



Newgen Software Technologies Ltd.

Q4 FY'20 and FY'20 Investor Update

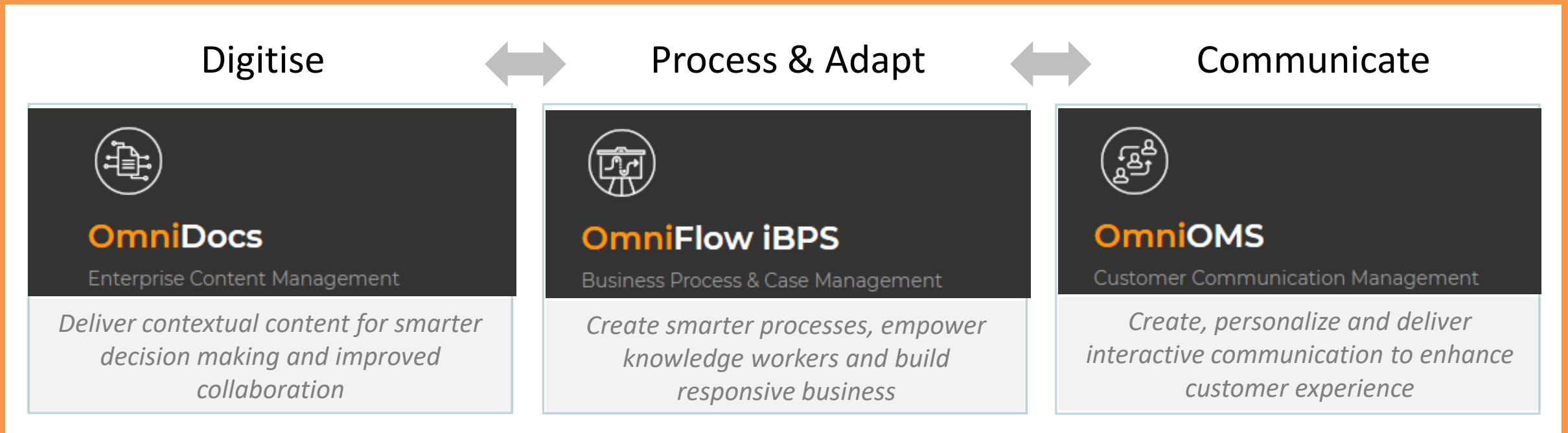
Connecting Enterprises. Transforming Experiences.

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May
2020

Reinvent business with Newgen's transformative platforms

Low-code software products company providing enterprise-wide, mission critical solutions helping organisations drive digital transformation and competitive differentiation



Newgen at a Glance (FY'20)



~560 Active Customers⁽¹⁾



69 Countries



44 Patent Filings



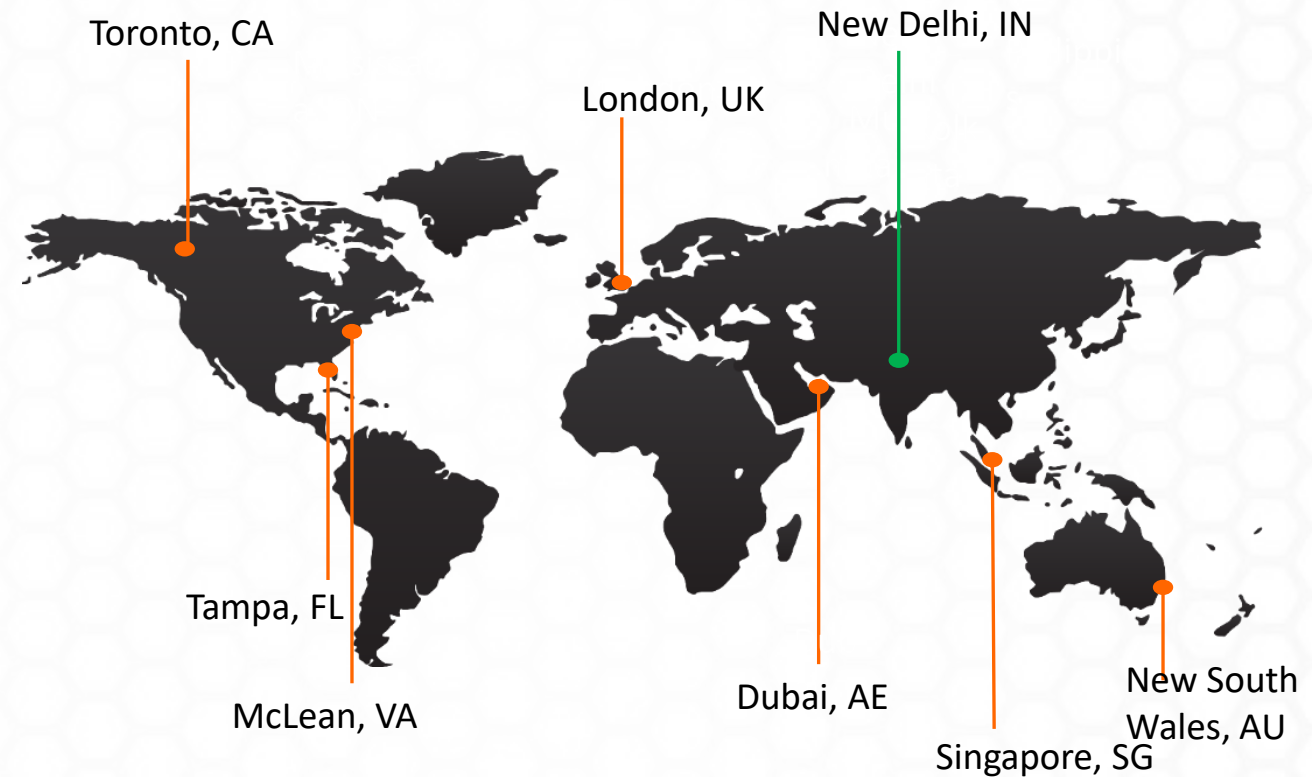
Strong Industry Recognition



Rs 6,608 Mn
FY'20 Revenues



56% Annuity Revenues



Global Offices



HQ

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(1) Invoiced in the last 12 months
(2) All figures as of March 2020

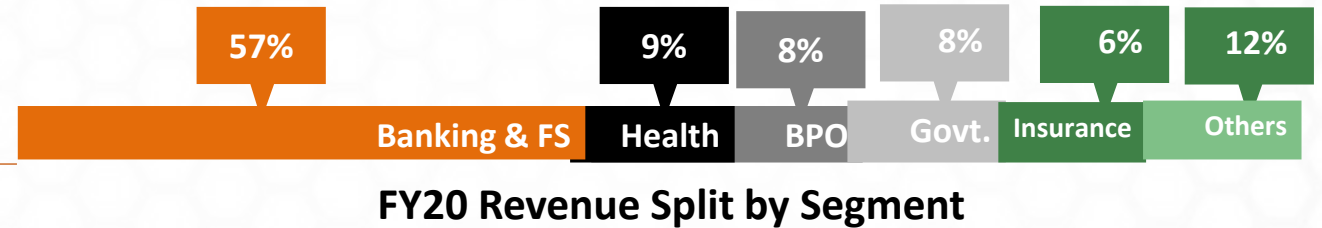
India Offices include Mumbai, Chennai, Bengaluru, Kolkata, Hyderabad, Noida, Gurugram, New Delhi

Resilient Business Model in place

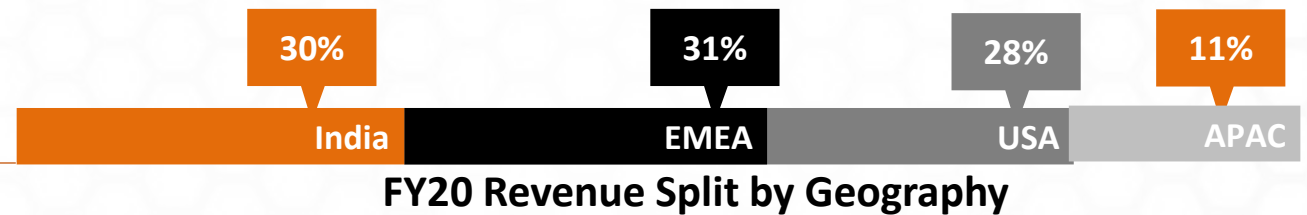
Large annuity revenues streams



Mission critical solutions across key verticals



Diversification across geographies



Strong Industry Recognition

Gartner

FORRESTER®

ECM

A Challenger in Magic Quadrant for Content Services Platform, 30 October 2019, Michael Woodbridge et al

“A Strong Performer” in ECM Content Platforms Wave™ Report, Q3 2019

BPM

A Niche Player in Magic Quadrant for Intelligent Business Process Management Suites, 30 January 2019, Rob Dunie et al

“Strong Performer” in the Forrester Wave™: Digital Process Automation For Wide Deployments, Q1 2019

A Challenger in Magic Quadrant for BPM-Platform-Based Case Management Frameworks,, 24 October 2016, Rob Dunie, Janelle B. Hill*

“Leader” in the Forrester Wave™: Cloud-Based Dynamic Case Management (DCM), Q1 2018

CCM

A Niche Player in Magic Quadrant for Customer Communications Management Software, 26 January 2017, Karen M. Shegda, Pete Basiliere*

“Strong Performer” in the Forrester Wave™: Customer Communications Management, Q2 2016

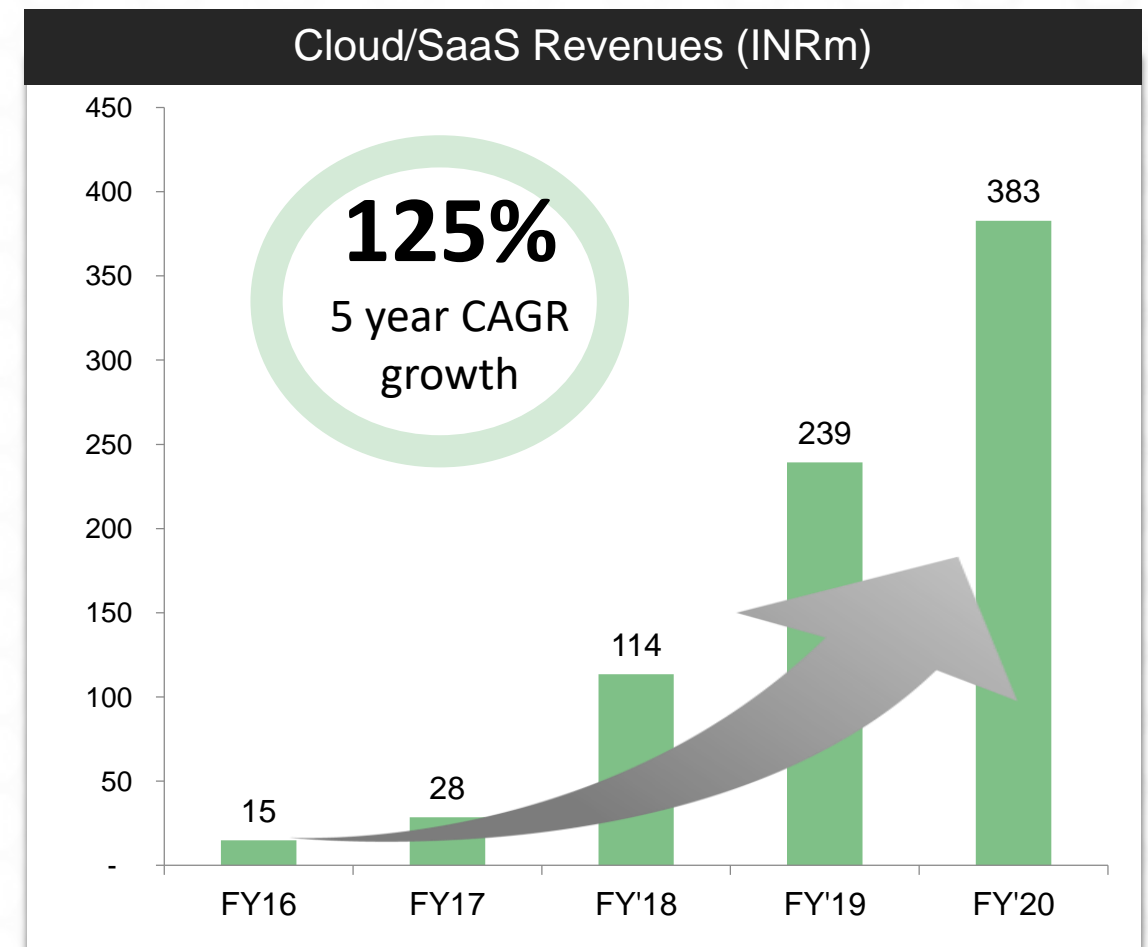
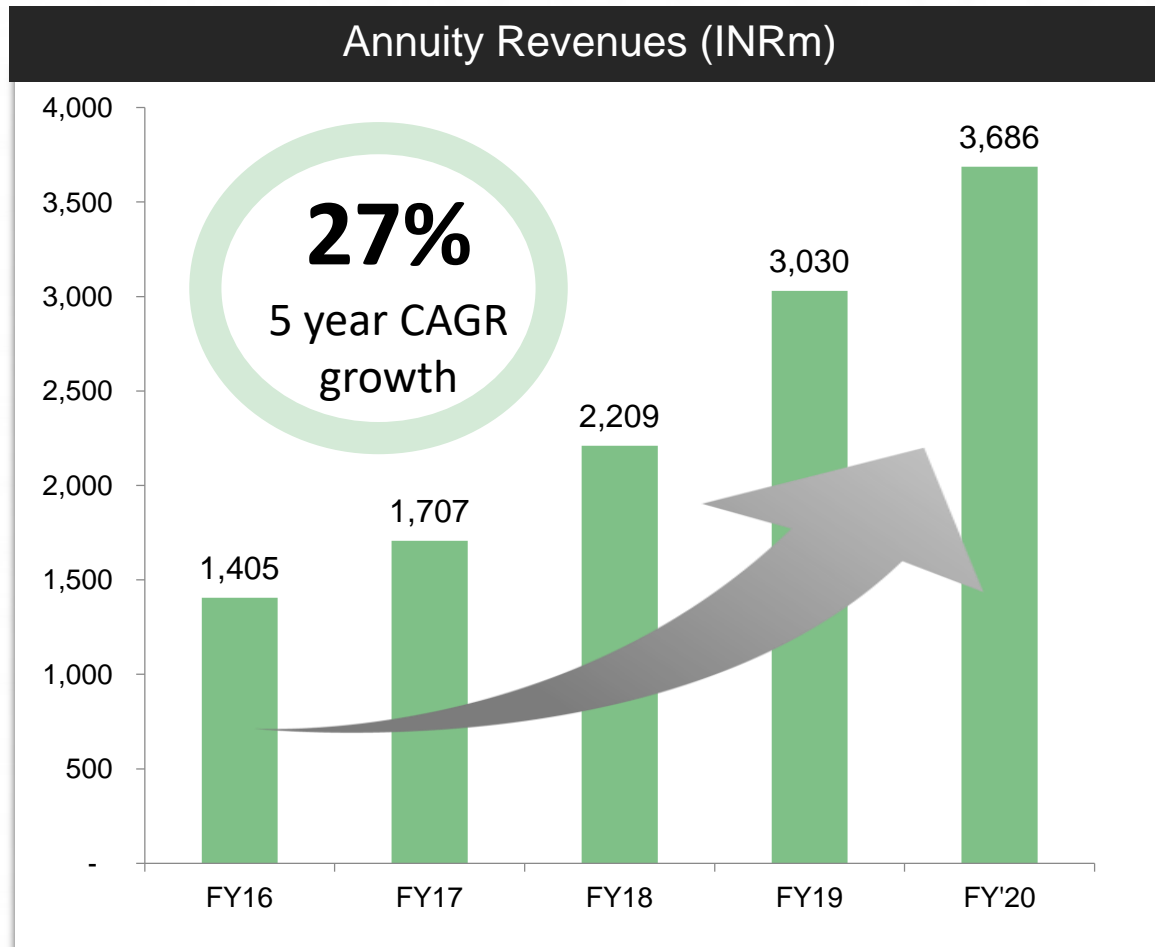
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*This research is provided for historical perspective; portions may not reflect current conditions.

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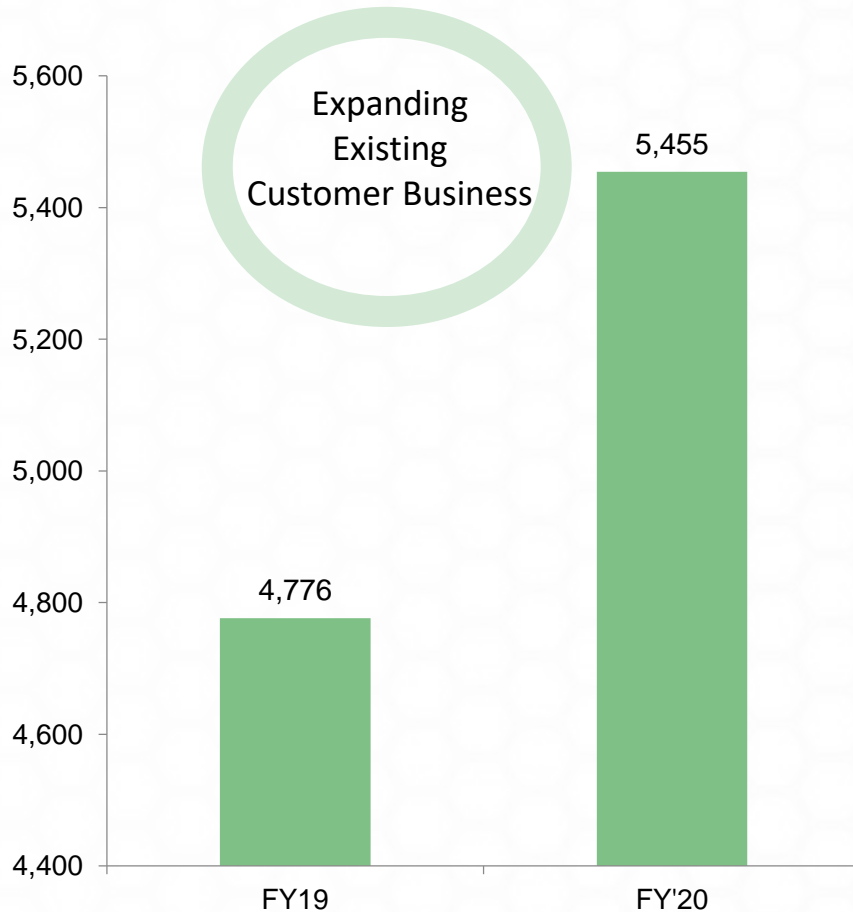
Stable Annuity Revenues Streams with increasing cloud deployments

- Annuity Revenue Streams constantly increasing from 41% of revenues in FY'16 to 56% in FY'20
- Increasing acceptability of cloud deployments across geographies

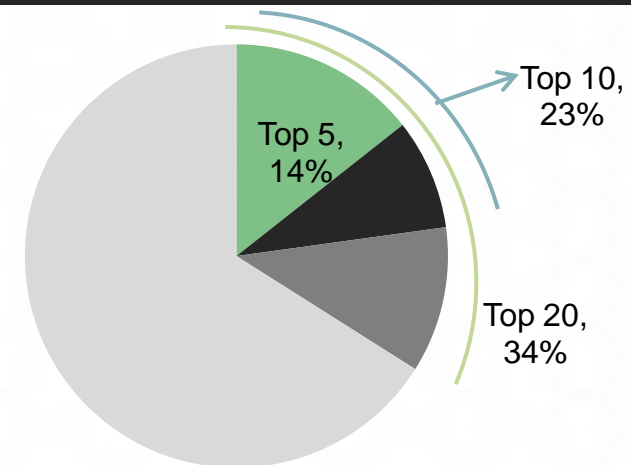


Expanding revenues from existing customers

Existing Customer Business (INRm)



Client Concentration (%)



Actively helping long term customers in continuing operations seamlessly despite the disruptions

Focused on Driving Innovation Through R&D

Our complete development network and supporting infrastructure operates on a central system and follows a synchronized cloud-based continuity strategy

28 years of product DNA

Skilled R&D team with deep product domain expertise

Unified platform with modular deployment

Intuitive applications and scalable performance

Low Code Platform

SaaS delivery

44 patents filings,
15 Granted⁽¹⁾

New Features

Intelligent Content Services

Low-Code Application Dev Platform

Collaborative Work Management

Digital Sensing

BlockChain

RPA

(1) 44 Patent Filings, of which 15 patents are granted in India & the USA and 19 patent applications are under processing

Transforming project delivery and sales and marketing methods



Cloud Deployments ensuring remote implementations



Low Code Platforms ensures reduction in delivery timelines



Leveraging digital connectivity while ensuring data security to successfully execute each stage of project deployments and sales demos and discussions



Local teams across mature markets






Focus on strengthening the SI partner ecosystem globally

Experienced Senior Management Team with Distinct Operating Culture

Management Organisation Structure

- **Founder-led** management team with extensive experience
- Supported by a strong second line management
- Fostered culture of **innovation, entrepreneurship and teamwork**
- **10 out of 20 AVP** have been with the company for **15+ years**

 <p>Diwakar Nigam <i>Chairman and Managing Director</i></p> <ul style="list-style-type: none"> • Co-founded Newgen in 1992 • 35+ years of experience in development of software products • Masters in Computer Science from IIT Madras 	 <p>T.S. Varadarajan <i>Whole Time Director</i></p> <ul style="list-style-type: none"> • Co-founded Newgen in 1992 • 35+ years of experience in development of software products • Masters in Computer Science from IIT Madras 	 <p>Priyadarshini Nigam <i>Whole Time Director</i></p> <ul style="list-style-type: none"> • Been with Newgen since 1997 • More than 10 years of experience in the field of journalism
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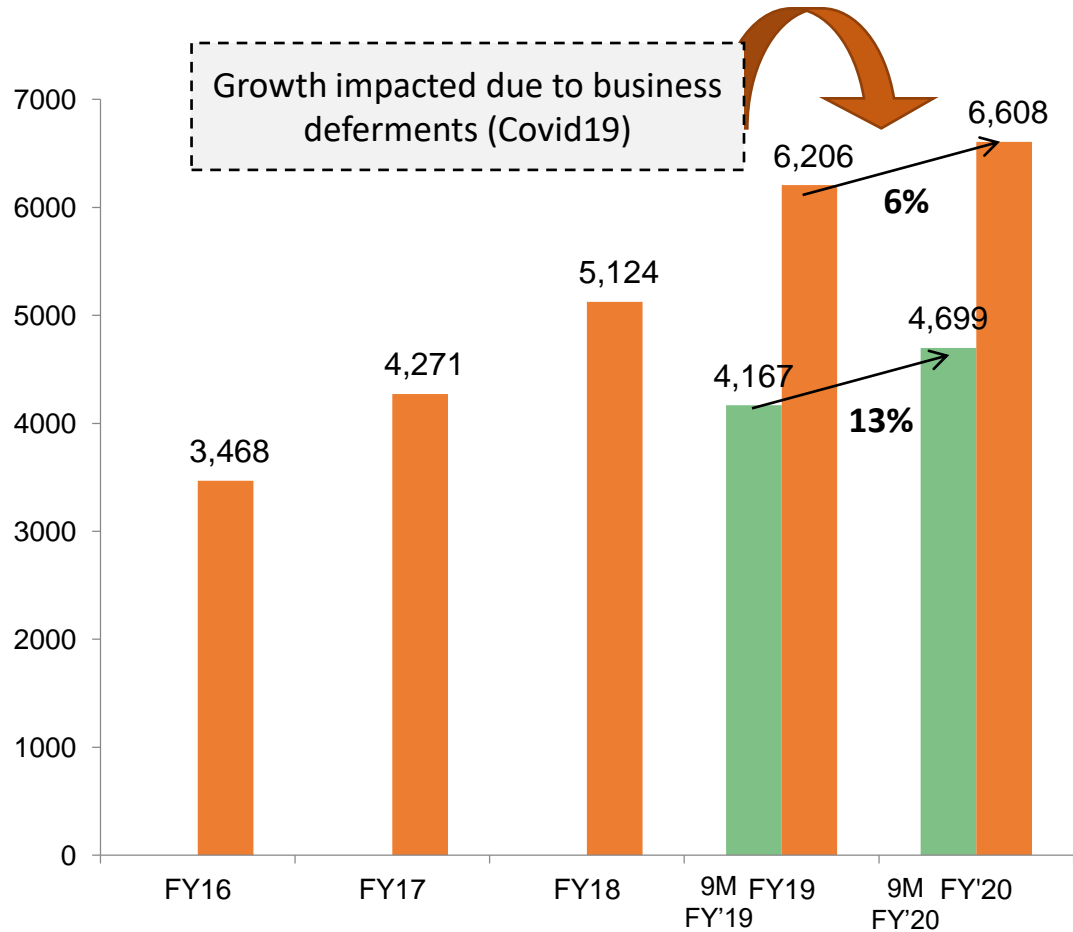
Technology/ Products	Sales & Marketing	Business Mgmt/Delivery	Corporate
 <p>Virender Jeet <i>Sr. VP –Sales & Marketing/ Product</i></p> <ul style="list-style-type: none"> • Been with Newgen since 1992 • Manages overall strategic and operational responsibility for entire portfolio of offerings 	 <p>Hemant Makhija <i>VP – Marketing</i></p> <ul style="list-style-type: none"> • 30 years of extensive experience with organizations like Plex Systems, Yahoo, Sage, and Systronics 	 <p>Tarun Nandwani <i>Sr. VP – Business Management</i></p> <ul style="list-style-type: none"> • Been with Newgen since 1993 • Responsible for driving business from existing customers and CRM 	 <p>Dr. S.J. Raj <i>Sr. VP – HRD</i></p> <ul style="list-style-type: none"> • Been with Newgen since 1992 • Experience of 31 years
	 <p>Manojit Majumdar <i>VP – Channels</i></p> <ul style="list-style-type: none"> • With Newgen since 1998 • Managed mid-market channels at IBM India • Rejoined Newgen in 2011 	 <p>Ashok Kapoor <i>VP – Software Development</i></p> <ul style="list-style-type: none"> • Been with Newgen since 2015 • Experience of 26 years 	 <p>Arun Kumar Gupta <i>Chief Financial Officer</i></p> <ul style="list-style-type: none"> • Been with Newgen since 2010 • Oversees financial reporting & planning, treasury, taxation, IR and compliances
<p>Australia Sales</p>  <p>R. Krishna Kumar <i>VP – Sales</i></p> <ul style="list-style-type: none"> • Been with Newgen since 2013 • Experience of 21 years 	 <p>Vivek Bhatnagar <i>VP – Sales</i></p> <ul style="list-style-type: none"> • With Newgen since 2011 • Experience of 20 years 	 <p>Dushyant Kumar <i>VP – Software Development</i></p> <ul style="list-style-type: none"> • Been with Newgen since 1999 • Driving organization wide scaling of competence of Delivery and all customer facing groups 	<p>US Sales</p>  <p>Anand Raman <i>EVP & COO - Newgen Software Inc.</i></p> <ul style="list-style-type: none"> • Been with Newgen since 1994 • Deep experience in product development life-cycle
	 <p>Sunil Pandita <i>VP – Sales</i></p> <ul style="list-style-type: none"> • 22 years of extensive experience with organisations like Samsung Electronics, Adobe, IBM, Autodesk and HCL 	 <p>Shanmugam Nagappan <i>VP – Software Development</i></p> <ul style="list-style-type: none"> • Responsible for managing delivery functions on projects executed from SDC, Chennai 	

Independent Board of Directors

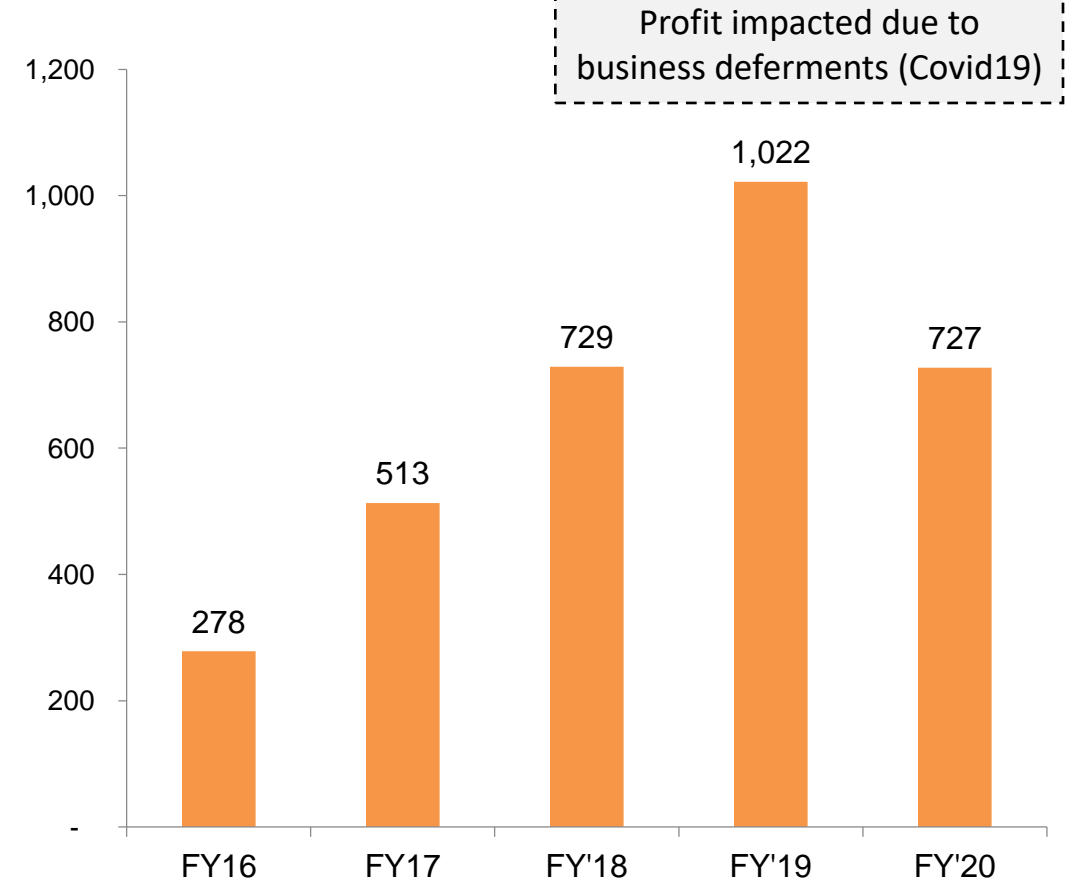
<p>Subramaniam Ramnath Iyer Non Executive, Independent Director <i>26+ years of experience in Finance & Accounting</i></p>	<p>Kaushik Dutta Non Executive, Independent Director <i>22+ years of experience in Finance & Accounting</i></p>	<p>Saurabh Srivastava Non Executive, Independent Director <i>Several years of experience in Information technology</i></p>	<p>Padmaja Krishnan Non Executive, Independent Director <i>30+ years of experience in Technology space</i></p>
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5 Year Financial Overview

Total Revenue (INRm)



PAT (INRm) and PAT Margins



FY'16 financials are Restated Consolidated Financials as per Indian GAAP Accounting Standards
 FY'17-20 financials are Consolidated Financials as per Ind AS Accounting Standards



Covid19 Update

Covid19 Update

■ Seamless transition to remote working environment:

- Company implemented its business continuity plan, executed just-in-time requisition and provision of computers, enabled VPNs and internet connectivity, and provided team collaboration tools.
- Today, 90% of the workforce across locations is efficiently working remotely with data security and compliance.
- Newgen is ensuring seamless customer services by leveraging digital connectivity to successfully execute each stage of project deployments (from requirements gathering, to project planning, to implementation and production support) as well as sales and marketing efforts.

■ Strategizing new offerings:

- Newgen is developing and deploying new solutions under the Paycheck Protection Program to help financial institutions quickly process and forgive loans under the various monetary and fiscal interventions introduced by governments globally to stabilize economic conditions
- The Company is prioritizing SaaS based delivery models with all geographies increasingly moving in that direction.

■ Financial Assessment & Control

- Continuous assessment of impact on business/ financial parameters for better control
- Working on optimising the current cost structure and cash flow across the board while continuing to invest in strengthening digital capabilities

Company is focused on health and safety of employees while fully supporting our clients worldwide

Customer Case Study: Banking - A New York - Based Bank Ensures Business Continuity During COVID-19 Using Newgen's Commercial Lending Solution

One of the largest banks in the United States with around 240 branch offices had implemented Newgen's commercial loan origination solution (CLOS) to streamline the overall lending process. Due to the outbreak of the COVID-19 epidemic, the bank needed to immediately enable employees to operate remotely without impacting the speed and quality of services.

Using Newgen's CLOS application, the bank digitized its lending cycle and automated its operations, enabling a quick and hassle-free shift to the remote working environment.

“
“We have been using Newgen's key products - business process management suite and document management system, for our commercial loan applications processing. During COVID-19 pandemic, we have been able to maintain business continuity with Newgen Software as follows:



Our employees can work remotely with access to all required documents



Multiple employees can complete their tasks simultaneously with parallel processing



Single platform for processing loan applications and uploading data elements to the core system

”

Director of CRE Lending Administration,
Office of the CLO Group





Q4 FY'20 Results

Financial Summary (Consolidated)

Particulars	Metrics	Q4FY20	Q4FY19	YoY	Q3FY20	QoQ	FY20	FY19	YoY
		(Unaudited)	(Unaudited)	Growth	(Unaudited)	Growth	(Unaudited)	(Unaudited)	Growth
Revenue (INR Mn)	Revenue from operations	1,908	2,040	-6%	1,850	3%	6,608	6,206	6%
	Other Income *	92	25	264%	40	127%	210	204	3%
	Total Income	2,000	2,065	-3%	1,890	6%	6,817	6,410	6%
Profits (INR Mn)	EBITDA (<i>adjusted for other income</i>)	519	796	-35%	358	45%	1,046	1,277	-18%
	Profit after tax	415	625	-34%	240	73%	727	1,022	-29%
Margin (%)	EBITDA (<i>adjusted for other income</i>)	27.2%	39.0%		19.4%		15.8%	20.6%	
	Profit after tax	20.7%	30.3%		12.7%		10.7%	15.9%	
EPS (INR)	Basic	6.01	9.18	-35%	3.48		10.56	15.01	-30%
	Diluted	6.00	9.02	-33%	3.46		10.51	14.74	-29%

FY'20

- Revenues at Rs 6,608 Mn, up 6.5% YoY. The business has heavy dependence on the fourth quarter which was impacted by new business deferments due to lockdowns and restrictions imposed globally. During the year, Newgen witnessed growth across the board in its key geographies. India, however, continued to face challenges on account of economic sluggishness in NBFC and Banking as well as banking consolidation.
- Profit after tax down at Rs 727 Mn on account of slower growth in top-line and continued investments in R&D & Sales and Marketing efforts.

New Logo Wins – FY'20

71

New Logo Wins
during FY'20

21

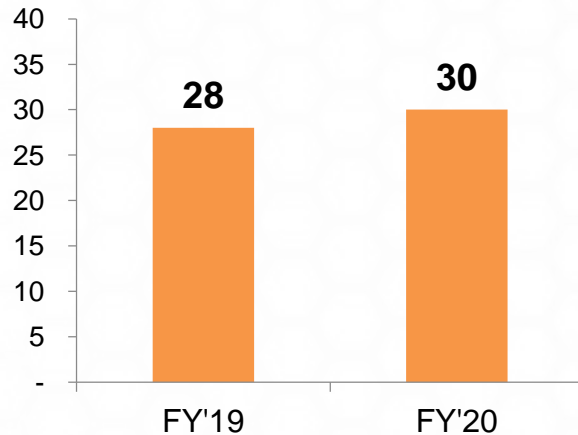
New Logo Wins
during Q4 FY'20

Major deals during Q4 include:

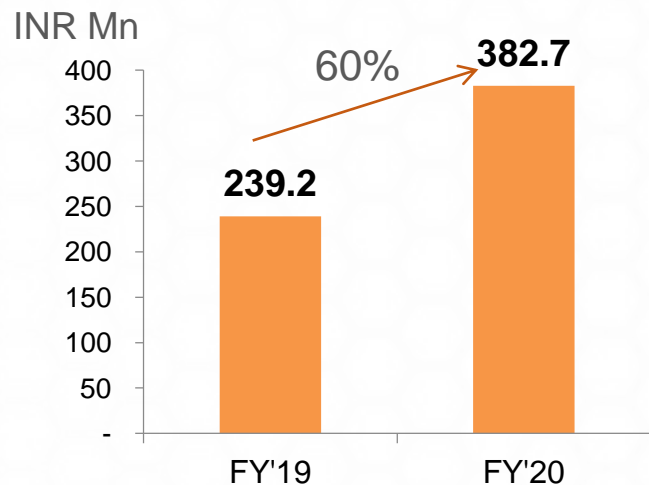
- Large project with a leading Pan-African financial institution, offering banking services to more than 18mn customers, across 1,000 business offices and customer touch points in 20 African countries
- License Agreement with a key government ministry in India
- 4 cloud agreements in the US including a deal with a leading provider of property casualty insurance for auto, home and business
- Mid-sized project with one of the largest Bahamian banks with \$1.7bn in assets

Business Highlights

No. of Deals above Rs 5 crores



Cloud/ SaaS Revenues



Business Highlights – Q4 FY'20

- Received **Patent for Mark Detection System and Methodology** from US Patent Office
- Secured **Patent for a System and Method for Automatic Quality Assessment of Digital Documents**
- Received approval for setting up a unit in the **IT/ITES SEZ in Noida, Uttar Pradesh** from Development Commissioner of Noida Special Economic Zone
- Company's new version of the product iBPS has low code capabilities and cloud deployments which are very relevant today. Newgen also launched an enhanced version of Customer Communication Management suite that enables users to easily create, design, and manage HTML email communications.

Key Highlights – Appointment of Non-Executive Director

Appointment of Ms Padmaja Krishnan as Non- Executive Independent Director of the company w.e.f. March 24, 2020

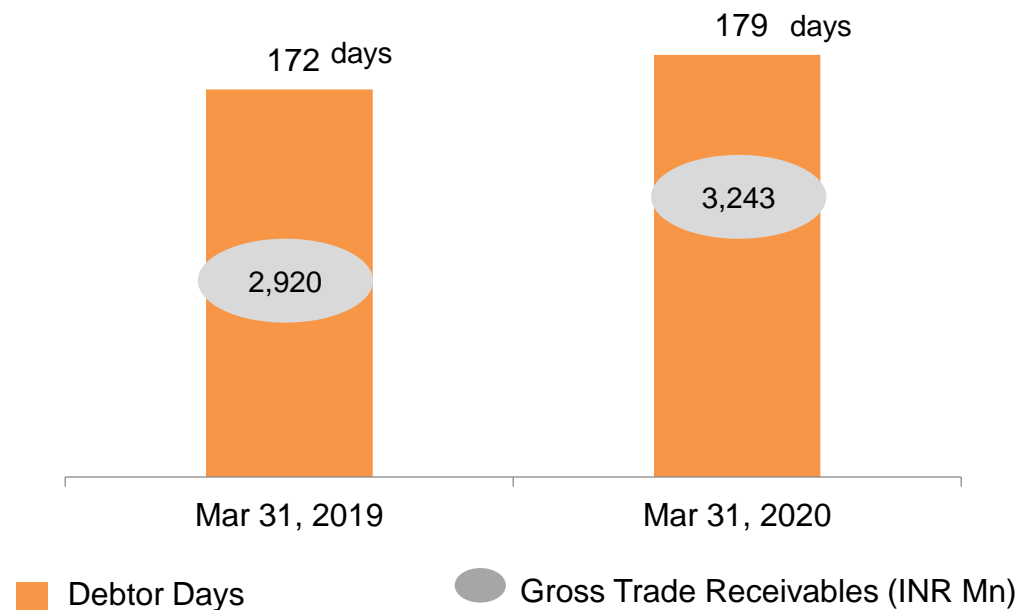


Padmaja Krishnan is an independent Director of our Company. She has industry expertise spanning over thirty years as a global business leader and innovator in the Technology space. She has delivered business growth agenda, created and led SBUs for Companies. She has managed multiple business portfolios for organizations like CSC, Sopra-Steria, Dell-Perot Systems, TCS and reputed entrepreneurial ventures. She is also on the Board of Emerging Edges Consultants Pvt. Ltd. since 2010. She is a certified coach at Marshall Goldsmith Stakeholder Centered Coaching, certified Tick IT Lead Assessor from UK, Certified Corporate Director by Institute of Directors and has acted as a Guest Faculty at FMS, BIMTECH and NIFM. She did her Bachelors and Masters in Physics from University Of Delhi and M.Phil. in Computer & Systems Sciences from JNU, New Delhi

Debtors Days

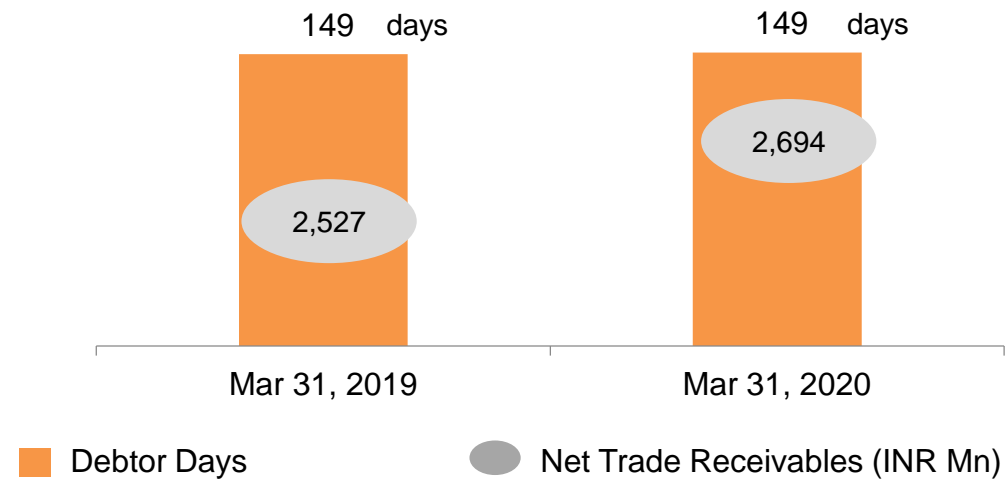
Debtor Days (Based on Gross Debtors)

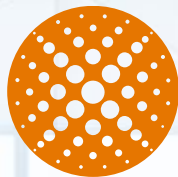
(INRm)



Debtor Days (Based on Net Debtors)

(INRm)





NEWGEN

Your Trusted Digital Transformation Partner



Thank you

www.newgensoft.com

For any Investor Queries please contact:

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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 and general economic conditions affecting the industry. 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.



P&L Statement

(All amounts in INRm, except per share data and unless otherwise stated)	Q4 FY 2020	Q4 FY 2019	Q3 FY 2020	FY 2020	FY 2019
Revenue					
Revenue from operations	1,908.4	2,039.7	1,849.5	6,607.6	6,206.4
Other income	91.7	25.2	40.4	209.6	203.8
Total revenue	2,000.1	2,064.9	1,889.9	6,817.2	6,410.2
Expenses					
Employee benefits	845.3	746.1	889.0	3,423.9	2,879.9
Finance costs	34.7	18.6	22.6	109.1	85.4
Depreciation and amortisation	52.9	15.0	48.8	199.1	59.8
Other expenses	543.7	498.1	602.6	2,137.6	2,049.3
Total expenses	1,476.5	1,277.7	1,563.0	5,869.8	5,074.4
Profit before tax	523.6	787.2	326.9	947.4	1,335.8
Tax expenses					
Current tax	112.4	158.4	92.7	265.1	299.4
Deferred tax (credit)/charge	-3.5	3.6	-5.5	-45.0	14.3
Profit after tax for the year	414.7	625.1	239.6	727.3	1,022.1
Other comprehensive income/(loss) for the year, net of income tax	8.7	-10.9	15.1	24.2	2.8
Total comprehensive income for the year	423.4	614.2	254.7	751.5	1,024.9
Earnings per equity share (face value of Rs. 10 per share)					
Basic earning per share	6.01	9.18	3.48	10.56	15.01
Diluted earning per share	6.00	9.02	3.46	10.51	14.74

Balance Sheet

(All amounts in INRm, except per share data and unless otherwise stated)

	30-Mar-19	30-Mar-20
Assets		
Non-current assets	1,882.6	2,684.0
Property, plant and equipment	676.3	664.1
Capital work-in-progress	832.1	907.3
Right-of-use assets		625.2
Intangible assets	13.1	14.0
Financial assets		
Loans	36.2	43.8
Other financial assets	32.3	35.8
Deferred tax assets	178.4	226.6
Income tax assets	99.7	158.1
Other non-current assets	14.5	9.1
Current assets	5,543.4	6,026.7
Financial assets		
Investments	516.6	761.1
Trade receivables	2,526.9	2,694.0
Cash and cash equivalents	1,577.5	1,001.1
Other bank balances	213.9	651.6
Loans	4.5	13.2
Other financial assets	627.6	826.0
Other current assets	76.5	79.7
Total	7,426.0	8,710.8

Equity & Liabilities		
Equity	4,967.1	5,490.7
Share capital	684.6	690.9
Other equity	4,282.5	4,799.8
Non-current liabilities	296.9	464.6
Lease liabilities	102.9	229.6
Deferred Tax Liability	1.1	1.7
Provisions	192.9	233.2
Current liabilities	2,162.1	2,755.5
Financial liabilities		
Lease liabilities	29.2	133.4
Borrowings	677.3	745.3
Trade payables	216.1	275.1
Derivative liabilities		
Other financial liabilities	358.9	412.0
Deferred Income	679.5	1,009.0
Other current liabilities	157.9	130.6
Short-term provisions	43.3	50.1
Total	7,426.0	8,710.8