



NEWGEN SOFTWARE TECHNOLOGIES LTD.

INVESTOR PRESENTATION – FY'21 AND Q4 FY'21

Connecting Enterprises. Transforming Experiences.

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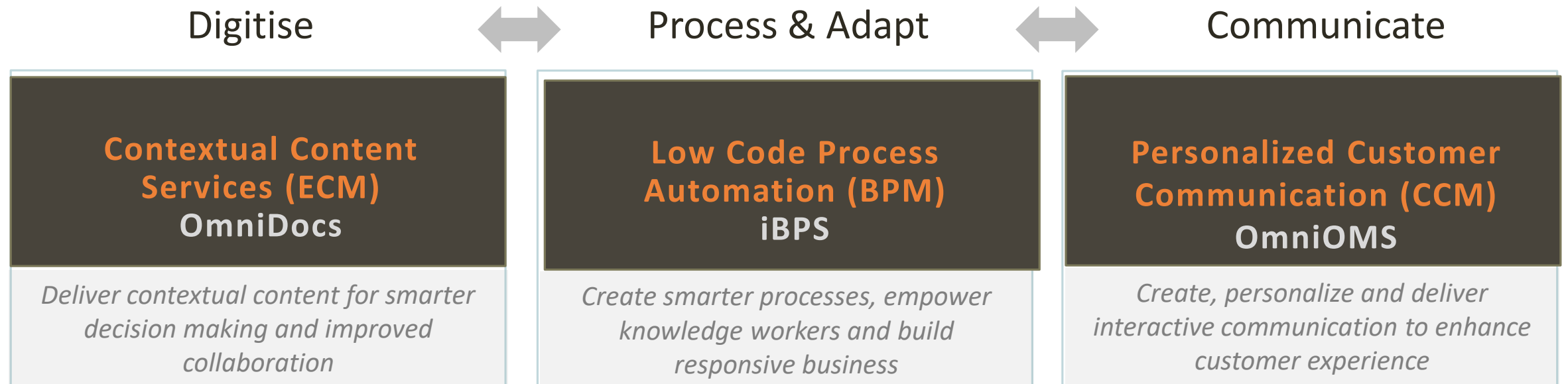
May
2021

NEWGEN CORPORATE OVERVIEW



NEWGEN: OVERVIEW

Enterprise-wide Digital Automation platform player offering mission critical solutions to organizations for digital transformation and competitive differentiation



NEWGEN'S THREE PLATFORMS IDEAL FOR DIGITAL TRANSFORMATION

Contextual
Content
Services
(ECM)

Low Code
Process
Automation
(BPM)

Personalized
Customer
Communication
(CCM)

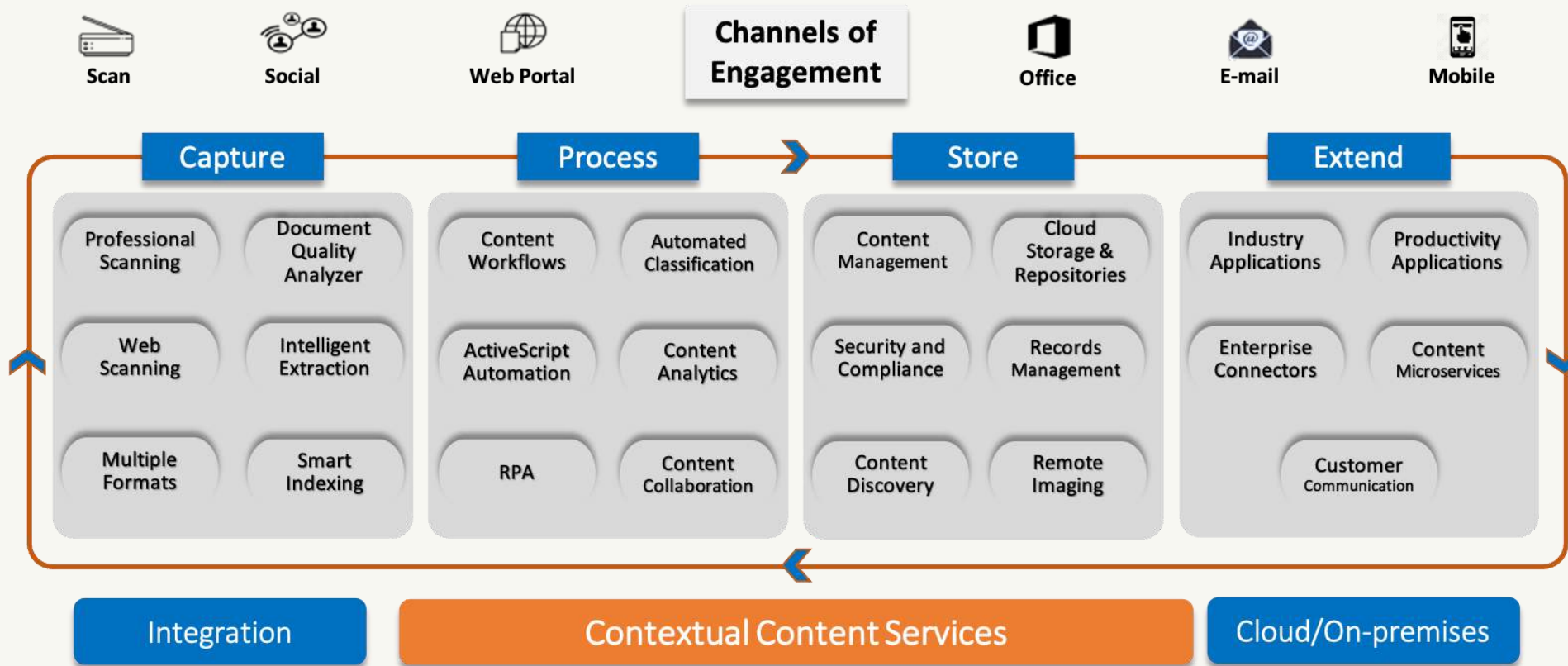
- Each platform a front-runner in its own category
- Most Digital use cases leverage more than one Product
- Built on Unified Architecture and thus extremely compatible and seamlessly integrate, providing competitive differentiation from other market products
- Cloud ready architecture on AWS and Azure - flexible, scalable and secure; well-suited for Fortune 2000 enterprises with multiple platform needs for their current and future solutions
- High referenceability - all platforms proven and working for large enterprises for 'Mission Mode Applications'
- Ideal for contextual and personalized solutions



NEWGEN

NEWGEN CONTEXTUAL CONTENT SERVICES (ECM)

Digitize Workplace with Contextual Automation, Compliance, and Intelligence – On Cloud



Gartner

A **Visionary** in the 2020 Magic Quadrant for Content Services Platforms *

Case Study

Digital transformation of **India's leading insurance company with over 250mn customers**. Implementation included archival of ~500mn policy dockets and automation of processes across 2000 branches, 113 divisional offices, 8 zonal offices, and corporate office.

*Authored by Michael Woodbridge et al. Updated 27 April 2021, Published 16 November 2020

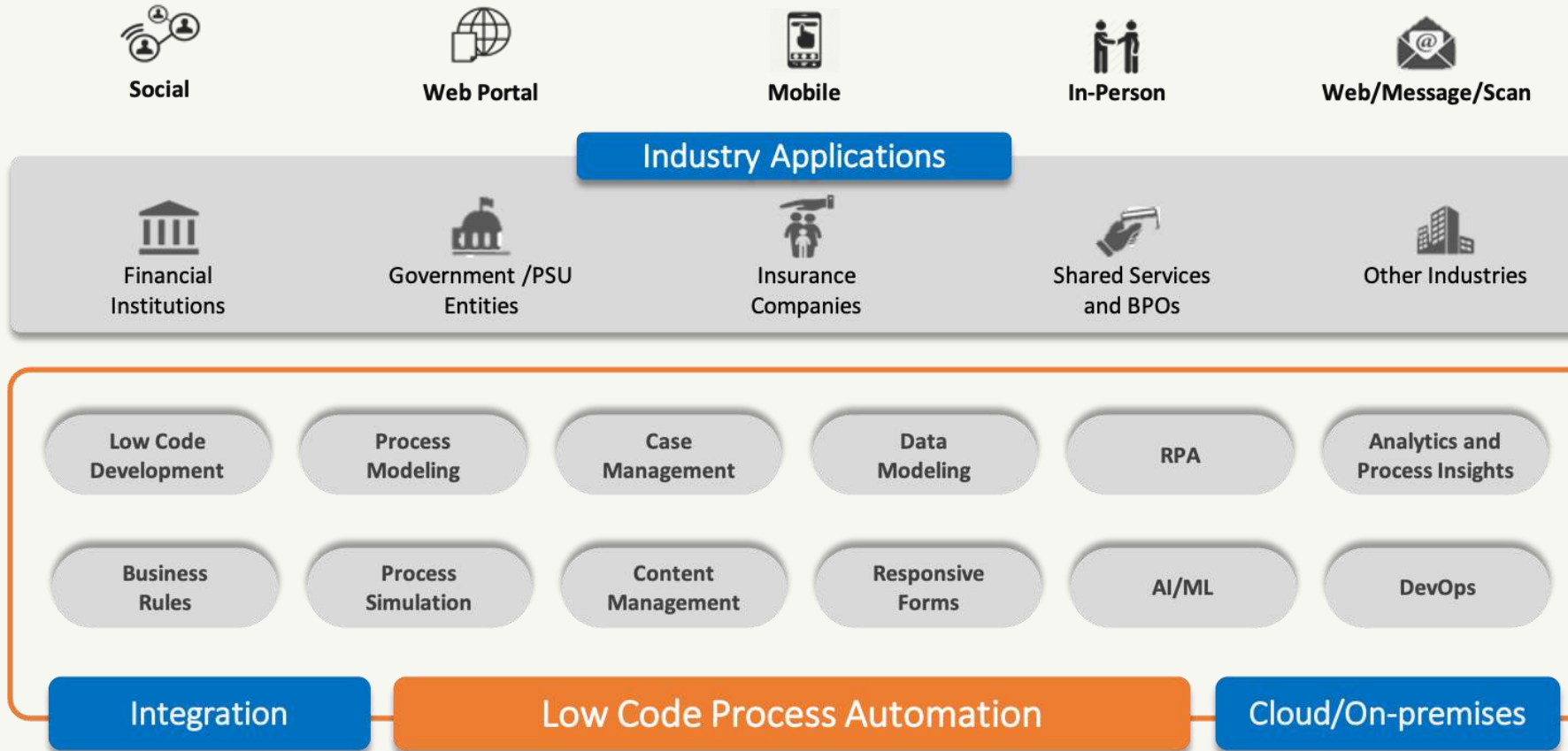
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NEWGEN

NEWGEN LOW CODE PROCESS AUTOMATION (BPM)

Rapid Application Development for Deep & Complex Business Applications across Devices



Gartner

A **Niche Player** in 2020
Magic Quadrant for
Enterprise Low-Code
Application Platforms *.

Case Study

One of the largest banks in the US with around 240 branch offices implemented Newgen's commercial loan origination solution to streamline overall lending process. The bank digitized its lending cycle and automated its operations, enabling quick and hassle-free shift to remote working.

* Authored by Paul Vincent, Yefim Natis, Kimihiko Iijima, Jason Wong, Saikat Ray, Akash Jain, and Adrian Leow. 30 Sep 2020

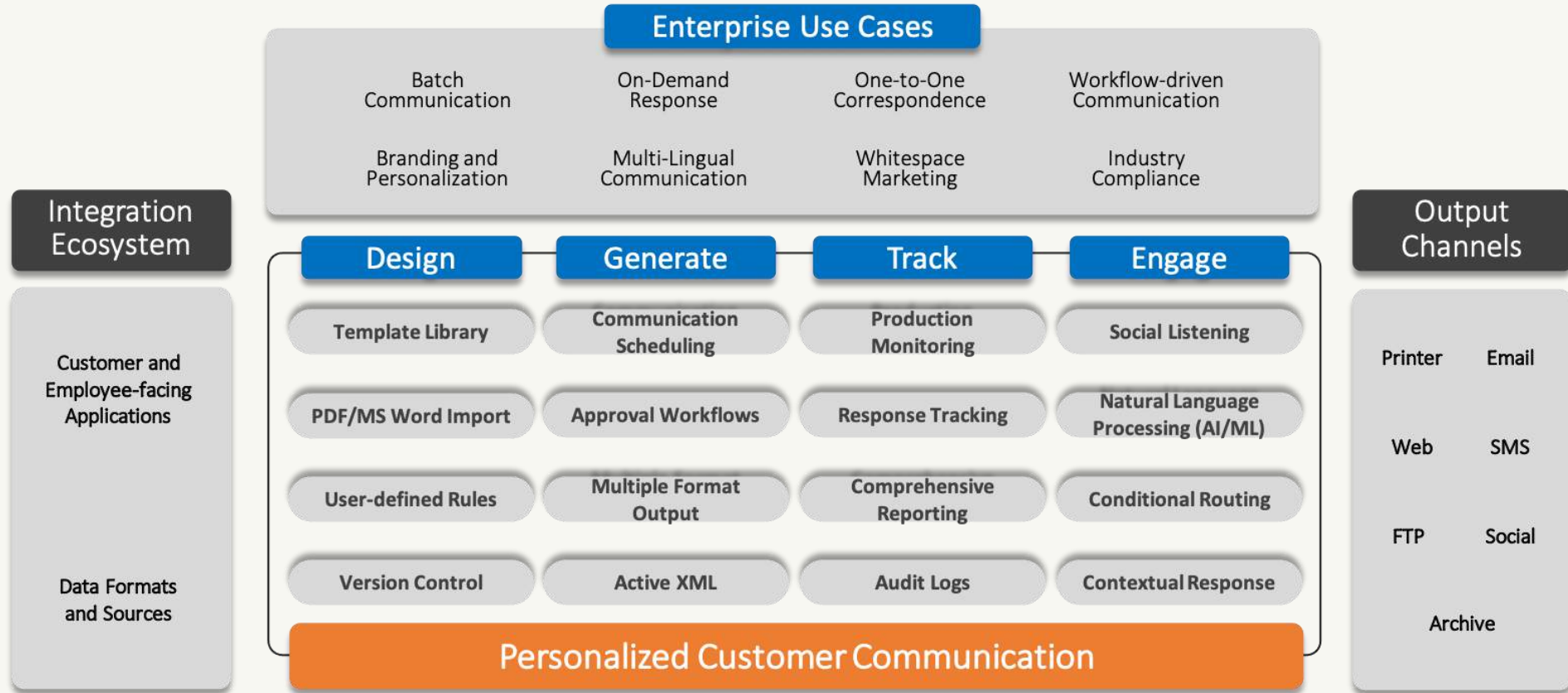
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NEWGEN

NEWGEN PERSONALIZED CUSTOMER COMMUNICATION (CCM)

Use Business Data and Manage the Communication Output – Personalized and at Scale



Case Study

Newgen CCM Solution Implementation for a leading private bank in India. The bank chose the Newgen's CCM platform to make their customer communication more customized and platform agnostic.

NEWGEN TODAY: A SNAPSHOT (FY'21)

~550

Active Customers(1)
(67 New Logos added)

Installed base
across
72
Countries

17 verticals with
5 Core Verticals



Strong Industry
Recognition
(Gartner & Forrester)

~3,000

Personnel
(with ~470 personnel in R&D
~300 personnel in S&M)

44

Patent Filings
(with 18 patent grants)

(1) Customers billed in the last 12 months

NEWGEN TODAY: FINANCIAL SNAPSHOT (FY'21)

Rs 6,726 Mn

Revenues

(with annuity⁽¹⁾ of 57%)

Rs 2,002 Mn

Subscription Revenues⁽²⁾

(19% YoY Growth)

Rs 1,265 Mn

PAT

(74% YoY Growth)

Rs 2,118 Mn

US Region Revenues

(16% YoY Growth)

Rs 496 Mn

SaaS Revenues

(30% YoY Growth)

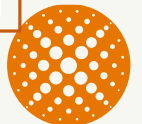
Rs 2,157 Mn

Net Operating Cash Flows

(140% YoY Growth)

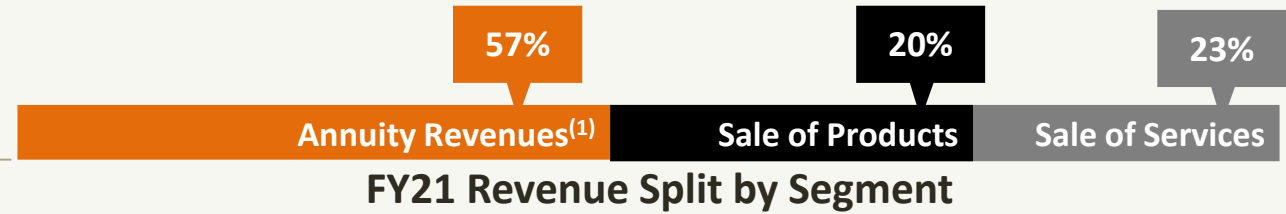
(1) Annuity comprises ATS/AMC, Cloud and Support revenues

(2) Subscription revenues comprise of ATS/AMC and Cloud revenue streams

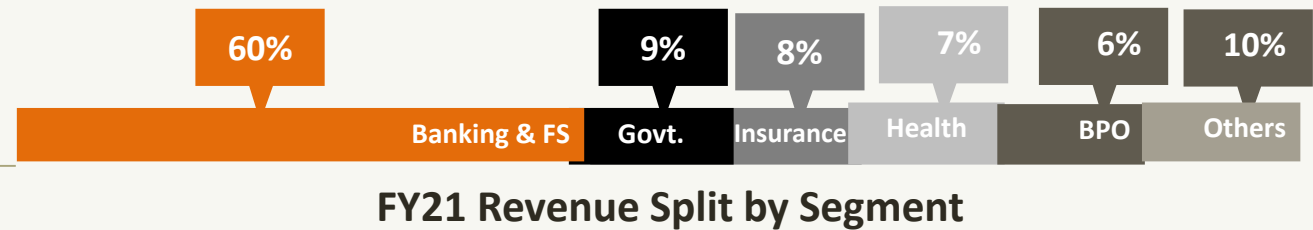


RESILIENT BUSINESS MODEL IN PLACE

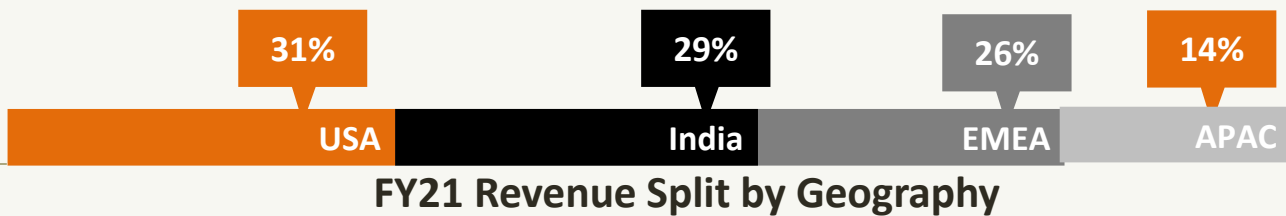
Large annuity revenues streams



Mission critical solutions across key verticals



Diversification across geographies



(1) Annuity comprises ATS/AMC, Cloud and Support revenues

INVESTMENT RATIONALE



INVESTMENT RATIONALE



Large Market Opportunity With Accelerated Growth



Innovative product suite with continuing focus on R&D



Diversified global customer base with predictable revenue streams



Focused Go-to-market



Strong Focus on Annuity and Subscription Revenues



Experienced Management Team



LARGE MARKET OPPORTUNITY WITH ACCELERATED GROWTH

MARKET ESTIMATE (\$BN) BY 2022

ENTERPRISE CONTENT MANAGEMENT

\$20BN

BUSINESS PROCESS MANAGEMENT

\$8BN

CUSTOMER COMMUNICATION MANAGEMENT

\$2BN

LOW CODE DEVELOPMENT TECHNOLOGIES

With the low code development technologies market, the overall opportunity for digital transformation extends much beyond the traditional market size.

In the longer term, significant number of companies are expected to use low-code technologies that support application innovation and integration

INNOVATIVE PRODUCT SUITE WITH CONTINUING FOCUS ON R&D

28 years of product DNA; 44 patents filings, 18 Granted⁽¹⁾

Skilled R&D team of ~470 people with deep domain expertise

Unified platform with modular deployment

Intuitive applications and scalable performance

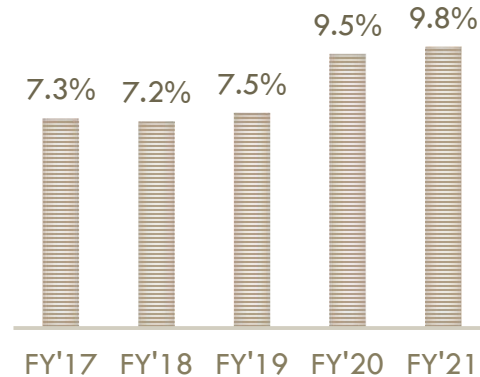
Low Code Application Platform

Cloud ready architecture on AWS and Azure

Deep domain expertise

Increasing investments in extending Digital capabilities

R&D Investments (% of revenues)



New Features

Intelligent Content Services

Low-Code Application Dev Platform

Collaborative Work Management

Digital Sensing

BlockChain

RPA



NEWGEN

DIVERSIFIED GLOBAL CUSTOMER BASE WITH PREDICTABLE REVENUE STREAMS

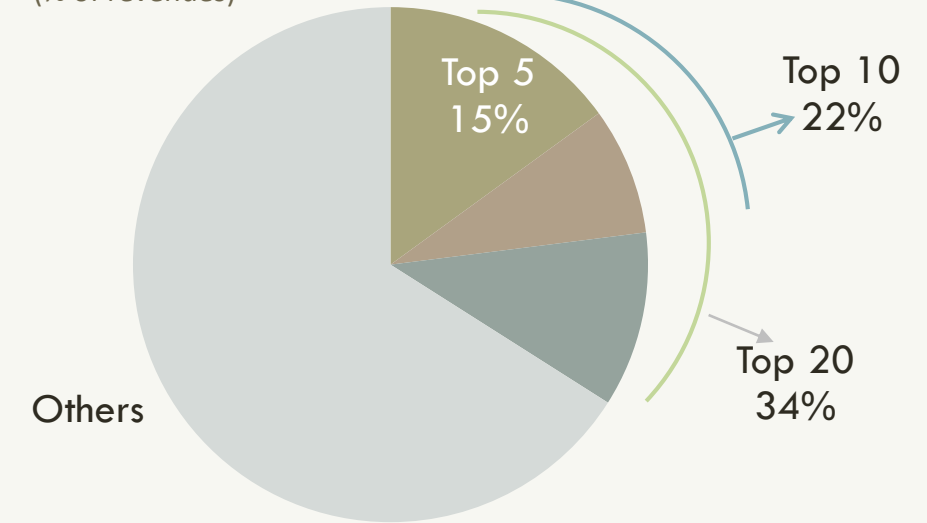
~550
GLOBAL CUSTOMERS

72
COUNTRIES

- Customer base includes Global Fortune 500 companies
- 67 new customers acquired in FY21, majority on Cloud
- Sustainable revenues with long term client engagements
- Profitable Track Record of Increasing Business from Existing Clients

FY21 Revenue Concentration by Customers

(% of revenues)



Low revenue concentration historically



NEWGEN

OUR GO-TO-MARKET

Strategy Across Regions and Verticals is Based on Direct Presence Supported by Partner Ecosystem

~300 Employees in Sales & Marketing Supported by
Large Network of Channel Partners of 300+



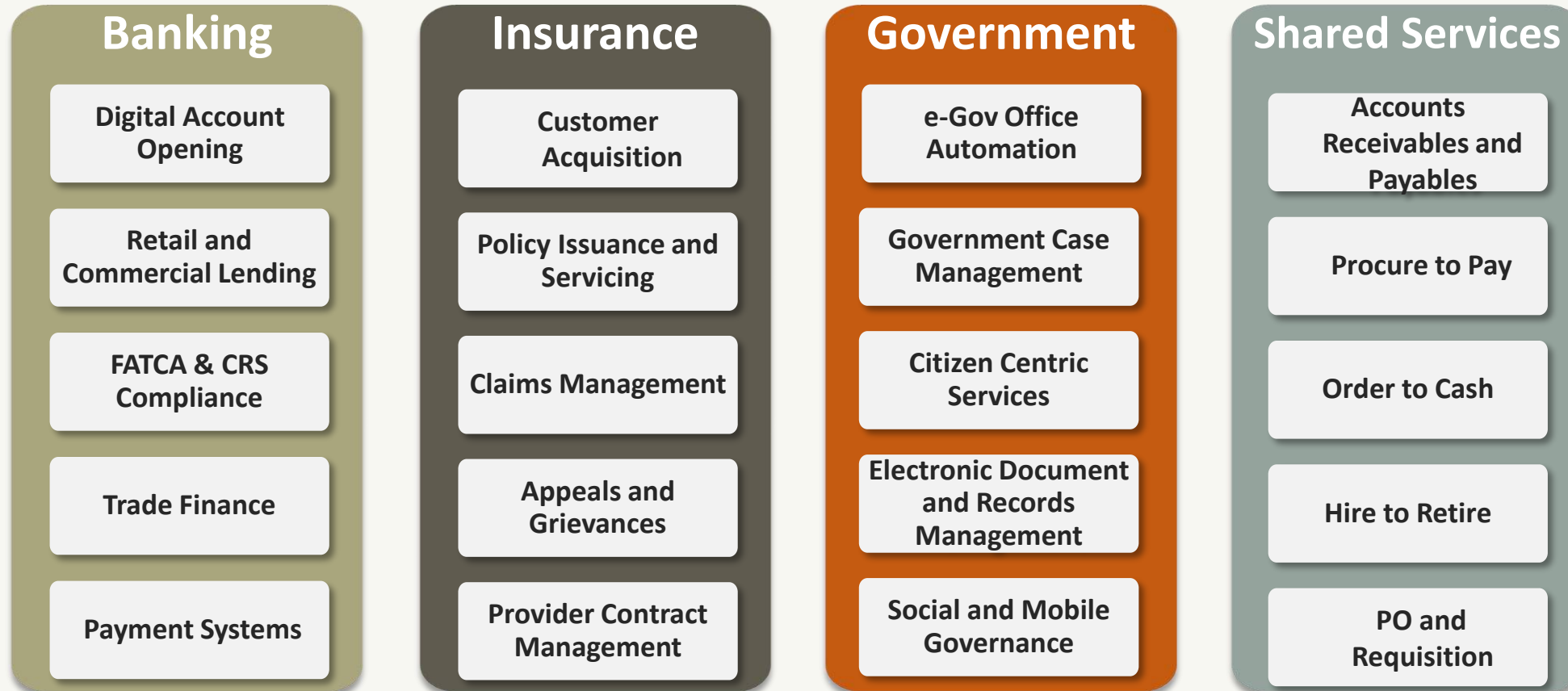
- Focus on Tier-1 customers in five core verticals in India, APAC and Middle East & Africa Region
- Focus on mid-market banks and credit unions in US region
- Differentiated 'land and expand' model
- Sale of complete functionality with initial purchase facilitates seamless creation of new applications

DEEP DOMAIN EXPERTISE

Vertical Approach based on Pre-built Solutions accelerators; across core verticals

Accelerators working in Mission Critical Mode on 24*7 basis at client organizations, supported from onsite as well as remotely.

New Accelerators being added continuously based on Customer Needs



TARGETING FORTUNE 2000 ENTERPRISE IN MATURE MARKETS

- ❑ Increasing traction in developed markets of US, Europe and APAC – with focus on sales through Global System Integrators (GSIs)
- ❑ Strengthening the Enterprise sales team by adding experienced and relevant sales team across all major geographies
- ❑ Aggressive investments in enhancing visibility and brand awareness through various initiatives - Digital events, analyst and consultant engagements, enhancing digital presence and digital outreach.
- ❑ Developed the internal GSI & Enterprise team and ecosystem – Senior Sales Leader added to orchestrate the Enterprise and GSI sales efforts.
- ❑ Investment in building partner support ecosystem to provide complete support to GSIs thru entire sales, implementation and support cycles.



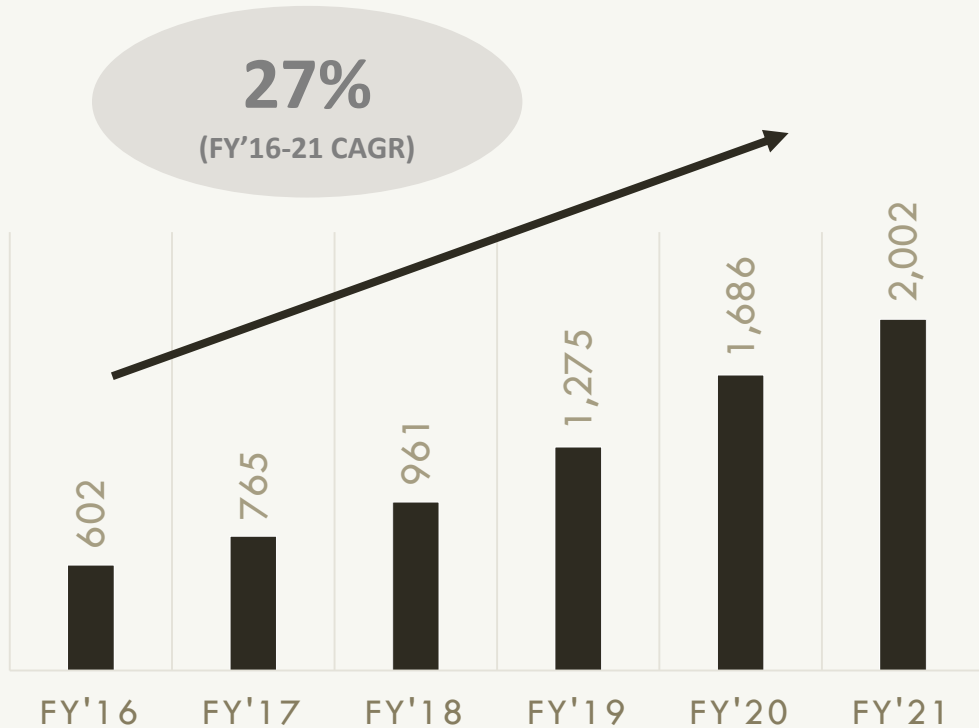
RENEWED FOCUS ON MATURE MARKETS THROUGH GSIs

- ❑ Entrenching deeper in the Enterprise space through the support of GSIs:
 - Newgen products have built acceptance from some of the largest GSIs and their customers. Supporting GSIs in modernizing solutions and building their IP (using low code application development)
 - Working extensively with Sales and Delivery leaders and consulting arms of GSI's
- ❑ Won 8 large customer orders through GSIs during FY'21. Key Success Stories include:
 - Large deal win through a major Global System Integrator (GSI) of one of the world's largest investment management companies, managing about \$6.3 trillion in global assets
 - Deal win of a global life insurance group focusing on the acquisition and management of portfolios of life insurance policies
- ❑ Strong and increasing GSI based sales funnel in mature markets: 40+ cases in different stages of discussions with GSI with total value of close to Rs 140 crores

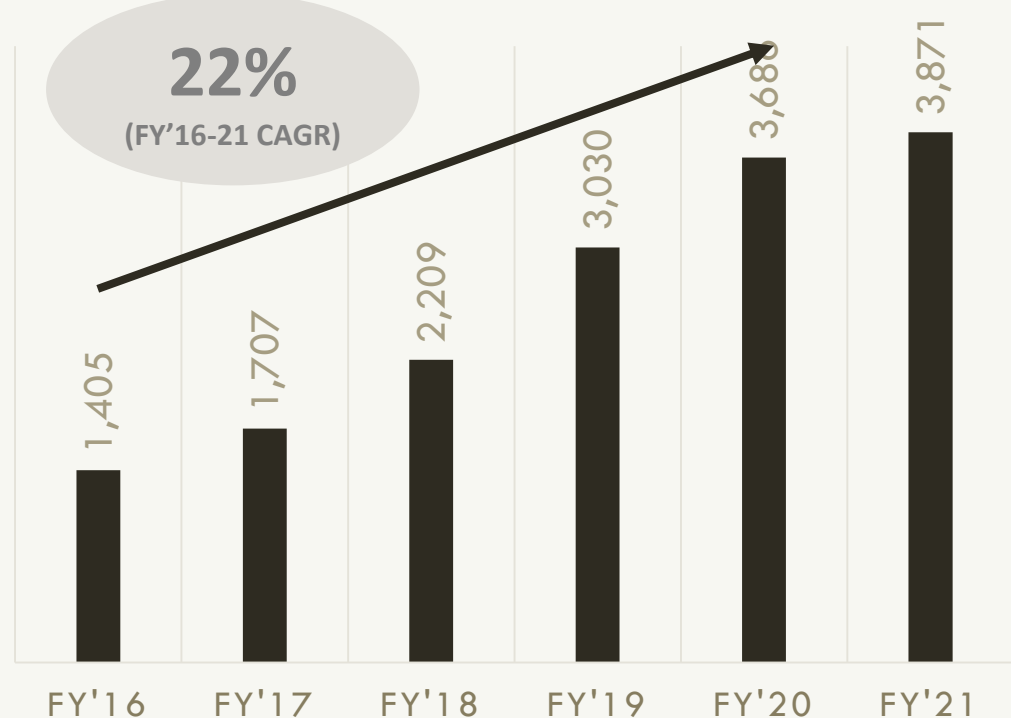


STRONG FOCUS ON ANNUITY AND SUBSCRIPTION REVENUES

Subscription Revenues (INRm)



Annuity Revenues (INRm)



- Annuity Revenue Streams constantly increasing from 41% of revenues in FY'16 to 57% in FY'21
- Support revenues impacted due to the shift from the on-site model
- Increasing acceptability of cloud deployments across geographies

(1) Subscription revenues comprise of ATS/AMC and Cloud revenue streams

(2) Annuity Revenues comprise of ATS/AMC, Cloud and Support revenue streams

EXPERIENCED MANAGEMENT TEAM



Diwakar Nigam

Chairman and Managing Director

- Co-founded Newgen in 1992
- 35+ years of experience in development of software products
- Masters in Computer Science from IIT Madras



T.S. Varadarajan

Whole Time Director

- Co-founded Newgen in 1992
- 35+ years of experience in development of software products
- Masters in Computer Science from IIT Madras



Priyadarshini Nigam

Whole Time Director

- Been with Newgen since 1997
- More than 10 years of experience in the field of journalism

Technology/ Products



Virender Jeet

Sr. VP – Sales & Marketing/ Product

Sales & Marketing



Rajvinder Singh Kohli

Sr. VP – Sales

Business Mgmt/Delivery



Tarun Nandwani

Sr. VP – Business Management

Corporate



Dr. S.J. Raj

Sr. VP – HRD



Arvind Jha

Sr. VP – Product



Hemant Makhija

VP – Marketing



Ashok Kapoor

VP – Software Development



Arun Kumar Gupta

Chief Financial Officer

US Sales



Anand Raman

EVP & COO - Newgen Software Inc.



Dushyant Kumar

Software Development



Vivek Tripathi

VP – Human Resources

New Additions

Channel Sales



Manojit Majumdar

VP – Channels

MEA Sales



Vivek Bhatnagar

VP – MEA Sales

India Sales



Sunil Pandita

VP – Sales

Australia Sales



R. Krishna Kumar

VP – Sales

- **Founder-led** management team with extensive experience

- Supported by a **strong second line management**

- Fostered culture of **innovation, entrepreneurship, and teamwork**

- **11 out of 20 AVP** have been with the company for **15+ years**

FY'21 AND Q4 FY'21 FINANCIAL RESULTS



FINANCIAL SUMMARY (CONSOLIDATED)

Particulars	Q4FY21	Q4FY20	YoY	Q3FY21	QoQ	FY21	FY20	YoY	
	(Unaudited)	(Unaudited)	Growth	(Unaudited)	Growth	(Audited)	(Audited)	Growth	
Revenue (INR Mn)	Revenue from operations	2,000	1,908	4.8%	1,855	7.8%	6,726	6,608	1.8%
	Other Income	46	92	-50.2%	35	29.7%	150	210	-28.3%
	Total Income	2,046	2,000	2.3%	1,890	8.2%	6,877	6,817	0.9%
Profits (INR Mn)	EBITDA (<i>adjusted for other income</i>)	664	519	27.8%	688	-3.6%	1,919	1,046	83.5%
	Profit after tax	527	415	27.2%	354	48.9%	1,265	727	73.9%
Margin (%)	EBITDA (<i>adjusted for other income</i>)	33.2%	27.2%		37.1%		28.5%	15.8%	
	Profit after tax	25.8%	20.7%		18.7%		18.4%	10.7%	
EPS (INR)	Basic	7.61	6.01	26.6%	5.12	48.6%	18.28	10.56	73.1%
	Diluted	7.51	6.00	25.2%	5.08	47.8%	18.10	10.51	72.2%

FY'21

- Consistent performance with business momentum from existing customers and new logo additions, especially on Cloud
- Continuing transformation from new license revenues to more stable subscription revenue streams
- Profit after Tax at Rs 1,265 Mn, up 74% YoY
- Net cash generated from operating activities at Rs 215.7 crores for FY'21, compared to Rs 90.1 crores for FY'20

Q4 FY'21

Strong sequential growth in revenue at 7.8% QoQ; expanded PAT Margin



CUSTOMER WINS

67

New Logo Wins
during FY'21

17

New Logo Wins
during Q4 FY'21

Major deals in Q4 include:

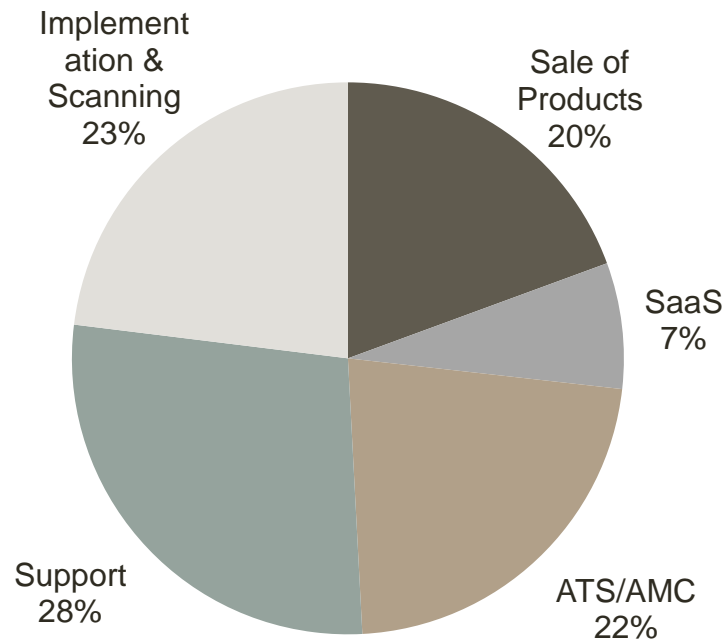
- **Seven new logos in the Americas region largely in the Banking and Financial services & Insurance domain** including a cloud project for a global life insurance group
- Strategic project win for **license & implementation at one of the leading private universal banks in the Philippines**
- **Mid-sized project for a statutory board of the Government of Singapore**
- **Entered into a large transformation deal** for a leading public sector bank in India during the quarter.



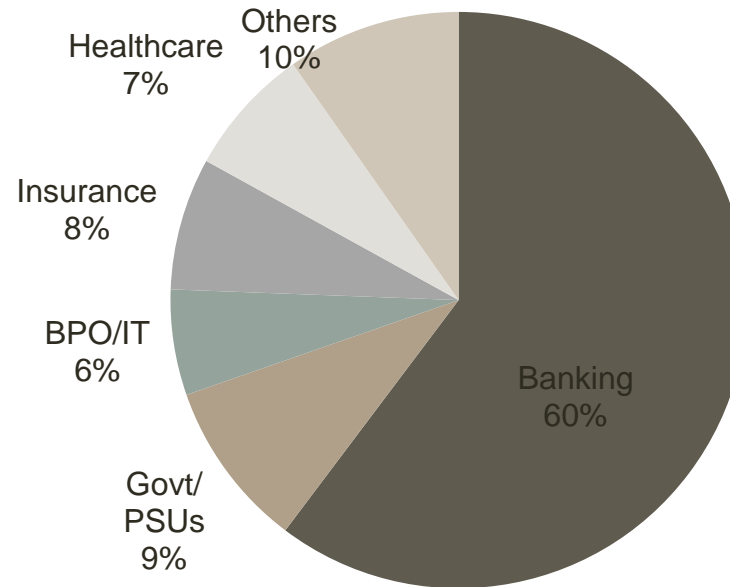
NEWGEN

DIVERSIFICATION CONTINUES ACROSS VERTICALS AND GEOGRAPHIES

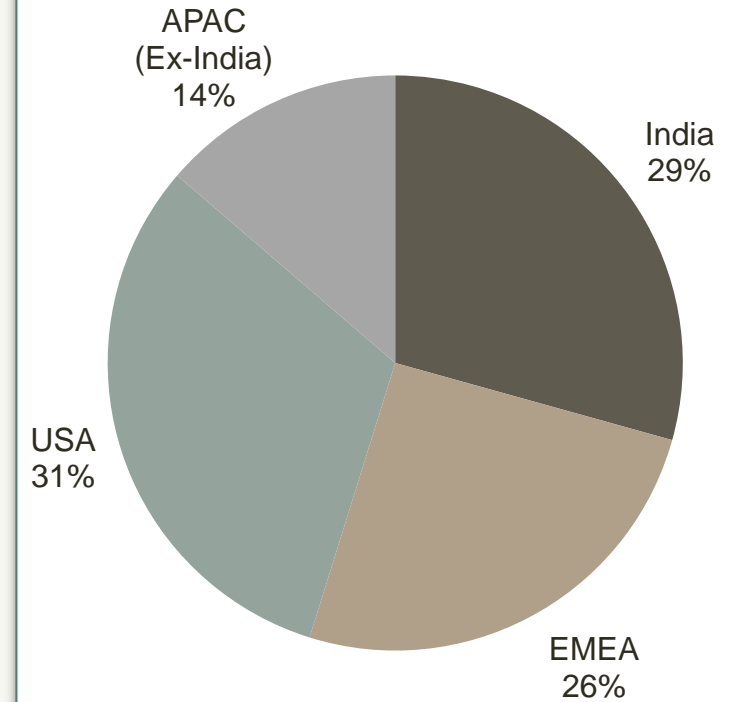
FY21 Revenue Split by Segment



FY21 Revenue Split by Vertical

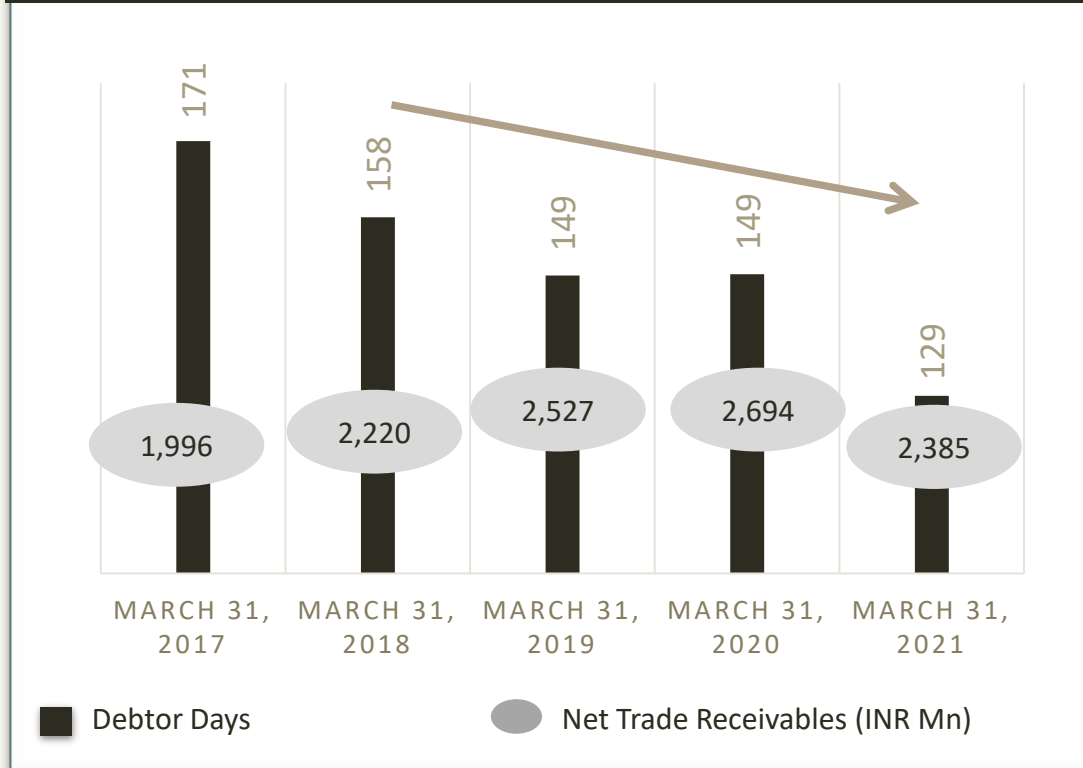


FY21 Revenue Split by Geography

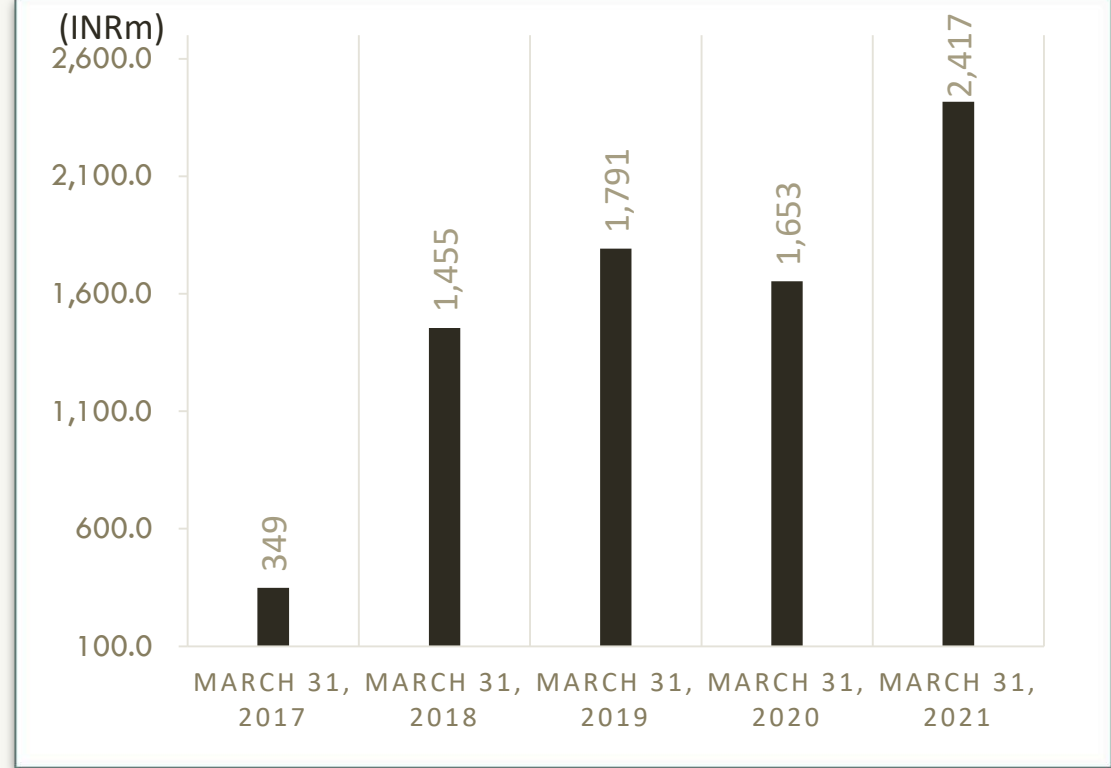


STRENGTHENING BALANCE SHEET

Debtor Days (Based on Net Debtors)



Cash and Cash Equivalents & Bank Balance



BUSINESS HIGHLIGHTS (Q4 FY'21)

Continues Focus on Research & Development

Granted a patent for an invention entitled “Image Processing System and Method” for a period of 20 years commencing from March 2018 by the United States Patent and Trademark Office (“USPTO”). This invention relates to a highly efficient and advanced level binarization process. Newgen has filed 44 patents till date, out of which 18 have been granted in India and the US.

Broad based growth across key verticals

Accelerated performance in Banking & Financial Services, Government/PSU and Insurance verticals with increased demand for digital transformation initiatives in these sectors

Other

CRISIL has reaffirmed the short-term rating of CRISIL A2+ for the outstanding debt instruments/facilities of the Company. The ratings will remain valid till 31st March 2022





For any Investor Queries please contact:

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The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

P&L STATEMENT

(All amounts in INRm, except per share data and unless otherwise stated)	Q4 FY 2021	Q4 FY 2020	Q3 FY 2021	FY 2021	FY 2020
Revenue					
Revenue from operations	1,999.8	1,908.4	1,855.1	6,726.2	6,607.6
Other income	45.7	91.7	35.2	150.4	209.6
Total revenue	2,045.5	2,000.1	1,890.4	6,876.6	6,817.2
Expenses					
Employee benefits	937.4	845.3	830.9	3,276.2	3,423.9
Finance costs	8.3	34.7	22.0	56.3	109.1
Depreciation and amortisation	50.3	52.9	44.1	201.0	199.1
Other expenses	399.0	543.7	335.9	1,531.5	2,137.6
Total expenses	1,395.1	1,476.5	1,232.9	5,064.9	5,869.8
Profit before tax	650.5	523.6	657.5	1,811.7	947.4
Tax expenses					
Current tax / Tax expense for earlier years	134.7	112.4	203.2	526.6	265.1
Deferred tax (credit)/charge	-11.5	-3.5	100.1	20.2	-45.0
Profit after tax for the year	527.3	414.7	354.2	1,264.8	727.3
Other comprehensive income/(loss) for the year, net of income tax	7.9	8.7	7.5	23.3	24.2
Total comprehensive income for the year	535.3	423.4	361.7	1,288.2	751.5
Earnings per equity share (face value of Rs. 10 per share)					
Basic earning per share	7.61	6.01	5.12	18.28	10.56
Diluted earning per share	7.51	6.00	5.08	18.10	10.51