

PRESS RELEASE

Newgen Software Reports Revenue of Rs 188 cr in Q1 FY'23, up 18% YoY

With artificial intelligence and data science powered NewgenONE and cloud-first approach, the company is well-poised for accelerated digital initiatives

New Delhi, India – July 20, 2022

The management of Newgen Software Technologies Ltd. announced results for the quarter ended June 30, 2022 at its Board Meeting held on July 20, 2022.

Key Highlights- Q1 FY'23 v/s Q1 FY'22

<u>Revenues</u> Rs 188 Cr (18% Q1 YoY growth)	<u>Subscription Revenues</u> Rs 71 Cr (33% Q1 YoY growth)	<u>Annuity Revenues</u> Rs 131 Cr (25% Q1 YoY growth)
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Speaking about the results, Diwakar Nigam, Chairman & Managing Director, Newgen Software Technologies Ltd. said – “FY’23 has started on a strong note with revenue growth of 18% Q1 YoY with cloud and subscription revenues growing at 33% Q1 YoY. Given the seasonal nature of our business, Q1 is a lean quarter for us. On the cost front, there has been an impact of elevated employee costs and gradually normalizing travel expenses, however, Q1 margins are not a reflection of the year margins. We strongly believe that we have a resilient business model in place, with our products having significant leverage across both sides of the market opportunity - revenue enhancement and cost optimization.”

“We continue to work on our long term cloud roadmap. We have enhanced NewgenONE with a cloud-native, multi-persona artificial intelligence and data science platform. Our platform is further enriched with intelligent document classification and extraction, integrated process, robotic process automation and easy application deployment capabilities.” said Virender Jeet, CEO, Newgen Software.

Key Consolidated Financial Highlights (Q1 FY'23)

Revenue from operations (consolidated) witnessed strong growth reaching Rs 188 crores as compared to Rs 160 crores in Q1 FY'22 (up 18% YoY).

- Subscription revenues (ATS/AMC and cloud) were at Rs 71 crores, up 33% YoY. Annuity revenue streams (ATS/AMC, support, and cloud/SaaS) were at Rs 131 crores
- Revenue from the sale of products/license was at Rs 14 crores

Profit after tax stood at Rs 19 crores as compared to Rs 22 crores in Q1 FY'22. This was impacted due to the normalization of cost base on account of increased employee and travel costs.

Key Business Highlights (Q1 FY'23)

- **Newgen and Coforge formed a global strategic alliance** to accelerate digital for organizations in the US, Europe, and the rest of the world
- **Strategic partnership with Anabatic Digital**, a leading IT solutions provider in Indonesia, for delivering high-value solutions to financial institutions across Indonesia and Asia-Pacific region
- **CRISIL assigned a short-term rating of CRISIL A1** for debt instruments/facilities of the Company
- Incorporated a wholly-owned subsidiary in United Arab Emirates under the name - Newgen Software Technologies L.L.C.
- **Entered into transformation projects with existing customers** including a license agreement with an India based oil major and a key life Insurance player in India
- **Six new logo wins in Q1 FY'23**, with two logos in the Americas region
- **Newgen CSR won Best CSR Practices-Digital Education in Responsible Business Awards** organised by Dr. R L Bhatia, Founder of World CSR Day and World Sustainability

About Newgen

Newgen is the leading provider of a unified digital transformation platform with native process automation, content services, and communication management capabilities. Globally, successful enterprises rely on Newgen's industry-recognized low code application platform to develop and deploy complex, content-driven, and customer-engaging business applications on the cloud. From onboarding to service requests, lending to underwriting, and for many more use cases across industries. Newgen unlocks simple with speed and agility.

Disclaimer

This press release may contain certain forward looking statements concerning Newgen Software Technologies' future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth and new business opportunities, competition (both domestic and international), economic growth in India and the target countries for business, ability to attract and retain highly skilled professionals, time and cost over runs on projects, our ability to manage our international operations, government policies, interest and other fiscal costs generally prevailing in the economy. Past performance may not be indicative of future performance. 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.

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