



Tanla Platforms Limited

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Telangana, India - 500081

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91-40-23122999



info@tanla.com



www.tanla.com

Date: January 21, 2025

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: **532790**

National Stock Exchange of India Ltd.

“Exchange Plaza”
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051
Symbol: **TANLA**

Dear Sir / Madam,

Subject: Investor Updates for the quarter ended December 31, 2024.

With reference to the above cited subject, we enclose herewith the Investor Updates for the quarter ended December 31, 2024.

The same is also available on the website of the Company at www.tanla.com

Kindly take the same on record and disseminate on your website.

Thanking you

Yours faithfully,

For Tanla Platforms Limited

SESHANURA
DHA CHAVA

Digitally signed by
SESHANURADHA CHAVA
Date: 2025.01.21
20:03:59 +05'30'

Seshanuradha Chava
General Counsel and Company Secretary
ACS-15519



Investor Update

Q3 FY25

Jan 21, 2025



Tanla Team Celebrating One Billion RCS Messages in a Month

Safe Harbor and Other Information

The CPaaS business is evolving at a fast pace in India with very little information available in the public domain on the overall market. The financial community has always sought a response on the total market size, key drivers of the industry and the competitive landscape in this space. In order to provide more transparency and to help understand our business better, we are providing indicative data around the market size and our relative share (assuming the indicative data). This indicative data has been arrived at basis our detailed internal analysis. This is being done with an intent to provide an indicative picture of the industry and address queries about the CPaaS space. This must not be seen as a positioning statement of the company, and one should not rely on the company's disclosure for their assessment of the market size or the relevant share of any participants in the market.

This presentation contains statements that include information concerning our possible or assumed strategy, future operations, financing plans, operating model, financial position, future revenues, projected costs, competitive position, industry environment, potential growth opportunities, potential market opportunities, plans and objectives of management, as well as assumptions relating to the foregoing that involve substantial risks and uncertainties. All statements other than statements of historical fact could be deemed forward-looking in nature. Such statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, although not all forward-looking statements contain these identifying words, you can identify forward-looking statements by terminology such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "plan," "PROPOSED," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," "shall," and variations of these terms or the negative of these terms and similar or derivative expressions. The forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements, expressed or implied by the forward-looking statements. It is advisable not to place excessive reliance on any of the forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all. Additionally, these forward-looking statements, involve risk, uncertainties and assumptions based on information available to us as of 17/01/25, including those related to the continued impacts of COVID-19 on our business, future financial performance and global economic conditions. Many of these assumptions relate to matters that are beyond our control and changing rapidly, including, but not limited to, the timeframes for and severity of social distancing and other mitigation requirements, the timing of headwinds from COVID-19, the availability of vaccinations, the continued impact of COVID-19 on new or existing customers, business decisions and the length of our sales cycles, renewal timing or billings terms, particularly for customers in certain industries highly affected by COVID-19.

If the risks or uncertainties ever materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. We assume no obligation and do not intend to update these forward-looking statements or to conform these statements to actual results or to changes in our expectations, except as required by law.

This presentation contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information wherever possible, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to place excessive weightage to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information, wherever referred. Certain statements that might or might not be forward-looking statements represent our management's beliefs and assumptions only as of the date of this presentation. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation.

By receiving this presentation you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of our business. Any logos or trademarks other than Tanla, Karix, ValueFirst, Gamooga, Trubloq & Wisely included herein are the property of the owners thereof and are used for reference purposes only.



Q3 FY25 Results – Snapshot

All numbers are ₹ unless otherwise stated



Revenue

10,004 Mn



Gross Profit

2,607 Mn

26.1% gross margin



EBITDA

1,634 Mn

16.3% EBITDA margin



FCF

2,165 Mn

183% of PAT



PAT

1,185 Mn

11.8% PAT margin



EPS

8.82



Cash

9,208 Mn

Increased by ₹ 2155 Mn

Note: All growth numbers are over Q2 FY25, i.e., QoQ growth

Cash balance includes fixed deposits with maturity greater than twelve months classified under Non-Current Assets and liquid investments



Tanla has track record of Strong Performance

All numbers are ₹, unless otherwise stated

Sustained Value Creation

19%

Revenue growth¹

22%

Gross profit¹

19%

EBITDA growth¹

7,146 Mn

Cash returned to shareholders

15%

PAT growth¹

26%+

Increase in stock price²

Best-in-class Execution

100+

Innovations³

7+

Patents⁴

2,000+

Customers across segments

100+

Partners⁵

325

Customers with >10 MN Revenue p.a.

50%

Rev. from 50 / top 100 cust., retained for > 5 yr.

World Class Culture

1000+

Employees in India and beyond

19,749

Training hours

25%

Women in leadership

Zero

POSH and human rights complaints

74/100

S&P Global ESG Score

100%

Return-to-Work Rate from Parental leave

Listed in indices

MSCI

Nifty500

Nifty MidSmallcap400

Nifty Smallcap250

FTSE

Nifty India Digital

S&P BSE SENSEX

Awards

Gartner

Visionary in CPaaS Magic Quadrant

Meta

Growth partner of the year

MEFFYS

Enterprise Communication

Google

Google RCS Growth Partner of the Year

Recognitions



Received 74/100 score from S&P Global



'Global HR excellence award'

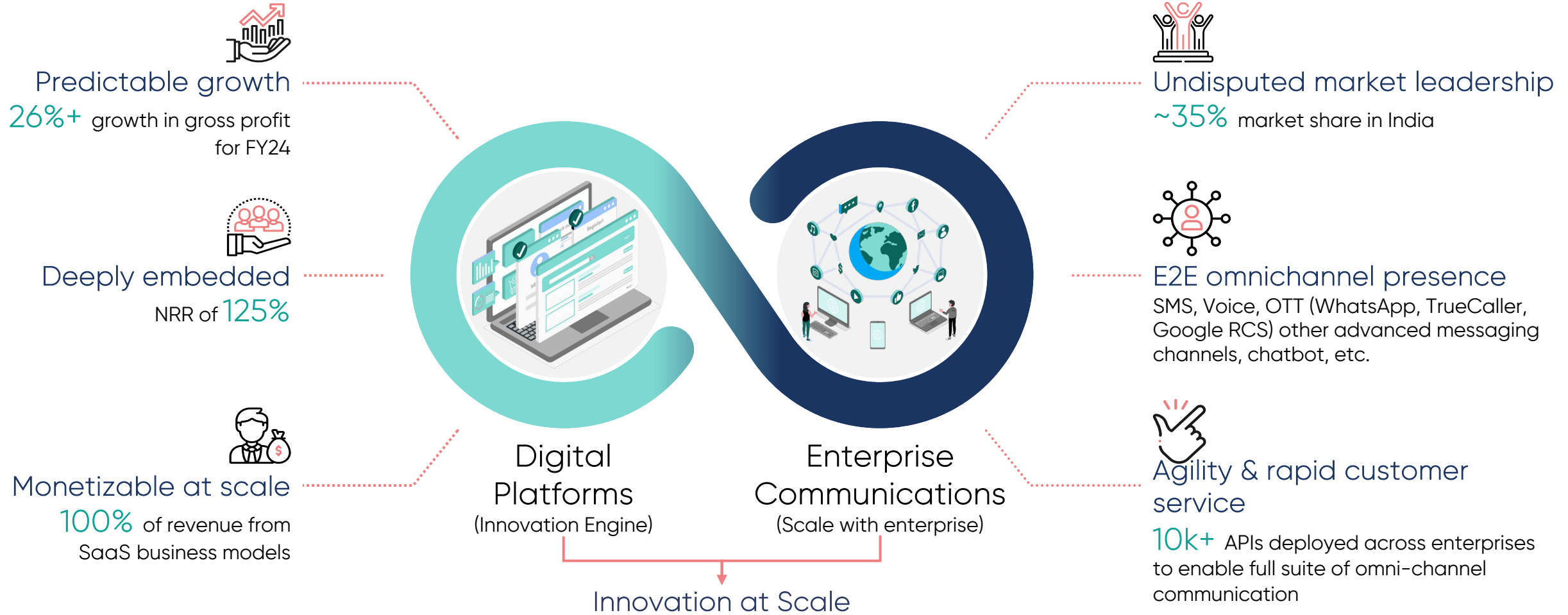
1. CAGR growth over four years starting from FY21 to FY24

2. ₹ 524 on 31st Mar 2023 vs ₹ 663 on 31st December 2024; 3. Including enhancements; 4. patents granted for Wisely; 3 provisional patents for ATP and Trubloq 2.0 5. Includes all 3rd party contractors

Source: Team analysis



Today, Tanla focuses on two synergistic businesses – Digital Platforms & Enterprise Communications



The data indicated on market size has been arrived at basis our internal analysis. This is our assessment and merely indicative in nature.



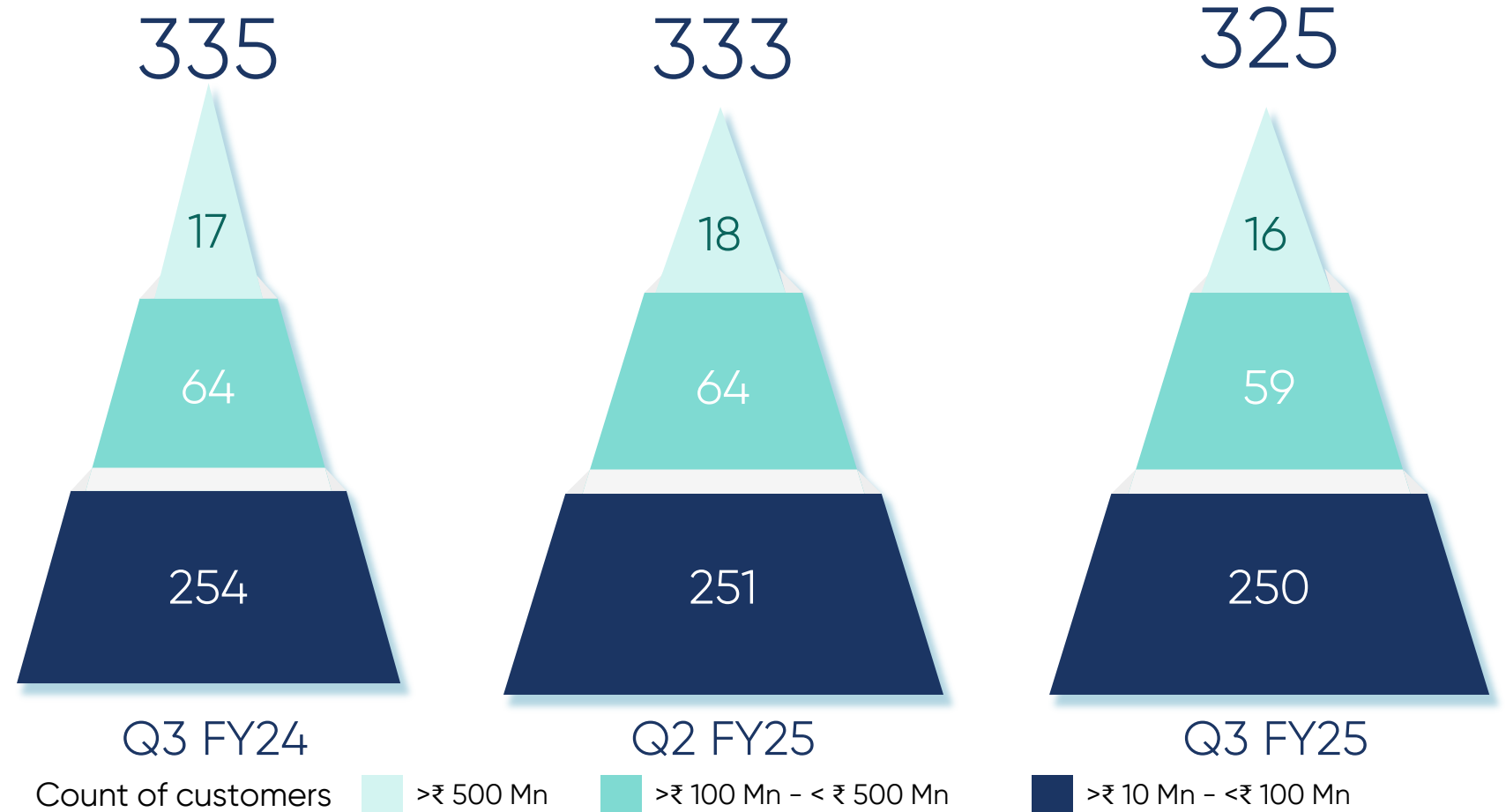
Business Outcomes



Customer cohorts

325 customers contributing > ₹ 10 Mn annual revenue, down by 2% on QoQ basis

Customers contributing > ₹ 10 Mn annual revenue de-grew by 3% on QoQ basis



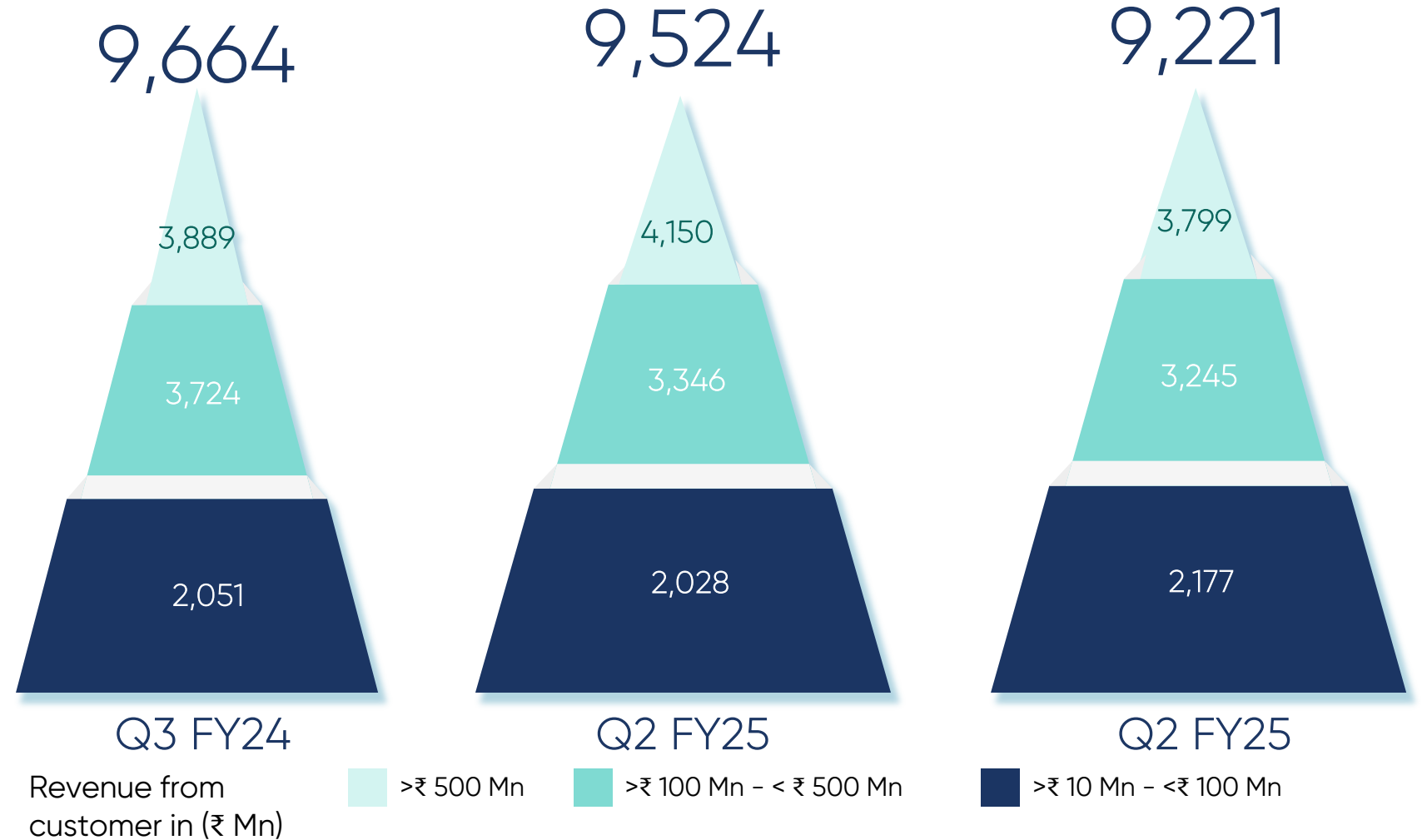
1. Customer segments are arrived at on a quarterly annualized basis (quarter revenue multiplied by four)



Customer cohorts

Customers on-boarded during the trailing twelve months (TTM) have added ₹ 363 Mn in Q3 FY25

Top 20 customers are contributing to 46% of revenue (₹ 4,565 Mn) in Q3 FY25



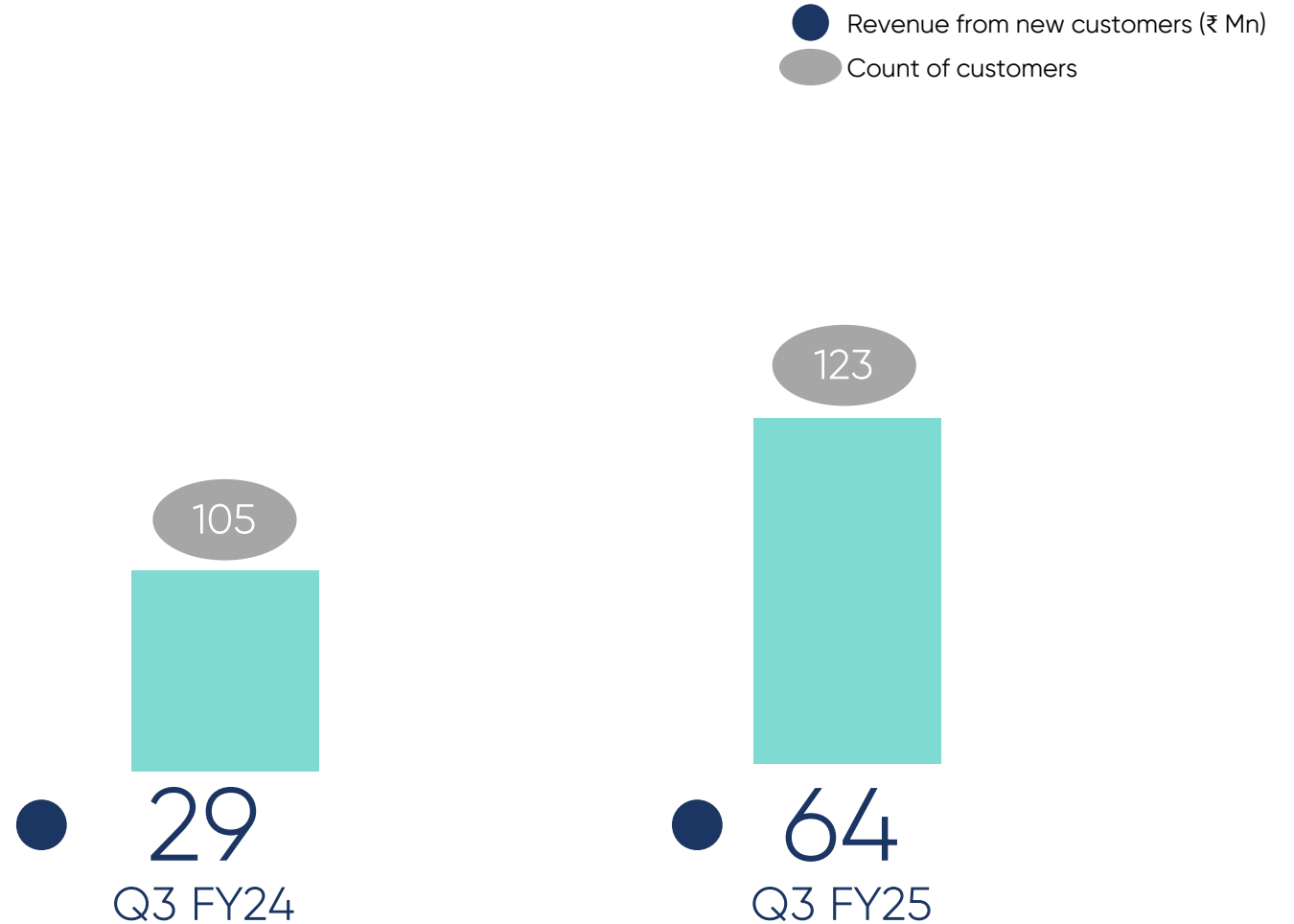
1. Customer segments are arrived at on a quarterly annualized basis (quarter revenue multiplied by four)



Winning New Logos

50%

New Customers added on WA and RCS



1. New customers include every unique contracting entity added during the year

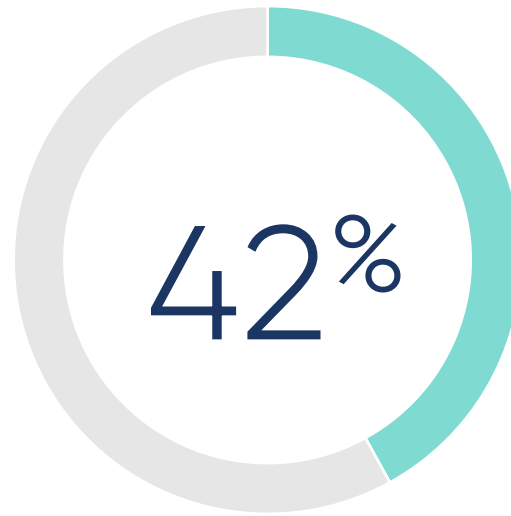


Customer Concentration

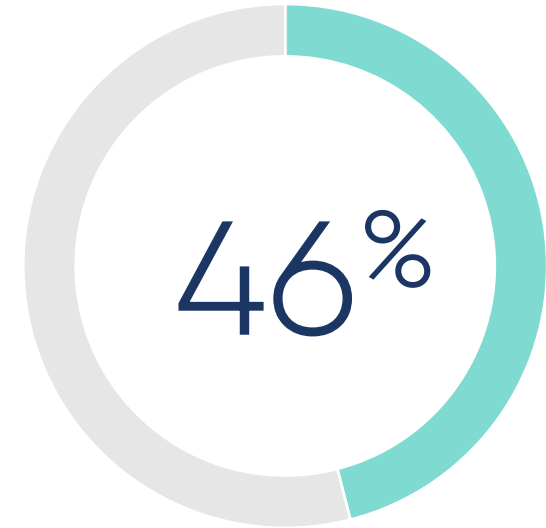
12

out of 20 customers
of last year continue to be
in Top 20

● Revenue from top 20 customers (₹ Mn)



● 4,239
Q3 FY24



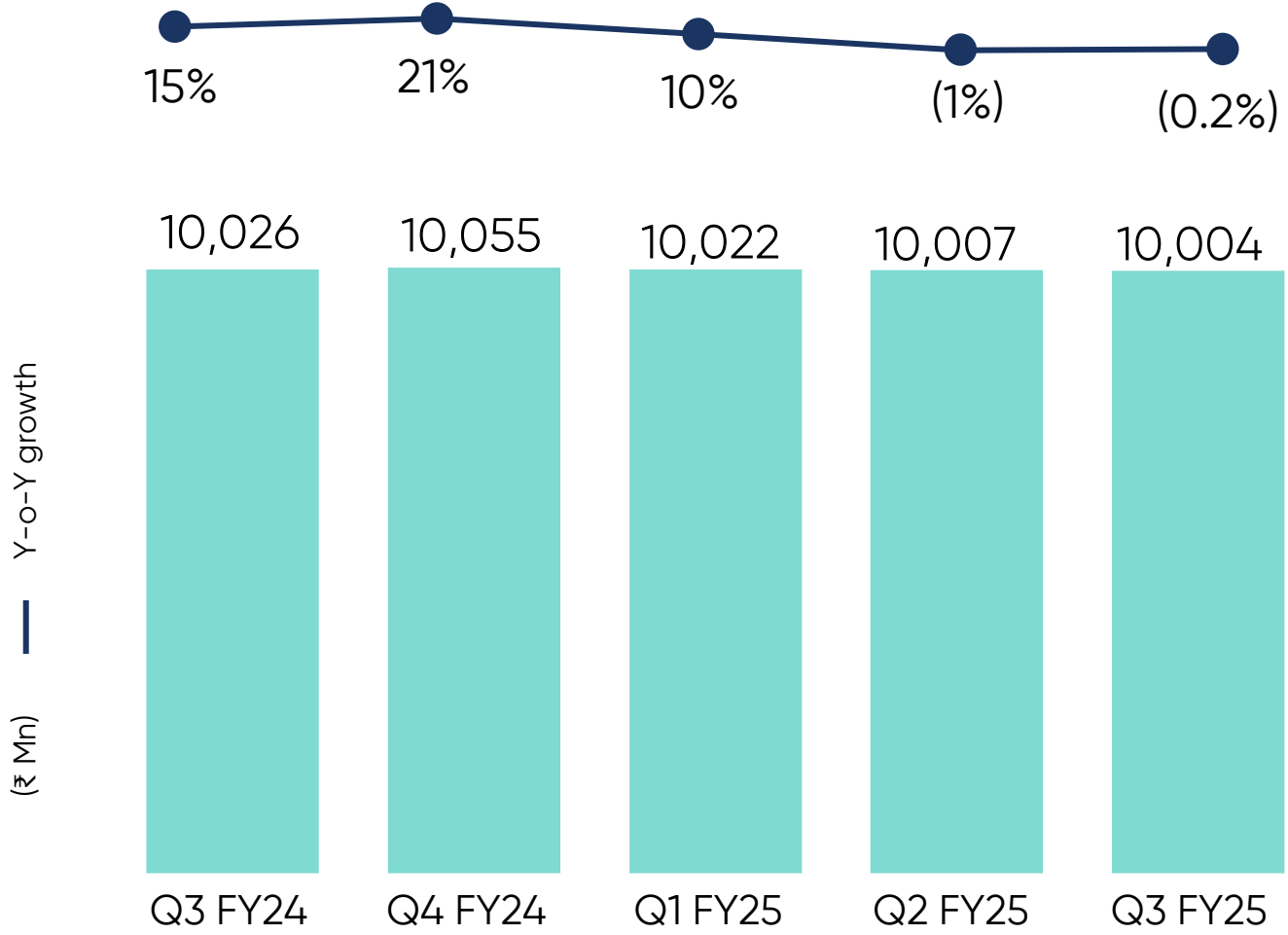
● 4,565
Q3 FY25



Financial Outcomes



Revenue



Revenue growth remains muted



OTT contribution to overall revenue was at 22.8% in Q3 FY25, as against 14.8% in Q3 FY24 – we are making the shift to rich media



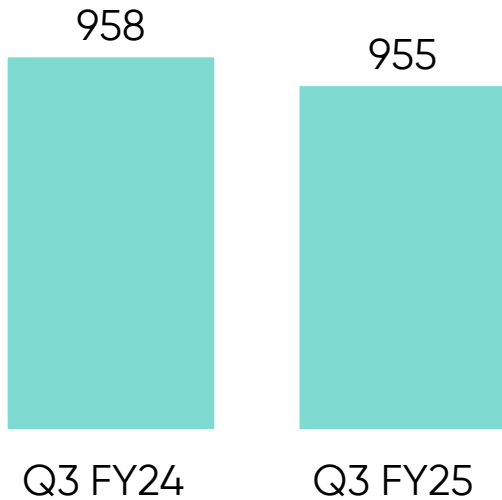
Q3 FY25 – Digital Platforms & Enterprise Communications Revenue

(₹ Mn)



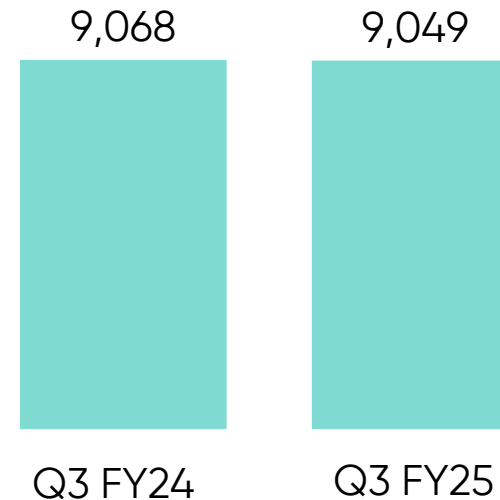
Digital Platforms

0.3% de-grew YoY
(excl. Vi Impact grew by 16.9%)

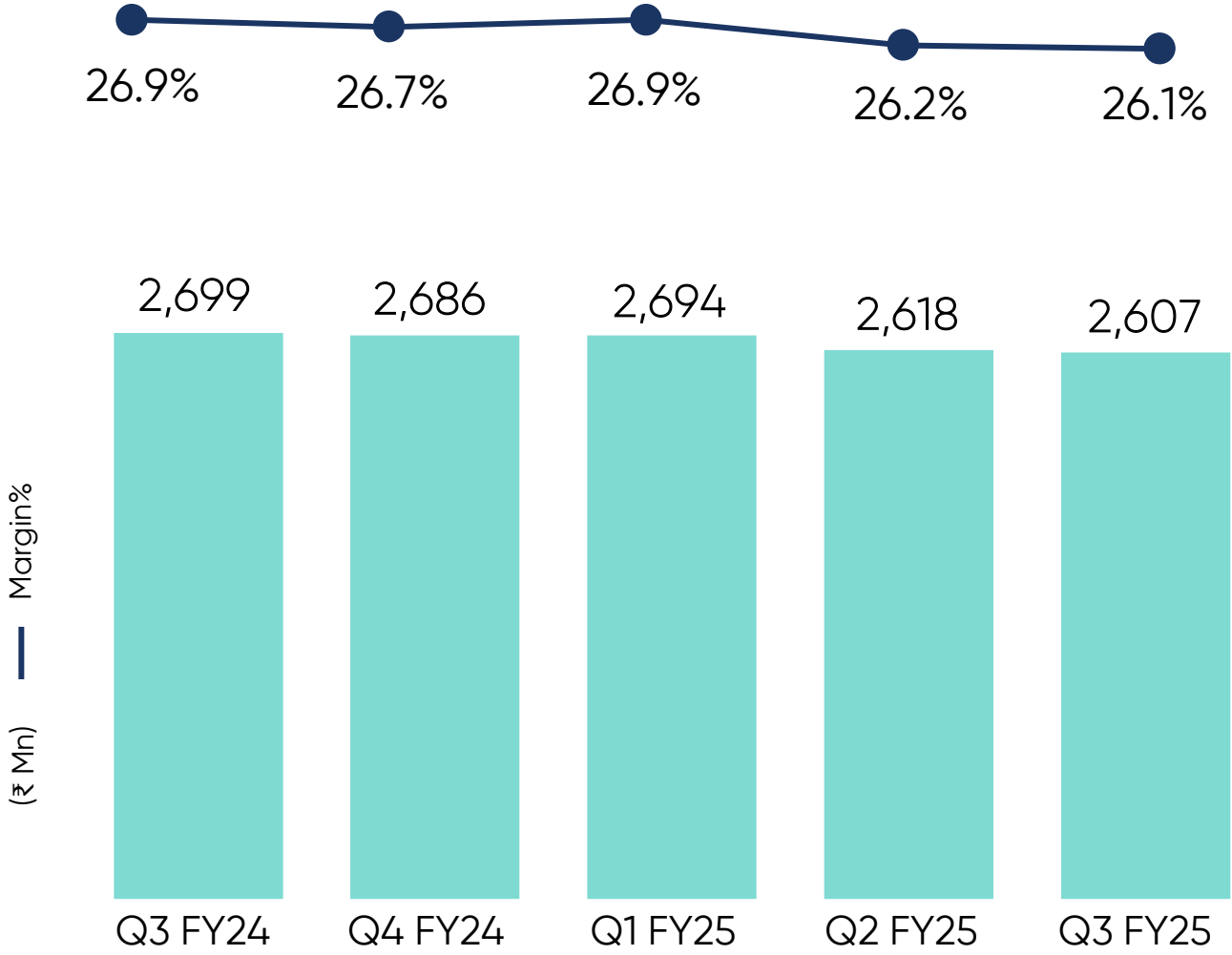


Enterprise Communications

0.2% de-grew YoY



Gross profit



Gross profit de-grew by 0.4% QoQ. Gross margin was at 26.1% in Q3FY25



Digital Platform gross profit grew by 8.6% sequentially led by MaaP



Enterprise communications gross profit de-grew by 4.9% QoQ due to softness in ILD business



On sequential basis, gross margin % decreased by 11 bps

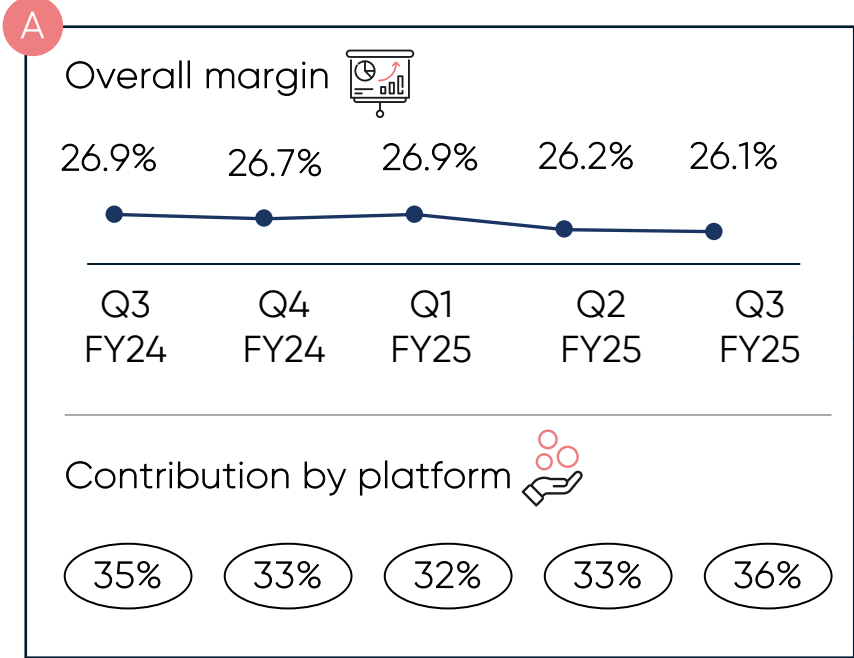


Gross margin profile

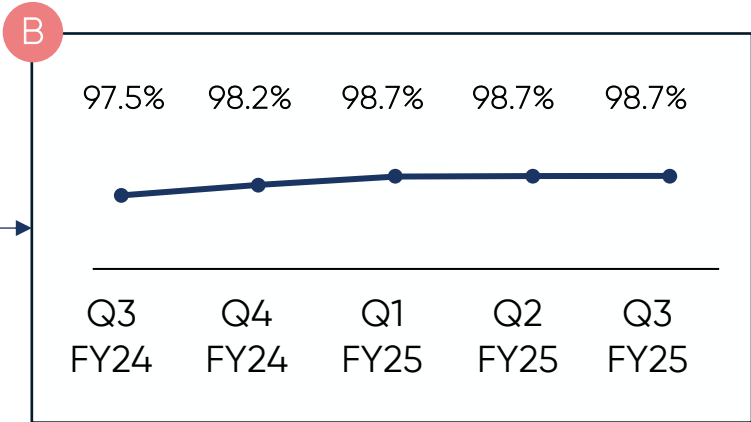
A Decrease in gross margin by 87bps YoY, and 11 bps QoQ

B Digital Platform gross margin contribution to total at 36%

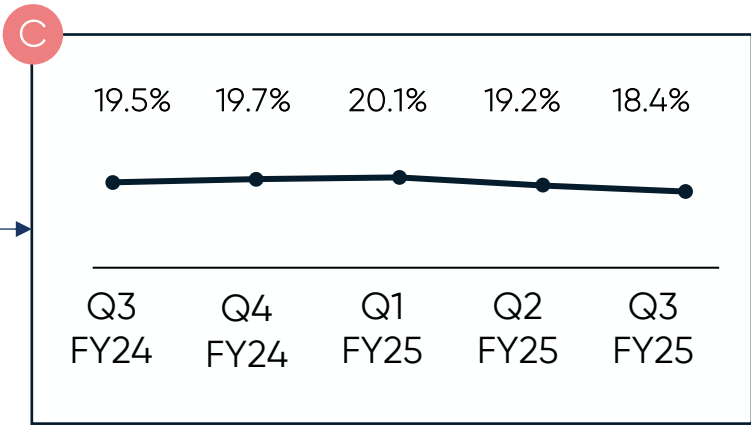
C Enterprise communications gross margin at 18.4% in Q3



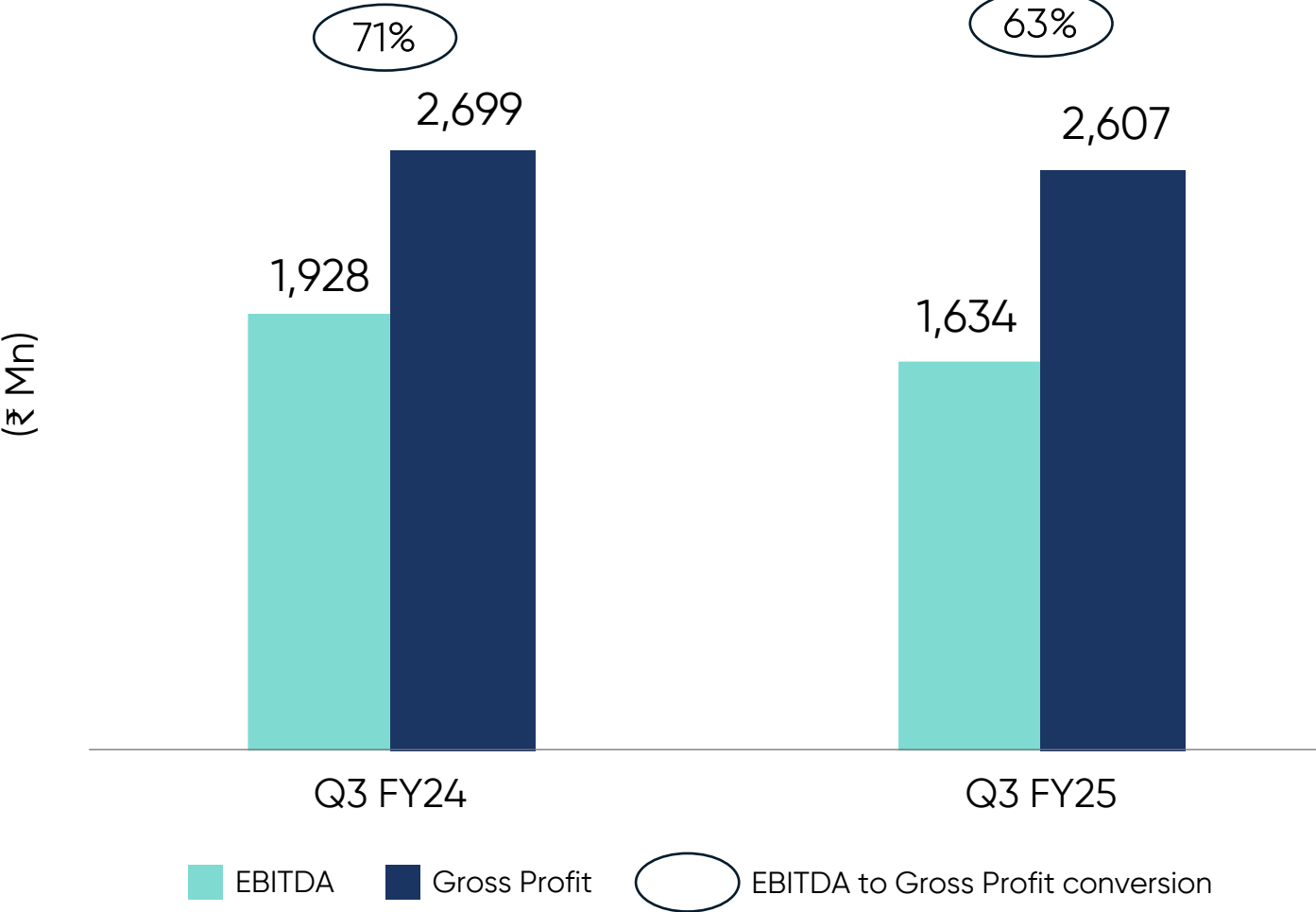
Platform business



Enterprise business



Efficiency Metrics



EBITDA was at ₹ 1,634 Mn, de-grew by 6.8% QoQ. The decrease can be primarily be attributed increase in indirect cost spends and one-time forex impact of ₹ 44 Mn



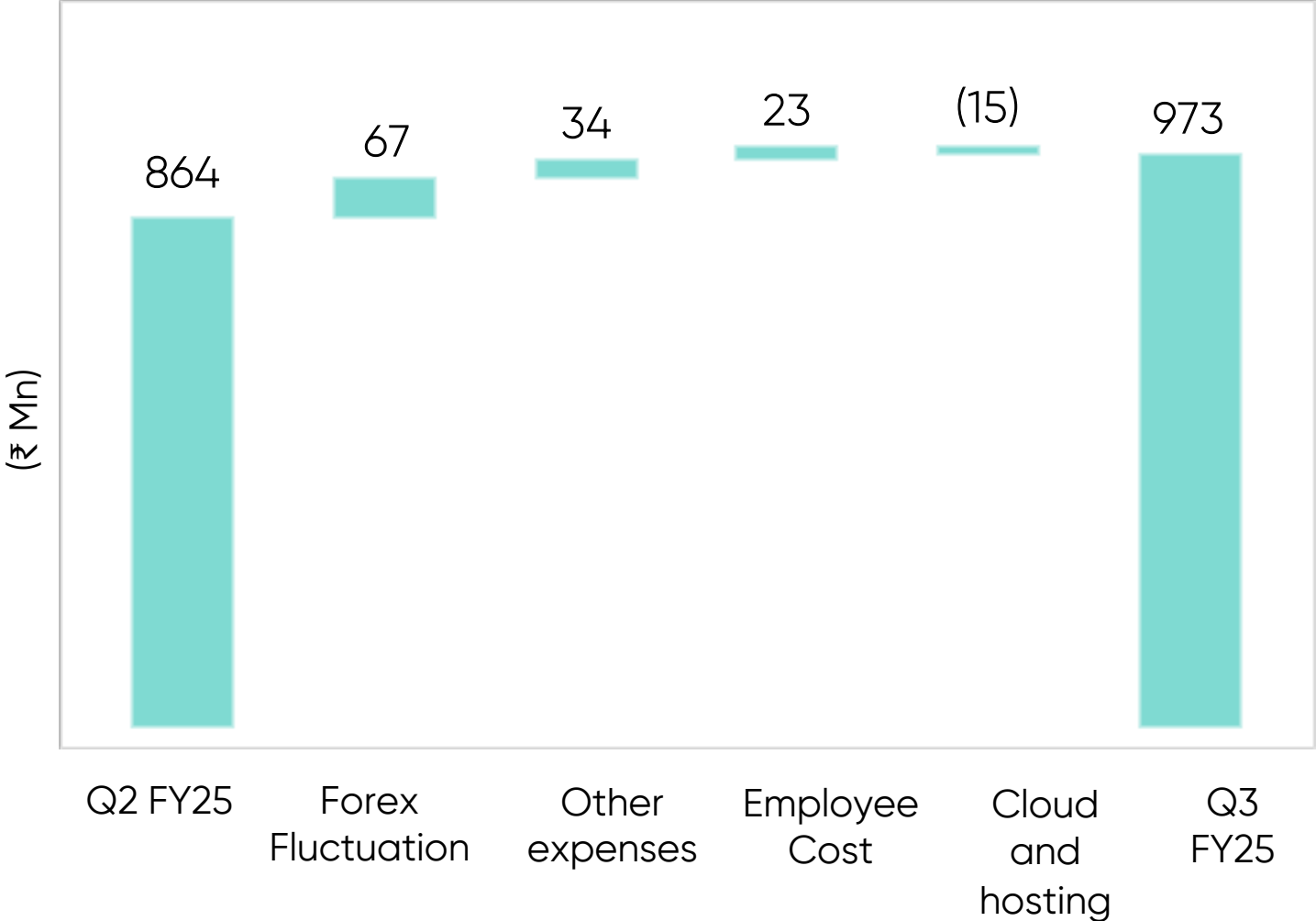
EBITDA margin declined by 119 basis points sequentially and 289 basis points YoY



Indirect cost was at 9.7% of revenue in Q3 FY25 as against 7.7% in Q3 FY24



Indirect cost walk QoQ



We have a forex fluctuation loss of ₹44 Mn in Q3, compared to a ₹23 Mn gain in Q2, due to sharp depreciation of EURO



Over the longer period, cumulative impact of forex fluctuation from Q3 FY24 to Q2 FY25 is a gain of ₹11 Mn

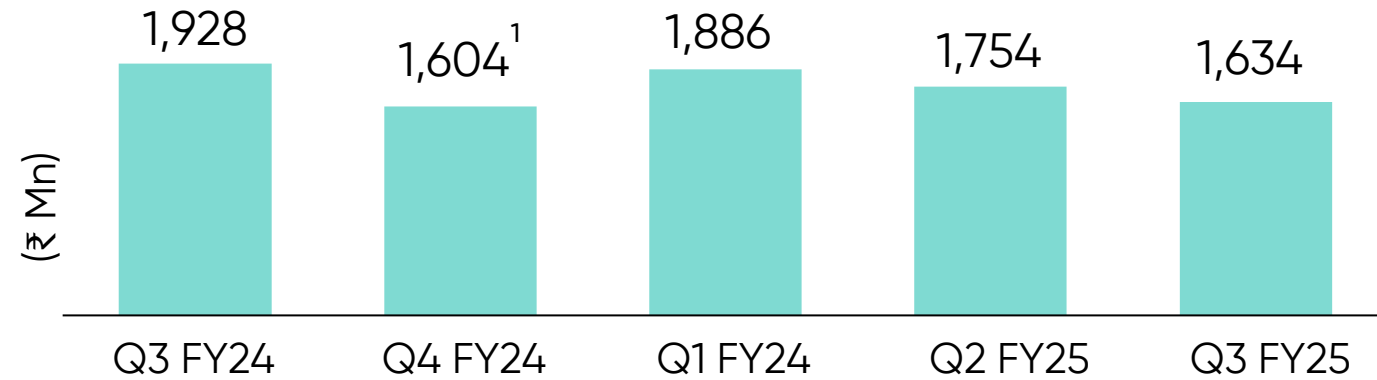


Employee cost increased by ₹23 Mn. We will continue to invest in talent



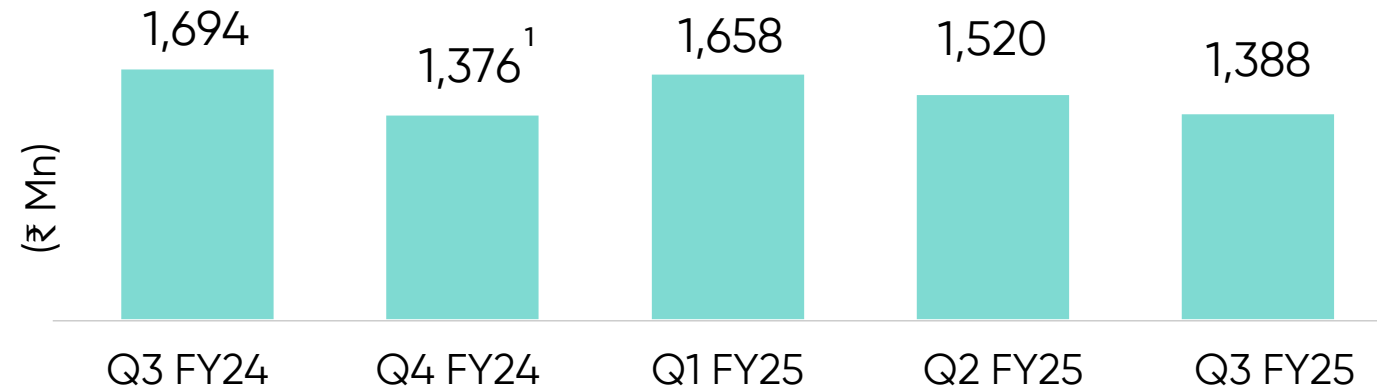
Operating Income

EBITDA



EBITDA de-grew by 15.2% YoY and 6.8% QoQ to ₹ 1,634 Mn in Q3 FY25

EBIT

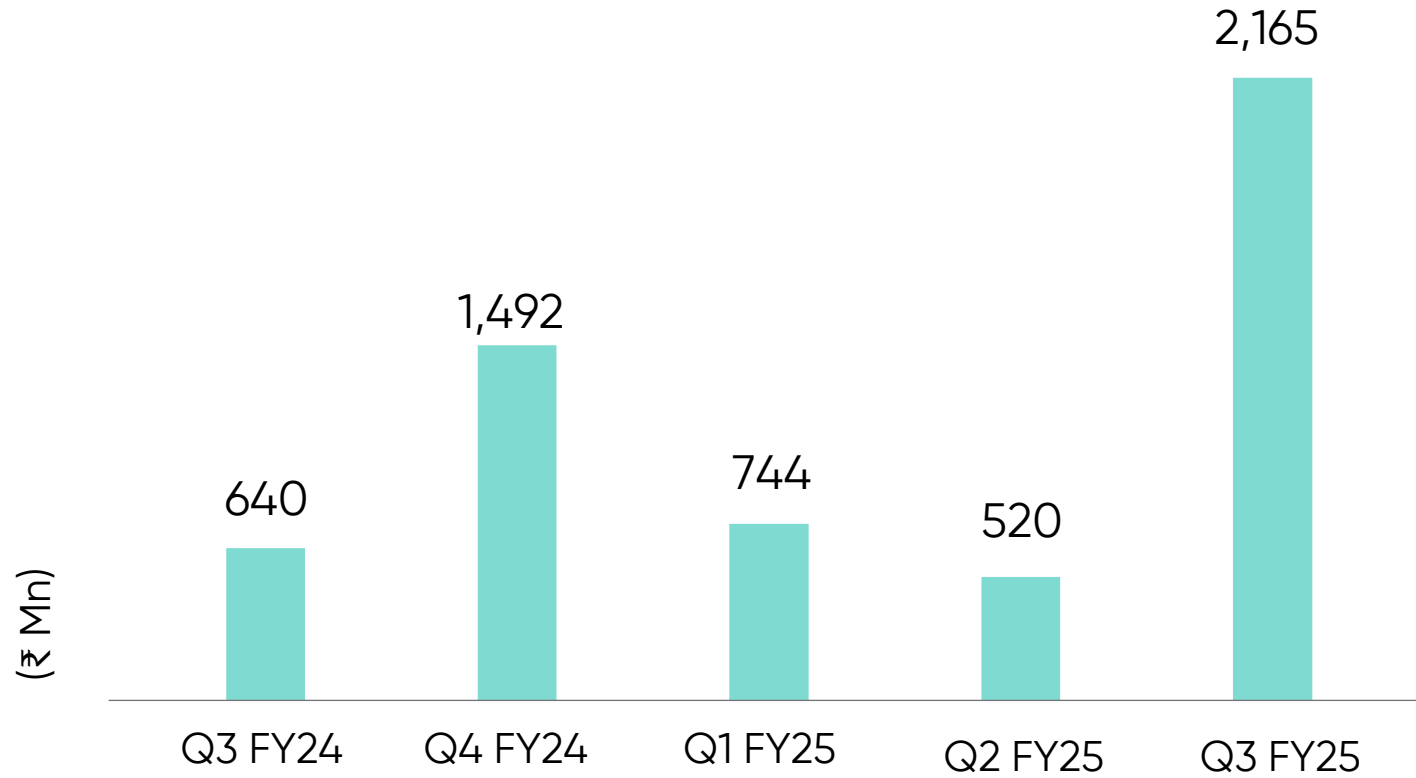


EBIT was at ₹ 1,388 Mn and EBIT margin at 13.9% in Q3

¹ Please refer slide no. 28 for reconciliation between reported number to adjusted number.



Free Cash Flow Generation



In Q3, we generated ₹ 2,165 Mn as free cash flow highest in last six quarters

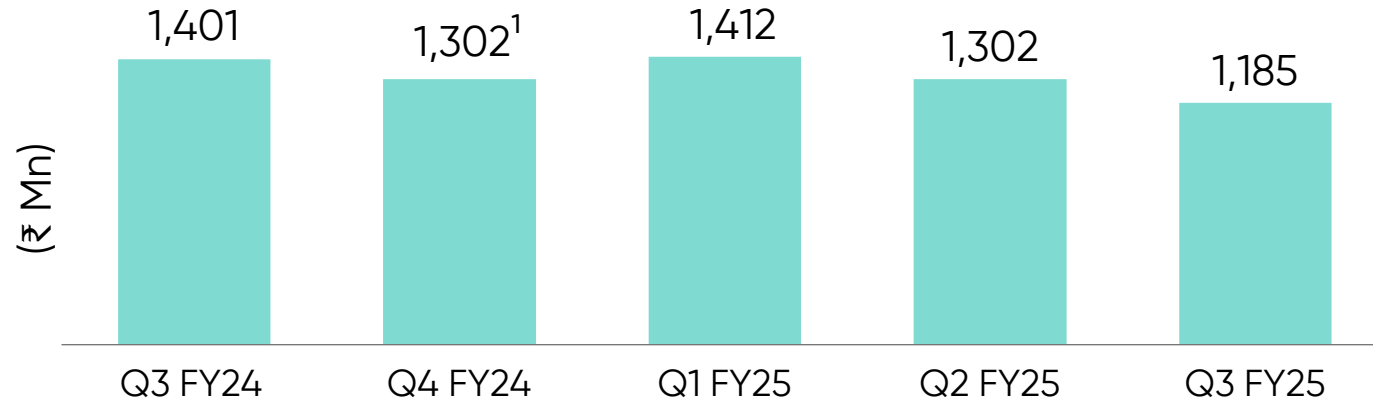


DSO at 82 days in Q3, improved by 8 days from Q2



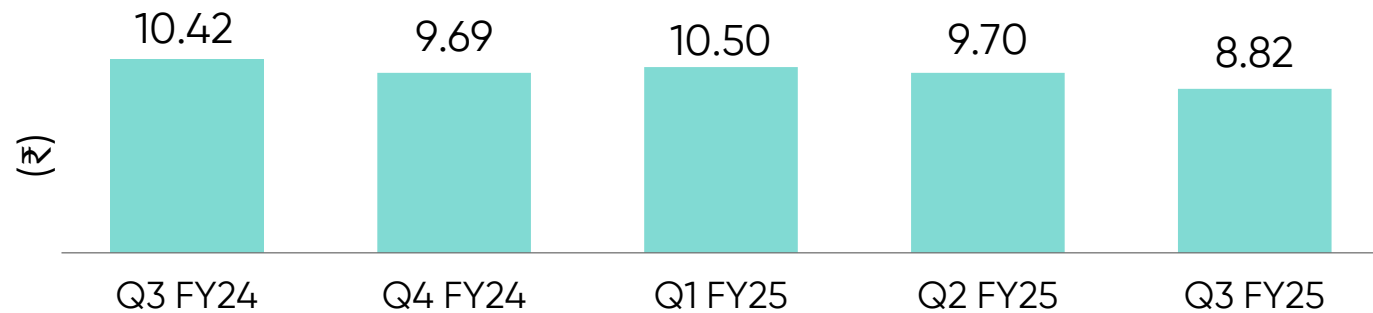
Profit After Tax & EPS

Profit After Tax (PAT)



PAT was at ₹ 1,185 Mn in Q3, impacted by increase in indirect cost spends and impact of forex loss

EPS



Effective tax rate for Q3 FY25 is at 19.2%



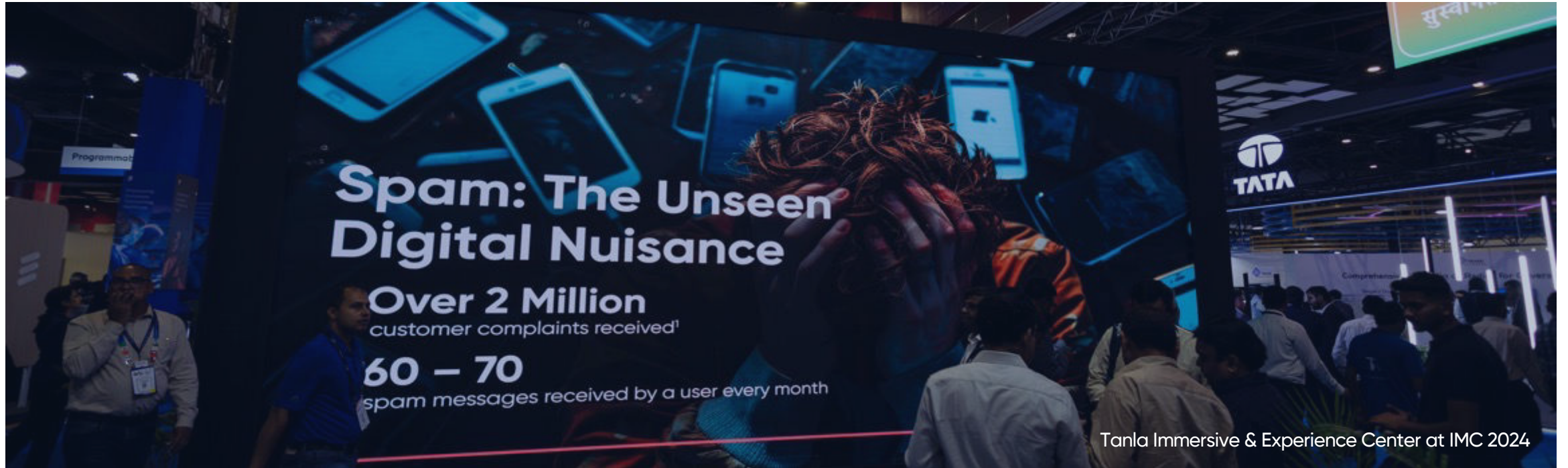
EPS was at ₹ 8.82 in Q3 FY25

1. Please refer slide no. 28 for reconciliation between reported number to adjusted number



Strong Balance Sheet

All numbers are ₹, unless otherwise stated



22,330 Mn

Strong Equity and Reserves

9,208 Mn

Cash & cash equivalents

34%

ROCE (excluding cash & cash equivalents)

Debt Free





Annexures

Re-engagement and Retention :
Mastering the post-purchase Loyalty Loop

ELVATE
Experi...ment. Impa...



Ankur Sarawagi
SVP of Business, Product and GTM
Shiprocket

Amandeep Singh Khurana
Head Loyalty and Subscription Programs,
PVP

Parth Joshi
Chief Marketing Officer
BharatPe

Manan Bajoria
Group VP of Growth Marketing,
ixigo

Sachin Vashishtha
Chief Marketing Officer,
Paisabazaar

Somes...

...rator
Kagwade
Partner Manager,
Business Messaging

Profit & Loss

Q3 FY25



In ₹ Mn, unless otherwise stated	Q3 FY25	Q3 FY24	Δ%	Q2 FY25
Revenue from operations (net)	10,004	10,026	(0)	10,007
Cost of services	(7,397)	(7,327)	1	(7,389)
Gross Profit	2,607	2,699	(3)	2,618
Operating Expenses	(973)	(771)	26	(864)
EBITDA	1,634	1,928	(15)	1,754
Depreciation and Amortization	(246)	(234)	5	(234)
EBIT	1,388	1,694	(18)	1,520
Finance Cost	(14)	(17)	(18)	(15)
Other income	94	51	84	102
Profit before taxes	1,468	1,728	(15)	1,607
Tax expenses	(283)	(327)	(13)	(305)
Profit after taxes	1,185	1,401	(15)	1,302
Earnings per share	8.82	10.42	(15)	9.70
Weighted average shares outstanding	134.3	134.4		134.3



Balance Sheet December 31, 2024

In ₹ Mn, unless otherwise stated	Unaudited Dec 31, 2024	Unaudited Sep 30, 2024
Assets		
Non-current assets		
Property, plant and equipment	2,243	2,281
Internally developed - Platforms	1,467	852
Customer Relationships	256	271
Trade name	22	26
Technology	83	92
Non Compete	15	17
Software	204	217
Intangible assets under development	678	1,145
Goodwill	2,646	2,646
Right-of-use assets	556	590
Deferred tax assets (net)	448	405
Other non-current assets	655	435
Capital work-in-progress	28	16
Financial assets	452	416
Investment Property	17	17
Total Non-Current Assets	9,770	9,426
Investments	2,419	1,553
Trade receivables	8,976	10,045
Cash and cash equivalents	3,995	5,221
Bank balances other than cash and cash equivalents	2,540	46
Other financial assets	4,614	5,126
Other current assets	328	508
Total current assets	22,872	22,499
Total Assets	32,642	31,925

In ₹ Mn, unless otherwise stated	Unaudited Dec 31, 2024	Unaudited Sep 30, 2024
Equity & Liabilities		
Equity share capital	135	135
Other equity	22,195	20,941
Total equity	22,330	21,076
Financial liabilities		
Lease liabilities	565	597
Other financial liabilities	-	-
Provisions	18	16
Other non-current liabilities	11	8
Total non-current Liabilities	594	621
Current liabilities		
Trade payables	6,192	6,238
Lease liabilities	104	99
Other financial liabilities	2,668	3,146
Other current liabilities	348	341
Provisions	83	83
Current tax liabilities (net)	323	321
Total current liabilities	9,718	10,228
Total Equity & Liabilities	32,642	31,925



Condensed Cash flow Q3 FY25



In ₹ Mn, unless otherwise stated	Q3 FY25	Q2 FY25
Cash flow before changes in working capital	1,711	1,761
Changes in working capital	1,240	(455)
Cash generated from operations	2,951	1,306
Taxes	(319)	(417)
Cash flow from operating activities	2,632	889
Net investments in tangible and intangible assets	(467)	(369)
Purchase/sale of short-term liquid funds	(865)	(1,553)
Interest and other income	92	76
Movement in Bank Balances	(21)	105
Cash flow from investing activities	(1,261)	(1,741)
Proceeds from issue of shares	0	0
Dividend paid	-	(807)
Purchase of shares as part of ESOP trust pool	(15)	(285)
Interest paid on lease liabilities	(15)	(31)
Payment on lease liabilities	(28)	(11)
Cash flow from financing activities	(58)	(1,134)
Cash flow for the period	1,313	(1,985)
Cash and cash equivalents at the beginning of period	7,053	7,572
Forex Fluctuations	(44)	17
Investments in short term liquid funds	865	1,553
Fixed Deposits maturity more than 12months ⁽¹⁾	21	(105)
Cash and cash equivalents closing balance	9,208	7,053

1. Cash balance includes fixed deposits with maturity greater than twelve months classified under Non-Current Assets and investments in short term liquid funds

Free Cash Flow



In ₹ Mn, unless otherwise stated	Q3 FY25	Q3 FY24	Δ%	Q2 FY25
Operating cash flow	2,632	1,083	143%	889
Capital expenditure	(467)	(443)	5%	(369)
Free cash flow	2165	640	238%	520
Free cash flow in percent of total revenue	22%	6%	-	5%
Free cash flow as % of PAT	183%	46%	-	40%



Reconciliation



In ₹ Mn, unless otherwise stated	Q3 FY25	Q2 FY25	Q1 FY25	Q4 FY24
Reported EBITDA	1,634	1,754	1,886	1,604
One-time expense- MWC	-	-	-	273
Adjusted EBITDA	1,634	1,754	1,886	1,877
Adjusted EBIT	1,388	1,520	1,658	1,649
adjusted PAT	1,185	1,302	1,412	1,361

1. Adjusted PAT is normalized for the post tax impact for 1 items – (i) one-time expenditure of ₹ 273 MN incurred for Mobile World Congress 2024



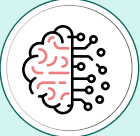
About Us



Tanla embeds Gen AI across all its platforms

Wise Albert

Our intelligent core underlying all our products, revolutionizing digital interactions through Gen AI capabilities



Audience.ai
(whom to send)



Content.ai
(what to send)



Channel & Partner.ai
(how to send)

ATP



Scam identification and prevention in <50 ms through AI-ML led engines



Semantics engine

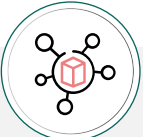


Sender reputation



CTA engine

Trubloq



GenAI to elevate Trubloq's signature experience



Registration.ai

- 90%+ time saving in the registration process



DigiAssets.ai

- 100% compliance with all regulatory guidelines
- 1 single dashboard for digital asset analytics

Wisely



Single API-led intelligent platform for omni-channel digital interactions to deliver distinctive impact for enterprises and their users



Single API



End-to-End encryption



Smart routing



Performance analytics



Partner marketplace



SSOT enabled by blockchain



Integrated plugins



Core stack



We have also successfully addressed several Greenfield opportunities

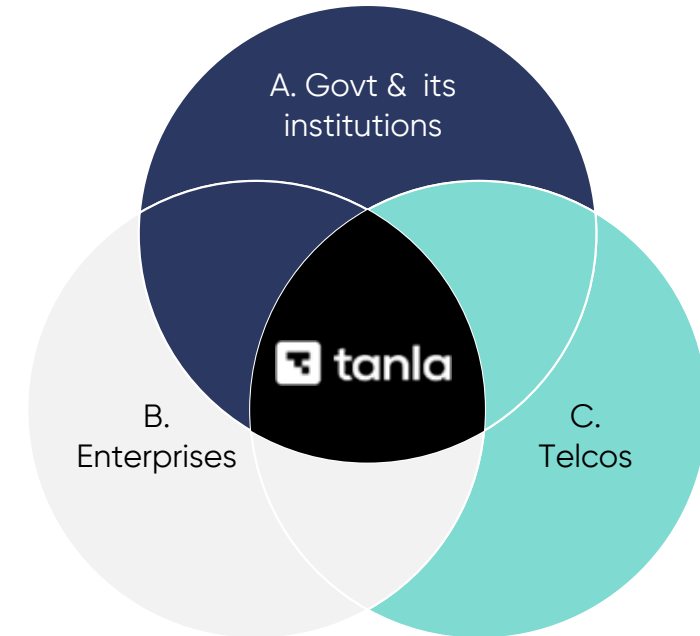
Trubloq

With world's 1st blockchain-enabled communication stack. It works with a consortium of telecom players and other stakeholders to maintain the leadership position

User	1Bn+	Users touched
	60–80%	Reduction in complaints per Mn SMS from telemarketers
Regulatory	100%	Compliance to address all legal challenges
Business	3/4	Indian telcos served BSNL VI airtel
	100%	Market share in UAE e& du
	50k+	Enterprise partners

ATP

First of its kind anti-smishing platform.



Our Customers love us in India and beyond

We are the player of choice in India...



~35%

CPaaS market share



50%+

of total revenues contributed by 50 of our top 100 customers, retained for more than 5 years



Player of choice

in India across industries leaders



2000+

Customers across segments



9/10 top banks served



7/10 top insurance



8/10 top financial services



7/10 top social media



marquee govt. projects



...and serve global giants in 4

regions
USA &
Europe

Global Tech giants

SEA



Middle East



This indicative data on market size has been arrived at basis our internal analysis. This is our assessment and merely indicative in nature and should not be relied upon



Our Market Leadership in Enterprise Communication (1/2)

Tech. backed use cases



Unmatched scale with 35% CPaaS market share

- 5% increase post ValueFirst acquisition
- ~45% share in SMS NLD market

Player of choice across industry

- 2000+ customers across industries
- 8 of Top 10 brands served across banking, Insurance, Retail, E-Comm, Travel & Digital Natives

Largest government partner

- Multiple campaigns supported



High Customer Stickiness



50 of Top 100 accounts > 5 years

- Double digit growth in every customer cohort since inception
- 100+ API's integrations within a single enterprises across different ecosystems

Customized to serve enterprise needs

- Deeply integrated, with all major CRM systems across verticals to enable omnichannel communication
- 10,000 customized APIs to integrate with customers
- 1000+ bank-specific use cases supported

This indicative data on market size has been arrived at basis our internal analysis. This is our assessment and merely indicative in nature and should not be relied upon



Our Market Leadership in Enterprise Communication (2/2)

Tech. backed use cases



AI/ML based solutions developed for a leading bank

- **Impact: 2X** increase in loyalty (offers availed) for the bank

Context

- **Automated** relevant promotional messages based on user card swipe activity
- In house **ML capabilities** leveraged to trigger targeted offer to users basis transaction amount, location, and card type

Newer Channels



Turbo charging our growth

- **4x growth in RCS**

Serving enterprise curated needs

- **Commerce on WhatsApp:** Enabled cab booking over WhatsApp for a seamless consumer journey



Great Financial Track Record

We continue
to deliver over
the **last five**
years

All figures in ₹ Mn



10,040

Revenues 2019

~4x



39,278

Revenues 2024



967

EBITDA 2019

~8x



7,322

EBITDA 2024



298

PAT 2019

~18x



5,483

PAT 2024





Thank You

TEJAS NETWORKS

TATA

with innovations

Empower consumers

भारत