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 and nine months ended December 31, 2023

(₹ in Lakhs)

	Particulars	Quarter ended			Year to date figures for the nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
1	Revenue from operations	7,220	6,686	7,019	20,397	22,404	27,352
2	Other income	29	39	44	125	176	242
3	**Total income (1+2)**	**7,249**	**6,725**	**7,063**	**20,522**	**22,580**	**27,594**
	Expenses						
	Employee benefits expense	2,977	3,042	2,981	9,028	9,160	12,191
	Finance costs	57	59	71	181	165	230
	Depreciation and amortization expense	326	368	329	1,028	857	1,187
	Share of loss from Limited Liability Partnerships (net) (refer note 3)	116	591	713	1,086	1,893	3,159
	Other expenses	4,616	4,191	3,363	13,382	13,113	18,526
4	**Total expenses**	**8,092**	**8,251**	**7,457**	**24,705**	**25,188**	**35,293**
5	**Loss before tax (3-4)**	**(843)**	**(1,526)**	**(394)**	**(4,183)**	**(2,608)**	**(7,699)**
6	**Tax expense, net**						
	Current tax charge/ (reversal)	-	-	115	-	183	-
	MAT credit entitlement/ (reversal)	-	-	(115)	-	(183)	-
	Provision - foreign income taxes	137	64	101	270	101	324
	Deferred tax charge/ (credit) (refer note 6)	-	-	-	-	(1,153)	(1,147)
	Total tax expense	**137**	**64**	**101**	**270**	**(1,052)**	**(823)**
7	**Net Loss for the period/ year (5-6)**	**(980)**	**(1,590)**	**(495)**	**(4,453)**	**(1,556)**	**(6,876)**
8	**Other comprehensive (loss)/ income, net of tax expense**						
	Items that will not be reclassified subsequently to profit or loss						
	Re-measurement (loss)/ gain on defined benefits plan	2	(2)	-	7	(1)	19
	Total other comprehensive income / (loss)	**2**	**(2)**	**-**	**7**	**(1)**	**19**
9	**Total comprehensive loss for the period/ year (7+8)**	**(978)**	**(1,592)**	**(495)**	**(4,446)**	**(1,557)**	**(6,857)**
10	Paid up equity share capital [face value of ₹ 5 per share (March 31, 2023: ₹ 5 per share)]	28,100	28,100	28,100	28,100	28,100	28,100
11	Other equity	-	-	-		-	14,287
12	Earnings per share (of ₹ 5/- each) (not annualised in case of the interim periods)						
	- Basic (₹)	(0.18)	(0.29)	(0.09)	(0.81)	(0.28)	(1.25)
	- Diluted (₹)	(0.18)	(0.29)	(0.09)	(0.81)	(0.28)	(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 February 07, 2024.

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:

(₹ in Lakhs)

Particulars	Quarter ended			Year to date figures for the nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Share of profit/(loss) from Subex Assurance LLP	27	(117)	(208)	(160)	(44)	(806)
Share of loss from Subex Digital LLP	(143)	(474)	(505)	(926)	(1,849)	(2,353)
Total	**(116)**	**(591)**	**(713)**	**(1,086)**	**(1,893)**	**(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 December 31, 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 nine months ended December 31,2023, 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.

SUBEX LIMITED ★ BANGALORE-560 ★

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

Place: Bengaluru
Date: February 07, 2024

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

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 consolidated financial results for the quarter and nine months ended December 31, 2023

(₹ in Lakhs)

	Particulars	Quarter ended			Year to date figures for the nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
1	Revenue from operations	8,182	7,681	7,366	22,592	23,142	27,869
2	Other income	141	128	81	404	444	816
3	**Total income (1+2)**	**8,323**	**7,809**	**7,447**	**22,996**	**23,586**	**28,685**
	Expenses						
	Employee benefits expense	5,201	5,437	4,743	16,068	15,102	20,069
	Finance costs	63	66	76	199	186	258
	Depreciation and amortization expense	374	420	381	1,181	1,017	1,399
	Other expenses	2,924	2,701	2,114	8,398	7,429	10,865
4	**Total expenses**	**8,562**	**8,624**	**7,314**	**25,846**	**23,734**	**32,591**
5	**Profit/(loss) before tax (3-4)**	**(239)**	**(815)**	**133**	**(2,850)**	**(148)**	**(3,906)**
6	**Tax expense, net**						
	Current tax charge/ (reversal)	36	14	124	55	224	89
	MAT credit entitlement/ (reversal)	-	-	(115)	-	(183)	-
	Provision - foreign income taxes	184	159	484	488	763	1,660
	Deferred tax charge/(credit) (refer note 5)	30	117	108	129	(548)	(534)
	Total tax expense	**250**	**290**	**601**	**672**	**256**	**1,215**
7	**Net loss for the period/ year (5-6)**	**(489)**	**(1,105)**	**(468)**	**(3,522)**	**(404)**	**(5,121)**
8	**Other comprehensive income/ (loss) net of tax expense**						
	Items that will be reclassified subsequently to profit or loss:						
	Net exchange differences gain/(loss) on translation of foreign operations	35	54	138	68	607	581
	Items that will not be reclassified subsequently to profit or loss:						
	Re-measurement (loss)/ gain on defined benefit plan	2	(16)	16	(8)	38	39
	Total other comprehensive income	**37**	**38**	**154**	**60**	**645**	**620**
9	**Total comprehensive income/ (loss) for the period/ year (7+8)**	**(452)**	**(1,067)**	**(314)**	**(3,462)**	**241**	**(4,501)**
10	Paid up equity share capital [face value of ₹ 5 per share (March 31, 2023 ₹ 5 per share)]	28,100	28,100	28,100	28,100	28,100	28,100
11	Other equity	-	-	-	-	-	24,084
12	Earnings per share (of ₹ 5/- each) (not annualised in case of the interim periods)						
	- Basic (₹)	(0.09)	(0.20)	(0.08)	(0.64)	(0.07)	(0.93)
	- Diluted (₹)	(0.09)	(0.20)	(0.08)	(0.64)	(0.07)	(0.93)

SUBEX LIMITED BANGALORE-560

Notes:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on February 07, 2024.
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") prescribed 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. 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 December 31, 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 nine months ended December 31, 2023, 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.

Place: Bengaluru
Date: February 07, 2024

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

SUBEX LIMITED BANGALORE-560

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