

SUBEX LIMITED

Registered office: Pritech Park - SEZ, Block-09, 4th Floor, B Wing, Survey No. 51-64/4, Outer ring road, Bellandur Village, Varthur Hobli, Bengaluru -560 103

Statement of Unaudited Standalone Financial Results for quarter ended June 30, 2023

(₹ in Lakhs)

	Particulars	Quarter ended			Year ended
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
		Unaudited	Audited (refer Note 7)	Unaudited	Audited
	Income				
1	Revenue from operations	6,491	4,948	7,943	27,352
2	Other income	57	66	41	242
3	Total income (1+2)	6,548	5,014	7,984	27,594
	Expenses				
	Employee benefits expense	3,009	3,031	3,165	12,191
	Finance costs	65	65	21	230
	Depreciation and amortization expense	334	330	203	1,187
	Share of loss from Limited Liability Partnerships (net) (refer note 3)	379	1,266	308	3,159
	Other expenses	4,575	5,413	5,394	18,526
4	Total expenses	8,362	10,105	9,091	35,293
5	Net loss before tax (3-4)	(1,814)	(5,091)	(1,107)	(7,699)
6	Tax expense, net				
	Current tax charge/ (reversal)	-	(183)	109	-
	MAT credit entitlement/ (reversal)	-	183	(109)	-
	Provision - foreign income taxes	69	223	-	324
	Deferred tax charge/ (credit) (refer note 6)	-	6	(1,153)	(1,147)
	Total tax expense	69	229	(1,153)	(823)
7	Net (loss)/ profit for the period/ year (5-6)	(1,883)	(5,320)	46	(6,876)
8	Other comprehensive (loss)/ income, net of tax expense				
	<i>Items that will not be reclassified subsequently to profit or loss</i>				
	Re-measurement (loss)/ gain on defined benefits plan	7	20	(1)	19
9	Total comprehensive (loss)/ profit for the period/ year (7+8)	(1,876)	(5,300)	45	(6,857)
10	Paid up equity share capital [face value of ₹ 5 (March 31, 2022: ₹ 5)]	28,100	28,100	28,100	28,100
11	Other equity	-	-	-	14,287
12	Earnings/ (Loss) per share (of ₹ 5/- each) (not annualised in case of the interim periods)				
	- Basic	(0.34)	(0.97)	0.01	(1.25)
	- Diluted	(0.34)	(0.97)	0.01	(1.25)

Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on August 08, 2023.
- 2 The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribe under section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3 Share of (loss)/ profit from Limited Liability Partnerships are as follows:

Particulars	Quarter ended			Year ended
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
	Unaudited	Audited	Unaudited	Audited
Share of profit/(loss) from Subex Assurance LLP	(70)	(762)	122	(806)
Share of loss from Subex Digital LLP	(309)	(504)	(430)	(2,353)
Total	(379)	(1,266)	(308)	(3,159)

The Company has presented share of profit and share of loss from Limited Liability Partnerships ('LLP') on net basis as the management considers the net income/expense to be its return on investment in LLP.

- 4 The Company is engaged in the business of software products and related services, which are monitored as a single segment by the Chief Operating Decision Maker. Accordingly, these, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute one segment and hence the Company has not made any additional segment disclosures.
- 5 As at March 31, 2023, the Company assessed and concluded, basis valuation carried out by an external expert, that the carrying value of investments in its subsidiaries to be appropriate considering future projections, various new initiatives, contracted backlog and the current pipeline maturity. There is no change in the management's assessment as regards the aforesaid carrying value of investments in its subsidiaries as at June 30, 2023
- 6 Pursuant to approval of the Board of Directors and Shareholders of the Company for restructuring of the business, effective April 1, 2022, certain assets and liabilities of Subex Assurance LLP ("SALLP"), wholly owned subsidiary, were transferred to the Company for an aggregate consideration of ₹ 9,229 Lakhs. The aforesaid restructuring was being carried out to achieve higher operational efficiencies upon integration and consolidation of business in the listed entity. SALLP will continue to hold revenue maximisation solutions intellectual property rights ("IPR") & related research and development unit, investment in subsidiaries, cash and bank balances and other related balances. SALLP will earn royalty on use of such IPR by the Company. Consequent to the aforesaid restructuring during the quarter ended June 30, 2022, the management recognised deferred tax assets of ₹ 1,147 Lakhs, being reasonably certain that sufficient future taxable profits would be available. As at quarter end, the Company has reassessed availability of future taxable profits and is confident of utilisation of aforesaid deferred tax asset. In respect of remaining unused tax losses, management would reassess and recognise when it's probable that taxable profits would be available against which such tax losses can be recognised.
- 7 The figures of last quarter of previous year are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year to date figures for the nine months ended December 31, 2022.

Place: Bengaluru
Date: August 08, 2023

Anil Singhvi
Chairman, Non-Executive Non-Independent Director
DIN: 00239589

For further details on the results, please visit our website: www.subex.com

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Registered office: Pritech Park - SEZ, Block-09, 4th Floor, B Wing, Survey No. 51-64/4, Outer ring road, Bellandur Village, Varthur Hobli, Bengaluru -560 103

Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2023

(₹ in Lakhs)

	Particulars	Quarter ended			Year Ended
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
		Unaudited	Audited (refer Note 6)	Unaudited	Audited
	Income				
1	Revenue from operations	6,729	4,727	8,326	27,869
2	Other income	135	372	265	816
3	Total income (1+2)	6,864	5,099	8,591	28,685
	Expenses				
	Employee benefits expense	5,430	4,967	5,156	20,069
	Finance costs	70	72	28	258
	Depreciation and amortization expense	387	382	261	1,399
	Other expenses	2,773	3,436	3,099	10,865
4	Total expenses	8,660	8,857	8,544	32,591
5	Net profit/(loss) before tax (3-4)	(1,796)	(3,758)	47	(3,906)
6	Tax expense, net				
	Current tax charge/ (reversal)	5	(134)	121	89
	MAT credit entitlement/ (reversal)	-	183	(109)	-
	Provision - foreign income taxes	145	897	135	1,660
	Deferred tax charge/(credit) (refer note 5)	(18)	14	(654)	(534)
	Total tax expense	132	960	(507)	1,215
7	Net profit/(loss) for the period/ year (5-6)	(1,928)	(4,718)	554	(5,121)
8	Other comprehensive income/ (loss) net of tax expense				
	<i>Items that will be reclassified subsequently to profit or loss:</i>				
	Net exchange differences gain/(loss) on translation of foreign operations	(21)	(26)	300	581
	<i>Items that will not be reclassified subsequently to profit or loss:</i>				
	Re-measurement (loss)/ gain on defined benefit plan	6	1	(16)	39
	Total other comprehensive income/ (loss)	(15)	(25)	284	620
9	Total comprehensive income/ (loss) for the period/ year (7+8)	(1,943)	(4,743)	838	(4,501)
10	Paid up equity share capital [face value of ₹ 5 (March 31, 2023: ₹ 5)]	28,100	28,100	28,100	28,100
11	Other equity	-	-	-	24,084
12	Earnings/ (Loss) per share (of ₹ 5/- each) (not annualised in case of the interim periods)				
	- Basic	(0.35)	(0.86)	0.10	(0.93)
	- Diluted	(0.35)	(0.86)	0.10	(0.93)

Notes:

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- 3 The Group is engaged in the business of software products and related services, which are monitored as a single segment by the Chief Operating Decision Maker. Accordingly, these, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute one segment and hence the Group has not made any additional segment disclosures.
- 4 As at March 31, 2023, the Group assessed and concluded, basis valuation carried out by an external expert, that the carrying value of goodwill to be appropriate considering future projections, various new initiatives, contracted backlog and the current pipeline maturity. There is no change in the management's assessment as regards the aforesaid carrying value of goodwill as at June 30, 2023.
- 5 Pursuant to approval of the Board of Directors and Shareholders of the Company for restructuring of the business, effective April 1, 2022, certain assets and liabilities of Subex Assurance LLP ("SALLP"), wholly owned subsidiary, were transferred to the Company for an aggregate consideration of ₹ 9,229 Lakhs. The aforesaid restructuring was being carried out to achieve higher operational efficiencies upon integration and consolidation of business in the listed entity. SALLP will continue to hold revenue maximisation solutions intellectual property rights ("IPR") & related research and development unit, investment in subsidiaries, cash and bank balances and other related balances. SALLP will earn royalty on use of such IPR by the Company. Consequent to the aforesaid restructuring during the quarter ended June 30, 2022, the management recognised deferred tax assets of ₹ 702 Lakhs, being reasonably certain that sufficient future taxable profits would be available. As at quarter end, the Company had reassessed availability of future taxable profits and is confident of utilisation of aforesaid deferred tax asset. In respect of remaining unused tax losses, management would reassess and recognise when it's probable that taxable profits would be available against which such tax losses can be recognised.
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