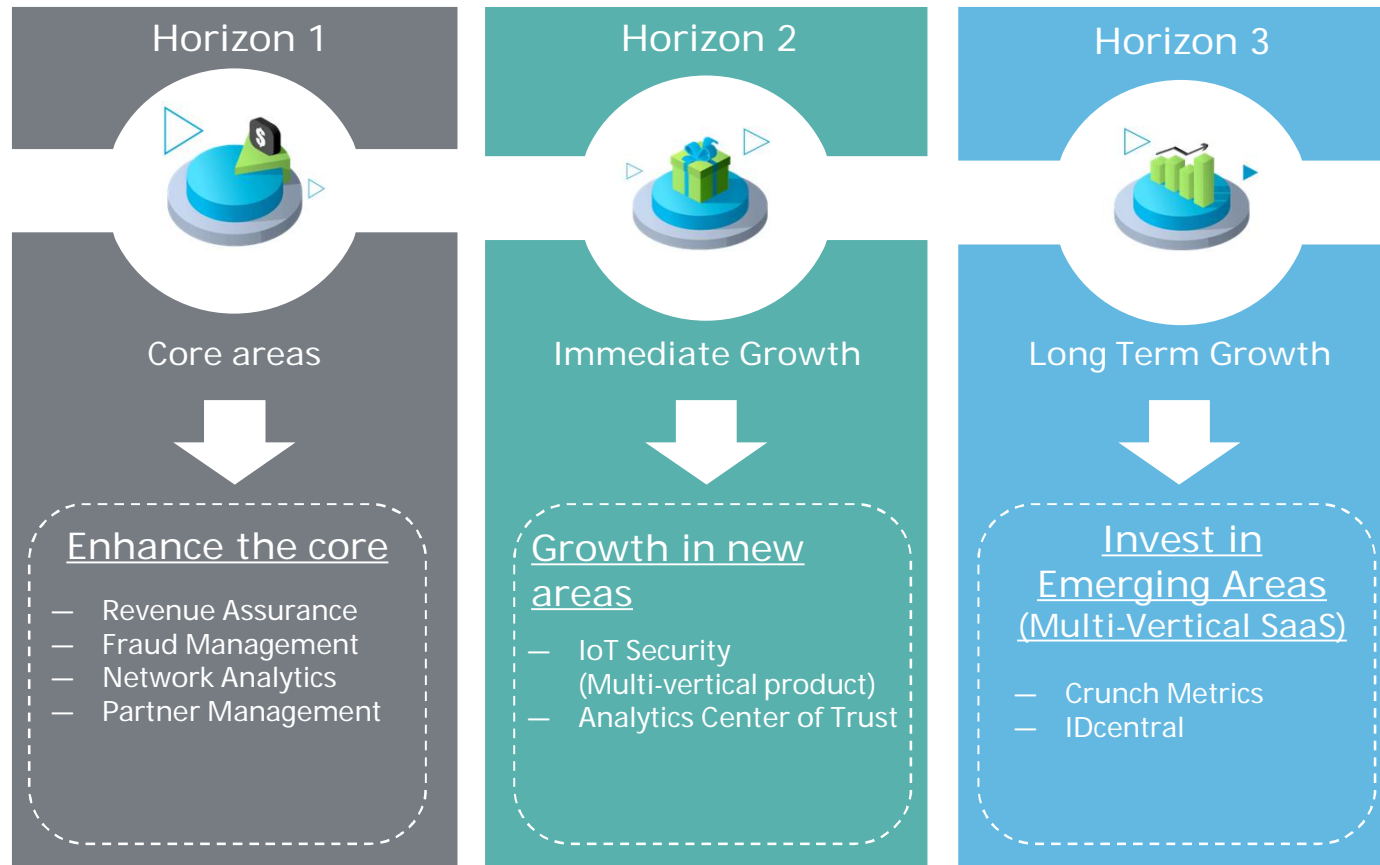


BE OPEN. BE FAIR.



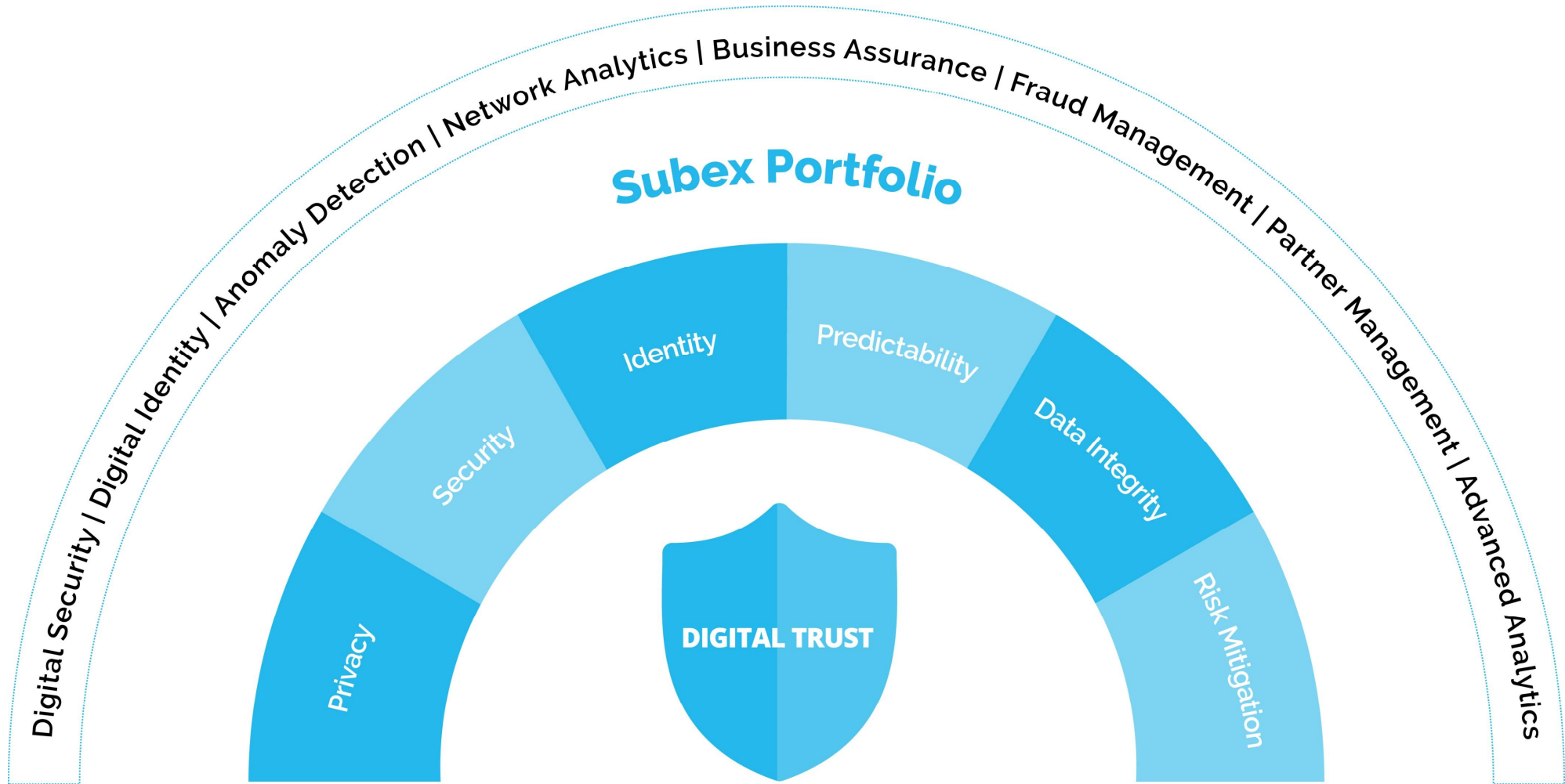
WIN TOGETHER

3 Horizon Strategy for Growth



Successful execution of strategy will create substantial value for all stakeholders

Subex – Partner for Digital Trust



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, Deep learning-based anomaly detection
- ❑ Passionate and committed team led by CEO Vinod Kumar with clear focus to put the company on growth track
- ❑ Zero debt with operating cash flow of Rs 18.3 Crore for Q1FY21



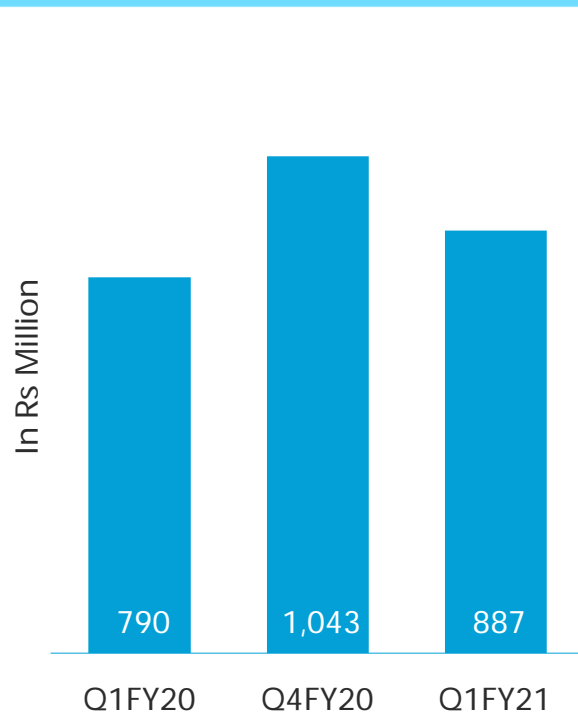
Quarterly Financial Performance

Financial Highlights – Q1FY21

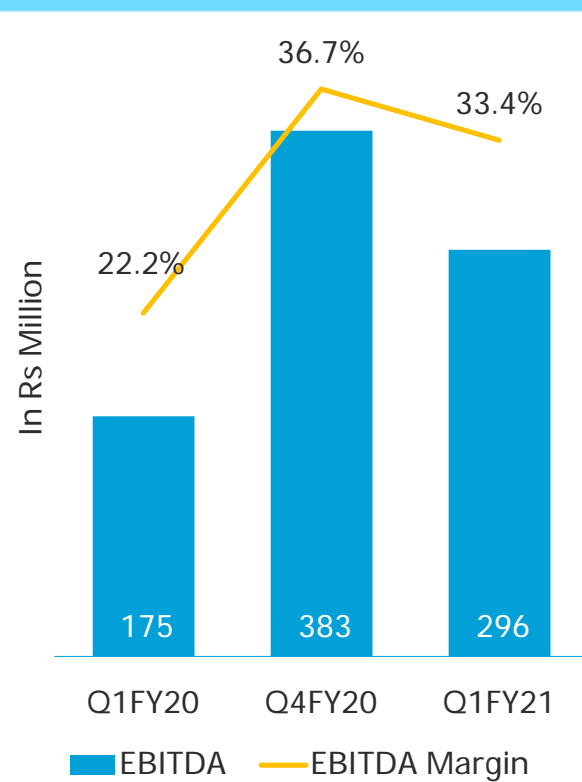
- ❑ Operating Revenue was at Rs 887.0 Million, up 12.3% Y-o-Y
- ❑ EBITDA was at Rs 296.0 Million, up 69.2% Y-o-Y
- ❑ EBITDA margin stood at 33.4%, up 1,122 bps Y-o-Y
- ❑ Profit before tax was at Rs 258.0 Million, up 99.7% Y-o-Y
- ❑ Profit after Tax was at Rs 151.6 Million, up 187.1% Y-o-Y
- ❑ EPS was at Rs 0.28 for the quarter

Financial Summary – Q1FY21

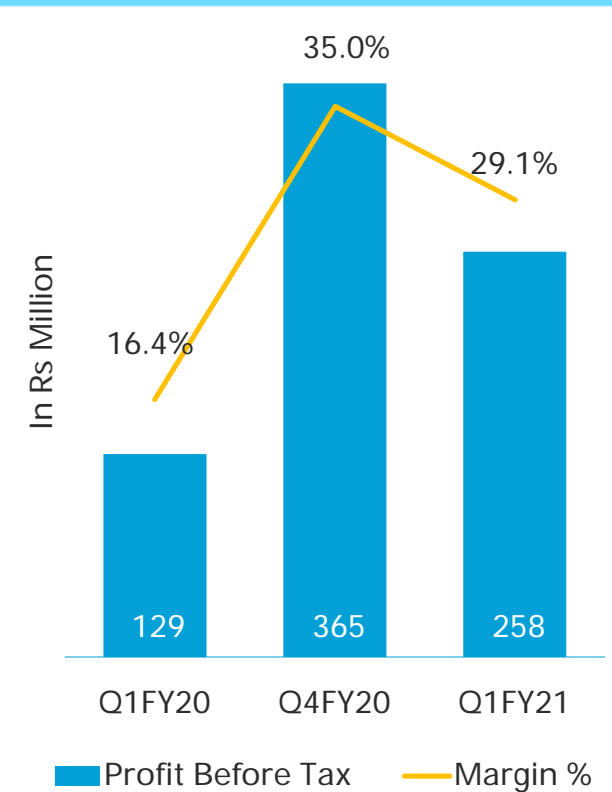
Operating Revenue



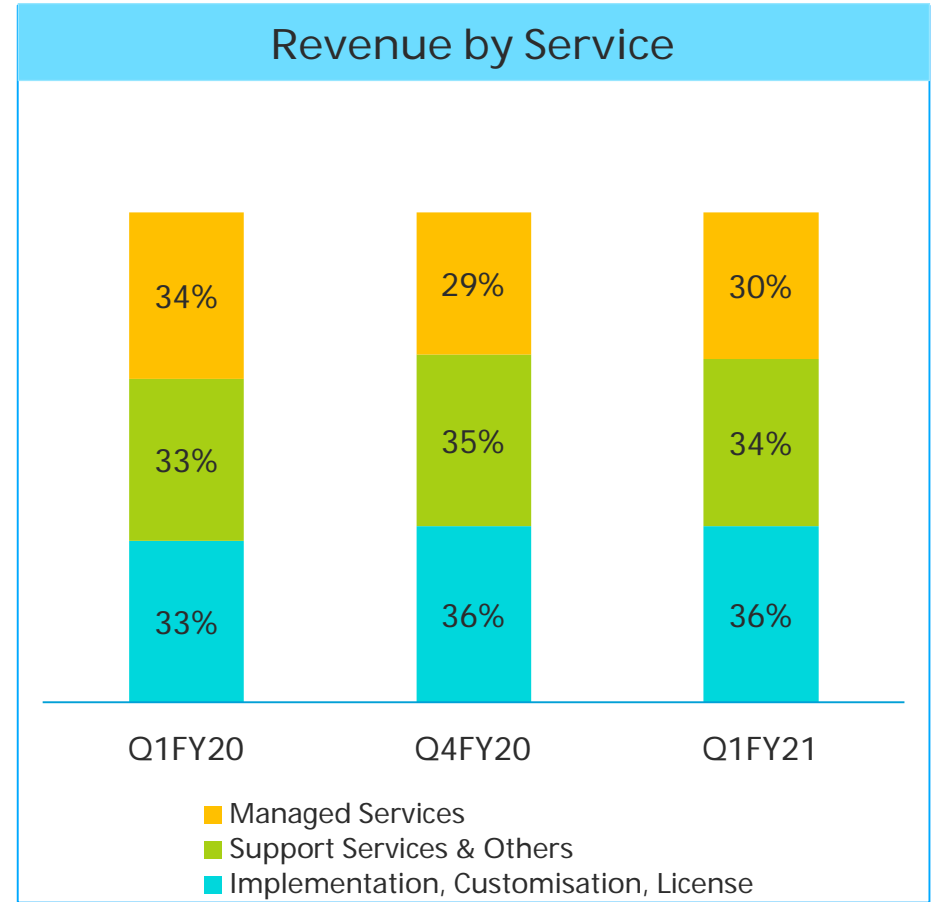
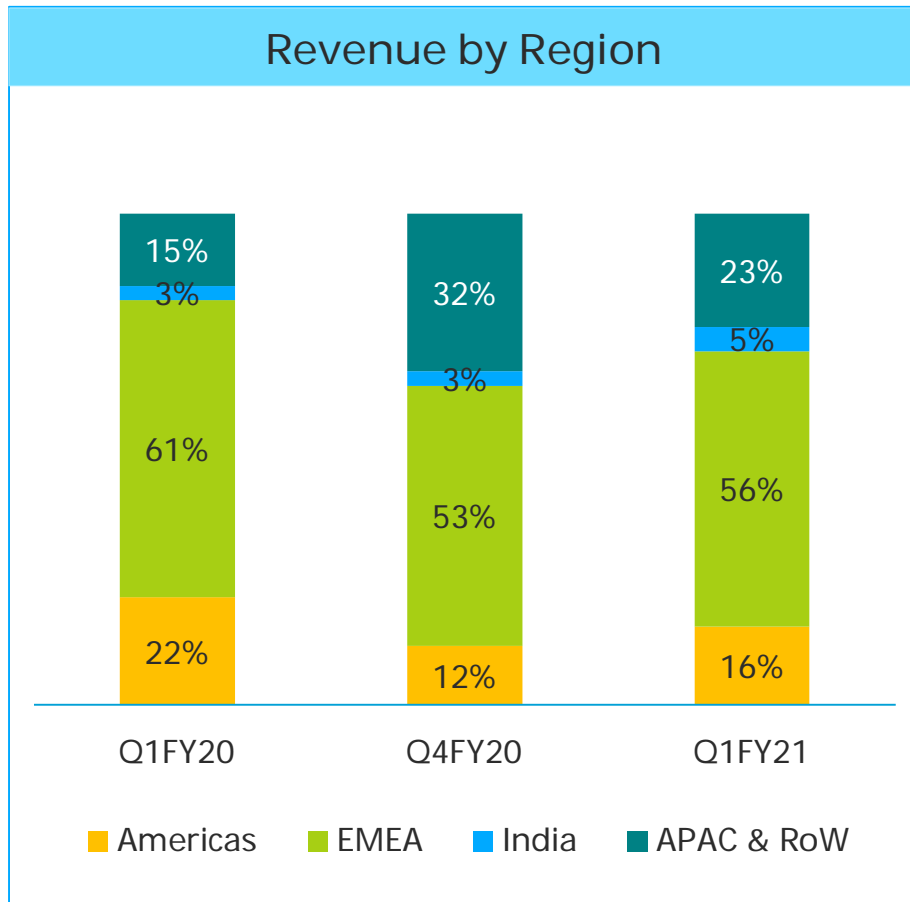
EBITDA



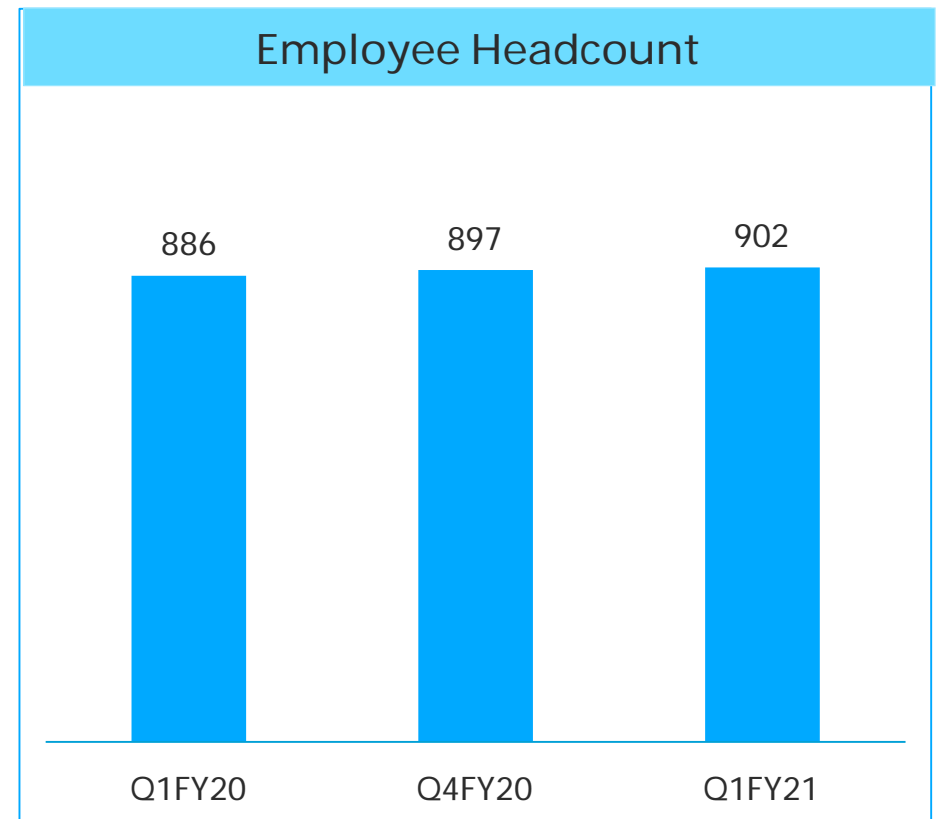
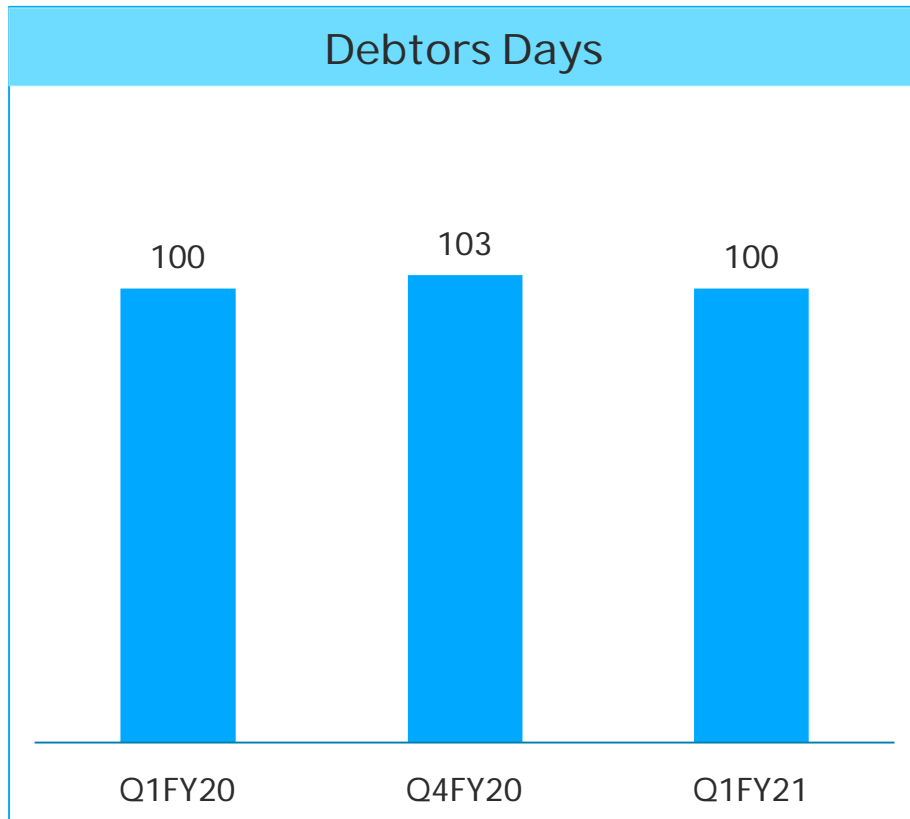
Profit Before Tax



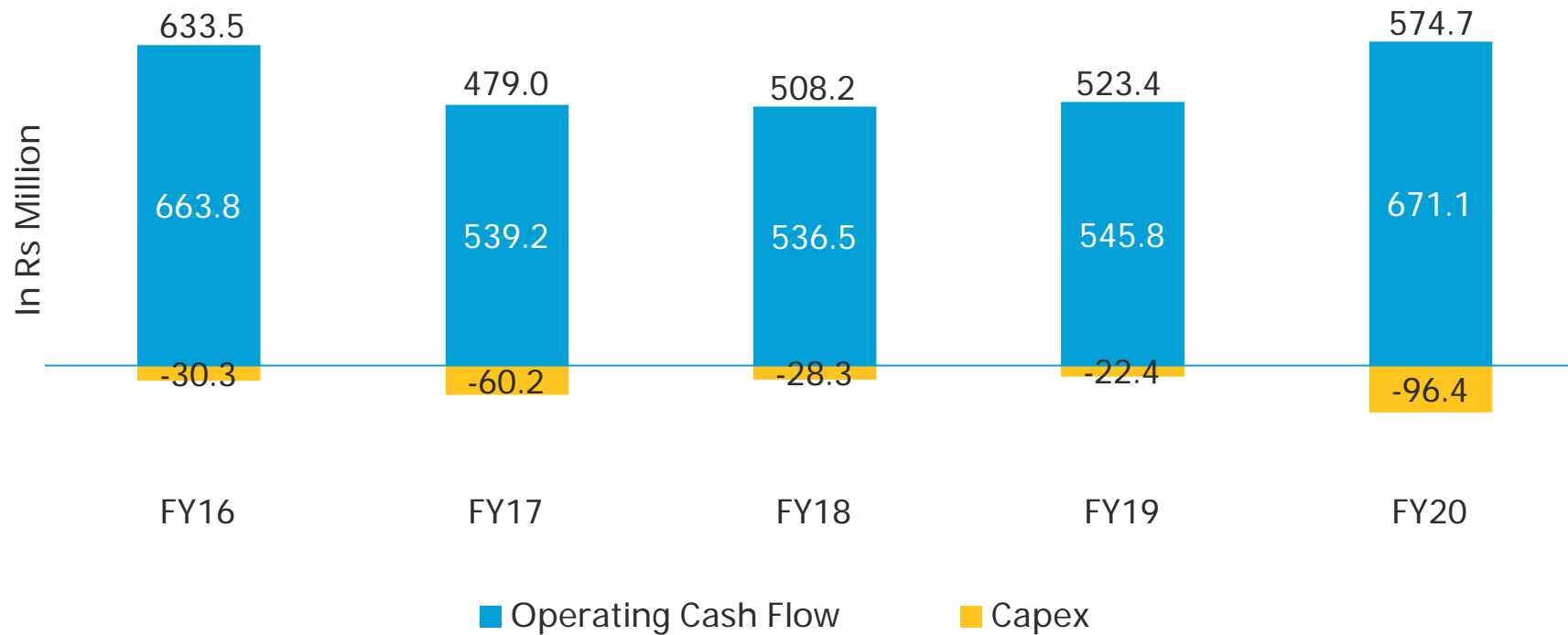
Revenue Metrics – Q1FY21



Operating Metrics – Q1FY21



Free Cash Flow Overview



Consolidated Financial Performance – Q1FY21

Particulars (All Figures in Rs Million)	Q1 FY21 30-Jun-20	Q4 FY20 31-Mar-20	Q-o-Q Growth %	Q1 FY20 30-Jun-19	Y-o-Y Growth %
Income					
Revenue from operations	887.0	1,042.7	(14.9%)	789.5	12.3%
Other income	9.6	33.5		3.6	
Total income	896.6	1,076.2	(16.7%)	793.1	13.1%
Employee benefits expense	455.7	415.2		430.9	
Other expenses	154.2	329.7		209.6	
Exchange fluctuation (gain)/ loss, net	(18.9)	(84.8)		(25.9)	
EBITDA	296.0	382.6	(22.6%)	174.9	69.2%
<i>EBITDA Margin %</i>	33.4%	36.7%	(332 bps)	22.2%	1,122 bps
Depreciation	36.6	39.2		37.1	
Finance Cost	11.0	11.9		12.2	
Profit Before Tax	258.0	365.0	(29.3%)	129.2	99.7%
Tax Expenses	106.4	45.1		76.4	
Net Profit / (Loss)	151.6	319.9	(52.6%)	52.8	187.1%

Consolidated Annual Financial Performance

Particulars (All Figures in Rs Million)	FY20 31-Mar-20	FY 19 31-Mar-19	FY 18 31-Mar-18	FY 17 31-Mar-17	FY 16 31-Mar-16
Income					
Revenue from operations	3,649.8	3,481.2	3,243.2	3,573.3	3,224.6
Other income	56.3	10.1	14.0	115.4	18.3
Total income	3,706.1	3,491.3	3,257.2	3,688.7	3,242.9
Employee benefits expense	1,745.4	1,910.5	1,747.1	1,587.1	1,603.4
Other expenses	1,051.3	1,068.1	1,021.7	1,205.3	938.2
Exchange fluctuation (gain)/ loss, net	(88.7)	(17.1)	165.0	(69.8)	51.5
EBITDA	941.8	519.7	309.4	850.7	631.5
<i>EBITDA Margin %</i>	<i>25.8%</i>	<i>14.9%</i>	<i>9.5%</i>	<i>23.8%</i>	<i>19.6%</i>
Depreciation	150.8	48.3	51.7	49.5	42.7
Finance Cost	47.7	10.7	44.2	163.8	575.7
Profit before tax and exceptional items	799.6	470.8	227.5	752.8	31.4
Exceptional items	(3176.6)	0.0	116.6	(1,089.0)	(646.9)
Profit Before Tax	(2,377.0)	470.8	344.1	(336.2)	(615.5)
Tax Expenses	314.5	218.6	137.3	96.1	127.3
Net Profit / (Loss)	(2,691.5)	252.2	206.8	(432.3)	(742.8)

Key Clients

EMEA



Asia



Americas



200+
Global customers

300+ Installation in
90+ Countries

Executive Management Team



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

Shankar is the Chief Operating Officer, responsible for Sales, Marketing, Engineering and Delivery. He is a 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.



Venkatraman GS

Chief Financial Officer

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.



Executive Management Team



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



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.

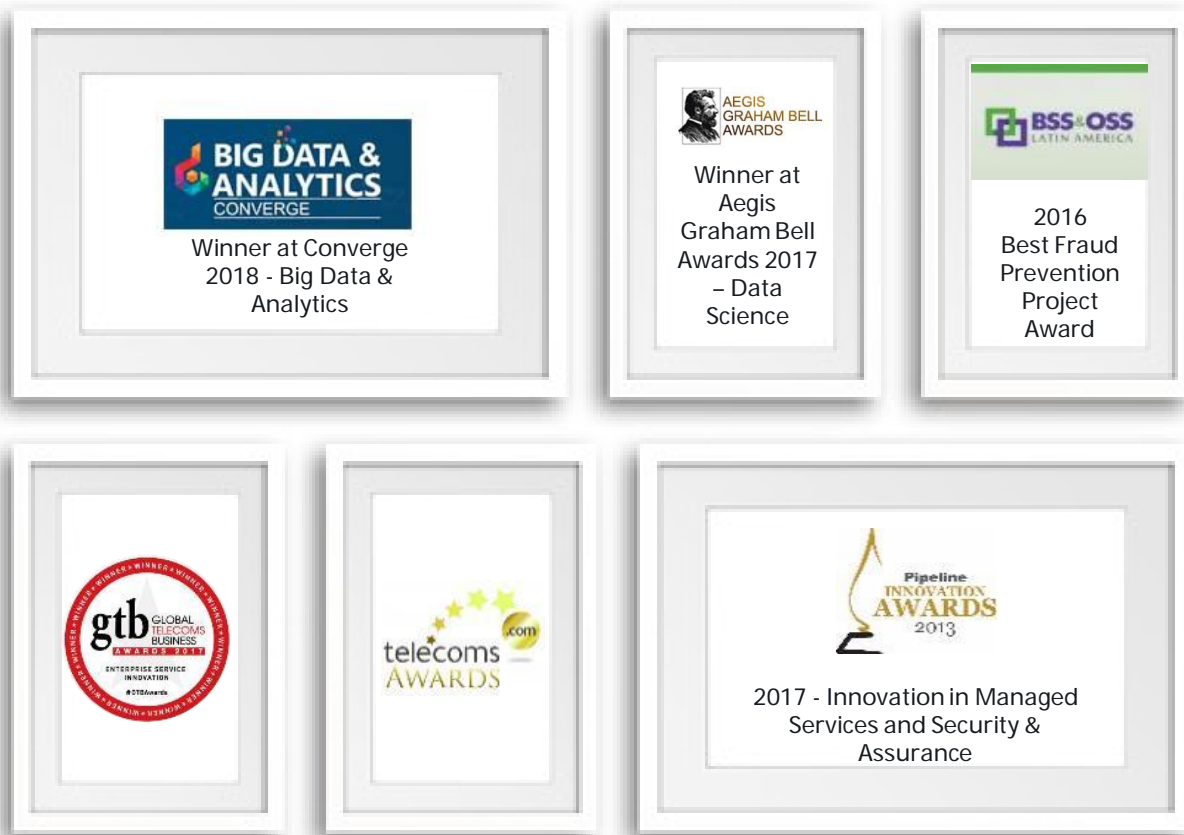


Bhavna Singh

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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