

PRESS RELEASE

Newgen Software Reports Revenues of Rs 155.0 cr up 17% QoQ and Net Profit of Rs 29.2cr in Q2 FY'21, up 220% QoQ

Newgen's Low Code Digital Automation Platform empowers Enterprises in rapidly building and deploying applications

New Delhi, India – 21 October 2020

The management of Newgen Software Technologies Ltd. announced results for the Quarter ended 30 September 2020 at its Board Meeting held on 21 October 2020.

Speaking about the results, Mr. Diwakar Nigam, Chairman & Managing Director, Newgen Software Technologies Ltd. said – “We are happy to announce good results this quarter. We witnessed demand uptick from our existing customers and new customers with successful remote execution, achieving highly profitable operations.

Going forward, we see a definite shift towards digital transformation, using low code development and cloud platforms. We have been recognized for the first time, in Gartner's Magic Quadrant for Enterprise Low-Code Application Platforms. Newgen's platform enables rapid application development and offers scalability and agility to an enterprise. This low-code market is rapidly growing and is expected to proliferate fast in enterprises in the coming 2-3 years. We are glad to be in the midst of this growth market and see great opportunity for Newgen.

We also acquired 17 new logos in this quarter. In Covid-19 era, digital resilience has become a global priority, and we see increased interest across geographies. We are witnessing strong growth in our cloud revenues and expect to make good progress in the coming quarters.

Superior customer experience, differentiated value proposition and operational efficiency measures remain our key strategies, helping us sustain growth and profitability”.

Key Consolidated Financial Highlights (Q2 FY'21)

Revenue from operations (Consolidated) at Rs 155.0 crores as compared to Rs 154.0 crores in Q2 FY'20 (up 0.7% YoY, 17% QoQ).

- Annuity revenue streams (ATS/AMC, Support, and Cloud/SaaS) witnessed a growth of 8% YoY (12% QoQ) and reached Rs 97.8 crores improving long-term visibility of the business
- Revenue from Sale of Products/License were at Rs 26.4 crores
- Implementation & digitization revenues were at Rs 30.8 crores

EBIDTA up by 350% YoY at Rs 41.1 crores compared to Rs 9.1 crores in Q2 FY'20

Profit after tax up by 592% YoY at Rs 29.2 crores from Rs 4.2 crores in Q2 FY'20 based on strong cost rationalization initiatives undertaken by the Company

Key Business Highlights (Q2 FY'21)

- **Newgen has been Positioned as a Niche Player in the Gartner Magic Quadrant for Enterprise Low-Code Application Platforms**, September 30, 2020*. Newgen provides a robust digital platform to automate business processes, has flexible licensing and deployment options, with the ability to deliver wider enterprise solutions with tremendous value
- **Growth momentum in Cloud continues:** Newgen's cloud-based solutions provide reliable, uninterrupted, and secure service to customers. Cloud revenues witnessed a growth of 42% YoY during the quarter
- **Increasing share in growth markets:** Growth momentum continues in new markets. Newgen's revenues from the US and APAC region witnessed robust growth of 11% YoY and 39% YoY respectively
- **17 New Customer Logos addition in the Quarter, including**
 - License Deal with a premier student loan financing organisation in Americas.
 - Providing solutions for a very large international bank in Singapore, with more than 150 years of banking history
 - Solution implementation for a US Bank
- **Accelerated performance in Banking & Financial Services, Shared Services and Government/PSU, verticals** with increased demand for digital transformation initiatives in these sectors
- **Launched new products - OmniXtract 3.0**, an enhanced and efficient version of intelligent data extraction software, which leverages intelligent technologies

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About Newgen

Connecting Enterprises. Transforming Experiences.

Newgen Software Technologies Limited (listed In India on National Stock Exchange [Script code: NEWGEN] and BSE Ltd. [Script code: 540900]) is a leading provider of low code digital automation platform. Globally, successful financial institutions, insurance, government, and shared services organizations rely on Newgen's industry-recognized products and applications—to manage their processes (BPM), content (ECM), and communications (CCM)—for connected operations. From customer onboarding to service requests, from loans and deposits to underwriting, and many more, Newgen's industry applications transform business-critical operations with agility. Newgen's cloud-based platform enables digital transformation initiatives for superior customer experience, optimized costs, and improved efficiencies.

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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