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 the quarter ended June 30, 2024

(₹ in Lakhs)

	Particulars	Quarter ended			Year ended
		June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
		Unaudited	(Refer note 7)	Unaudited	Audited
	Income				
	Revenue from operations	6,498	6,504	6,491	26,901
	Other income	90	26	57	151
	Share of profit from Limited Liability Partnerships before exceptional items (refer note 3)	-	74	-	-
1	**Total income**	**6,588**	**6,604**	**6,548**	**27,052**
	Expenses				
	Employee benefits expense	2,901	2,756	3,009	11,784
	Finance costs	54	56	65	237
	Depreciation and amortization expense	315	322	334	1,350
	Share of loss from Limited Liability Partnerships before exceptional items (net) (refer note 3)	679	-	379	1,012
	Other expenses	4,103	4,291	4,575	17,673
2	**Total expenses**	**8,052**	**7,425**	**8,362**	**32,056**
3	**Loss before exceptional items and tax expense (1-2)**	**(1,464)**	**(821)**	**(1,814)**	**(5,004)**
	Exceptional items				
	Impairment of intangible asset (refer note 5)	-	29	-	29
	Impairment of investment in subsidiary (refer note 5)	-	936	-	936
	Share of loss from Subex Assurance LLP (refer note 3 and 5)				
	Impairment of investment in subsidiary	-	13,830	-	13,830
4	**Total exceptional items**	**-**	**14,795**	**-**	**14,795**
5	**Loss before tax expense (3-4)**	**(1,464)**	**(15,616)**	**(1,814)**	**(19,799)**
	Tax expense, net				
	Current tax charge/ (reversal)	-	-	-	-
	MAT credit entitlement/ (reversal)	-	-	-	-
	Provision - foreign income taxes	130	109	69	379
	Deferred tax charge/ (credit) (refer note 6)	-	1,147	-	1,147
6	**Total tax expense**	**130**	**1,256**	**69**	**1,526**
7	**Net Loss for the period/ year (5-6)**	**(1,594)**	**(16,872)**	**(1,883)**	**(21,325)**
	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	-	(8)	7	(1)
8	**Total other comprehensive income / (loss)**	**-**	**(8)**	**7**	**(1)**
9	**Total comprehensive loss for the period/ year (7+8)**	**(1,594)**	**(16,880)**	**(1,876)**	**(21,326)**
10	Paid up equity share capital [face value of ₹ 5 per share (March 31, 2024: ₹ 5 per share)]	28,100	28,100	28,100	28,100
11	Other equity	-	-	-	(6,712)
12	Earnings per share (of ₹ 5/- each) (not annualised in case of the interim periods)				
	- Basic (₹)	(0.29)	(3.05)	(0.34)	(3.86)
	- Diluted (₹)	(0.29)	(3.05)	(0.34)	(3.86)

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 05, 2024

2 The statement of unaudited standalone 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 Share of (loss)/ profit from Limited Liability Partnerships are as follows:

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
	Unaudited	(Refer note 7)	Unaudited	Audited
Subex Assurance LLP				
Share of profit/(loss) before exceptional items	25	35	(70)	(125)
Exceptional Items - Impairment of investment in subsidiary (refer note 5)	-	(13,830)	-	(13,830)
	25	**(13,795)**	**(70)**	**(13,955)**
Subex Digital LLP				
Share of profit/(loss)	(704)	39	(309)	(887)
Total	**(679)**	**(13,756)**	**(379)**	**(14,842)**

Subex Limited (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 During the quarter and year ended March 31, 2024, based on the valuation assessment carried out by an external expert in respect of carrying value of intangible assets and investments in subsidiaries and considering the significant investment required to keep the pace with the transformation in telecom sectors, the management made an impairment provision of Rs 29 Lakhs and Rs. 14,766 Lakhs towards such intangible assets and investments in subsidiaries respectively. The same was disclosed as an exceptional item in the statement of standalone financial results for the quarter ended March 31, 2024 and year ended March 31, 2024. The carrying value of intangible assets and investments in subsidiaries post aforesaid impairment is dependent on the achievement of valuation assumptions as considered by the management which the management believes reasonably reflects the future growth and profitability of the Company.

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 continues 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 earns 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. During the quarter and year ended March 31, 2024, the Company had reassessed the recoverability of deferred tax asset and had charged the same to the statement of standalone financials results.

7 The figures of the last quarter ended March 31, 2024 are the balancing figures between the audited figures in respect of the full financial year upto March 31, 2024 and the unaudited published year to date figures upto December 31, 2023, being the date of the end of the third quarter of the financial year which were subjected to limited review.

8 After the quarter ended June 30, 2024, Subex Digital LLP (a wholly-owned subsidiary of Subex Limited), with the approval of the board of directors of Subex Limited, has sold ID Central to Handy Online Solution Private Limited (Ongrid) at a valuation of Rs. 526 lakhs via a slump sale effective on July 15, 2024, without assigning values to individual assets and liabilities. The transaction involves payment of aforesaid consideration of Rs. 526 lakhs by Ongrid by the allotment of 104 equity shares of Ongrid, representing 0.75% of Ongrid's fully diluted share capital, based on Ongrid's valuation, to Subex Digital LLP.

SUBEX LIMITED ★ BANGALORE-560103 ★

Nisha Dutt
Nisha Dutt
Managing Director &
Chief Executive Officer
DIN : 06465957

Place: Bengaluru
Date:August 05, 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 ended June 30, 2024

(₹ in Lakhs)

	Particulars	Quarter ended			Year ended
		June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
		Unaudited	(Refer note 6)	Unaudited	Audited
	Income				
	Revenue from operations	6,816	8,380	6,729	30,972
	Other income	192	269	135	673
1	**Total income**	7,008	8,649	6,864	31,645
	Expenses				
	Employee benefits expense	4,776	4,832	5,430	20,900
	Finance costs	59	64	70	263
	Depreciation and amortization expense	366	378	387	1,559
	Other expenses	2,644	3,240	2,773	11,638
2	**Total expenses**	7,845	8,514	8,660	34,360
3	**(Loss)/profit before exceptional items and tax expense (1-2)**	(837)	135	(1,796)	(2,715)
	Exceptional item				
	Impairment of goodwill (refer note 4)	-	14,795	-	14,795
4	**Total exceptional item**	-	14,795	-	14,795
5	**Loss before tax expense (3-4)**	(837)	(14,660)	(1,796)	(17,510)
	Tax expense, net				
	Current tax charge/ (reversal)	16	20	5	75
	MAT credit entitlement/ (reversal)	-	-	-	-
	Provision - foreign income taxes	254	264	145	752
	Deferred tax charge/(credit) (refer note 5)	14	707	(18)	836
6	**Total tax expense**	284	991	132	1,663
7	**Net loss for the period/ year (5-6)**	(1,121)	(15,651)	(1,928)	(19,173)
	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	(5)	(7)	(21)	61
	Items that will not be reclassified subsequently to profit or loss:				
	Re-measurement (loss)/ gain on defined benefit plan	-	(39)	6	(47)
8	**Total other comprehensive income**	(5)	(46)	(15)	14
9	**Total comprehensive income/ (loss) for the period/ year (7+8)**	(1,126)	(15,697)	(1,943)	(19,159)
10	Paid up equity share capital [face value of ₹ 5 per share (March 31, 2024: ₹ 5 per share)]	28,100	28,100	28,100	28,100
11	Other equity	-	-	-	5,251
12	Earnings per share (of ₹ 5/- each) (not annualised in case of the interim periods)				
	- Basic (₹)	(0.20)	(2.83)	(0.35)	(3.47)
	- Diluted (₹)	(0.20)	(2.83)	(0.35)	(3.47)

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 05, 2024.

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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 During the quarter and year ended March 31, 2024, based on the valuation assessment carried out by an external expert in respect of carrying value of goodwill and considering the significant investment required to keep the pace with the transformation in telecom sectors, the management made an impairment provision of Rs 14,795 lakhs towards such goodwill. The same was disclosed as an exceptional item in the statement of consolidated financial results for the quarter ended March 31, 2024 and year ended March 31, 2024. The carrying value of goodwill post aforesaid impairment is dependent on the achievement of valuation assumptions as considered by the management which the management believes reasonably reflects the future growth and profitability of the Group.

5 Pursuant to approval of the Board of Directors and Shareholders of Subex Limited (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 continues 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 earns 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. During the quarter and year ended March 31, 2024, the Company had reassessed the recoverability of deferred tax asset and had charged the same to the statement of consolidated financials results.

6 The figures of the last quarter ended March 31, 2024 are the balancing figures between the audited figures in respect of the full financial year upto March 31, 2024 and the unaudited published year to date figures upto December 31, 2023, being the date of the end of the third quarter of the financial year which were subjected to limited review.

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Nisha Dutt
Managing Director &
Chief Executive Officer
DIN : 06465957

Place: Bengaluru
Date: August 05, 2024

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