



NEWGEN SOFTWARE TECHNOLOGIES LTD.

INVESTOR PRESENTATION – Q1 FY'22

Connecting Enterprises. Transforming Experiences.

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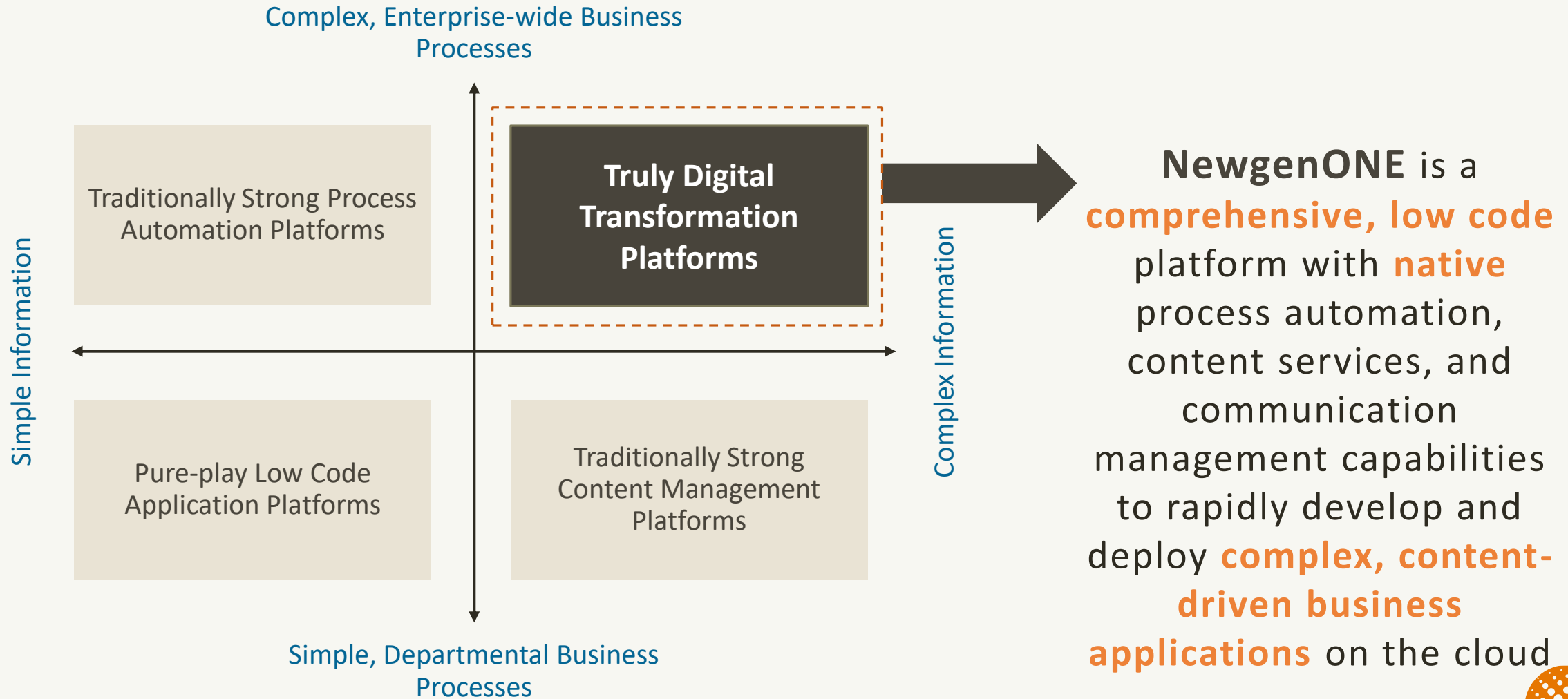
July
2021

NEWGEN CORPORATE OVERVIEW

UNVEILING NewgenONE DIGITAL TRANSFORMATION PLATFORM



UNVEILING NewgenONE DIGITAL TRANSFORMATION PLATFORM



NEWGEN

NEWGEN'S PLATFORMS IDEAL FOR DIGITAL TRANSFORMATION

Contextual
Content
Services
(ECM)

Low Code
Process
Automation
(BPM)

Omnichannel
Customer
Communication
(CCM)

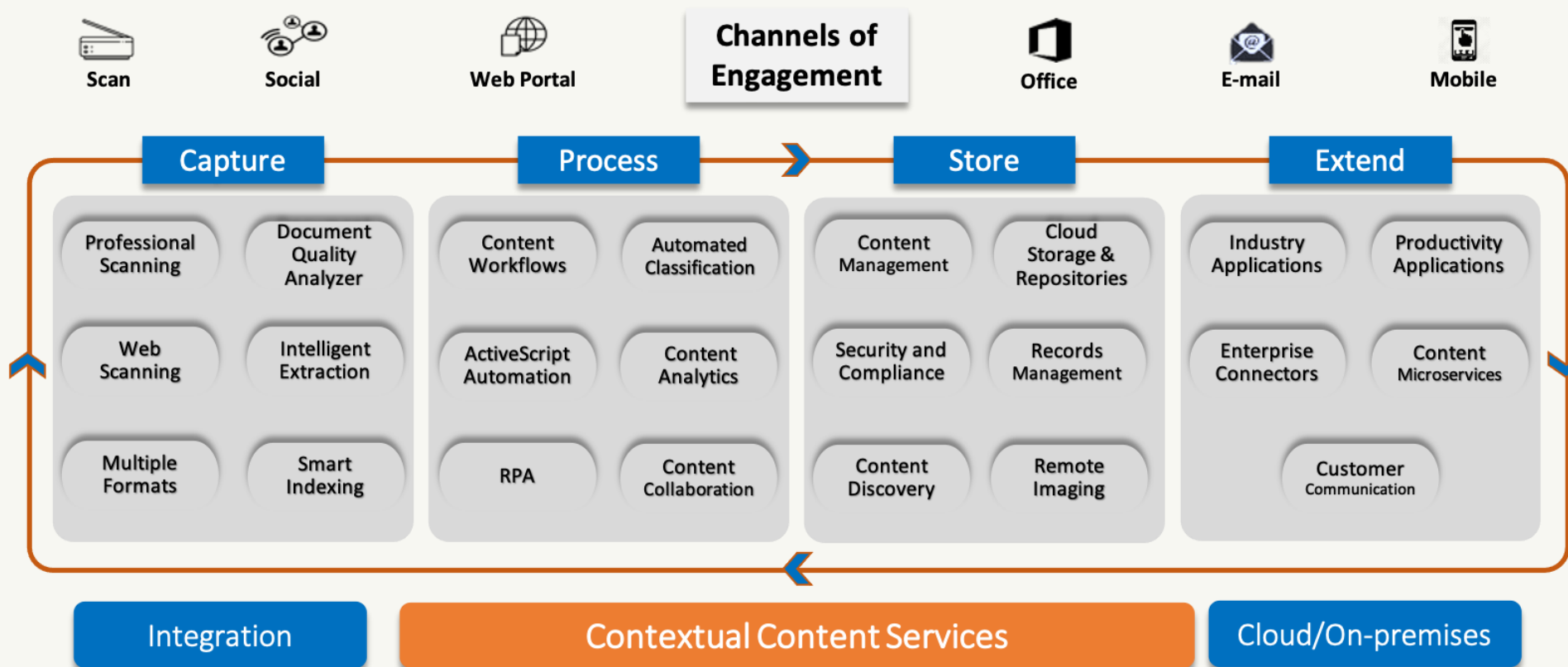
- ❑ Each platform a front-runner in its own category
- ❑ Most Digital use cases leverage more than one Product
- ❑ Built on Unified Architecture and thus extremely compatible and seamlessly integrate, providing competitive differentiation from other market products
- ❑ Cloud ready architecture on AWS 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

NewgenONE 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

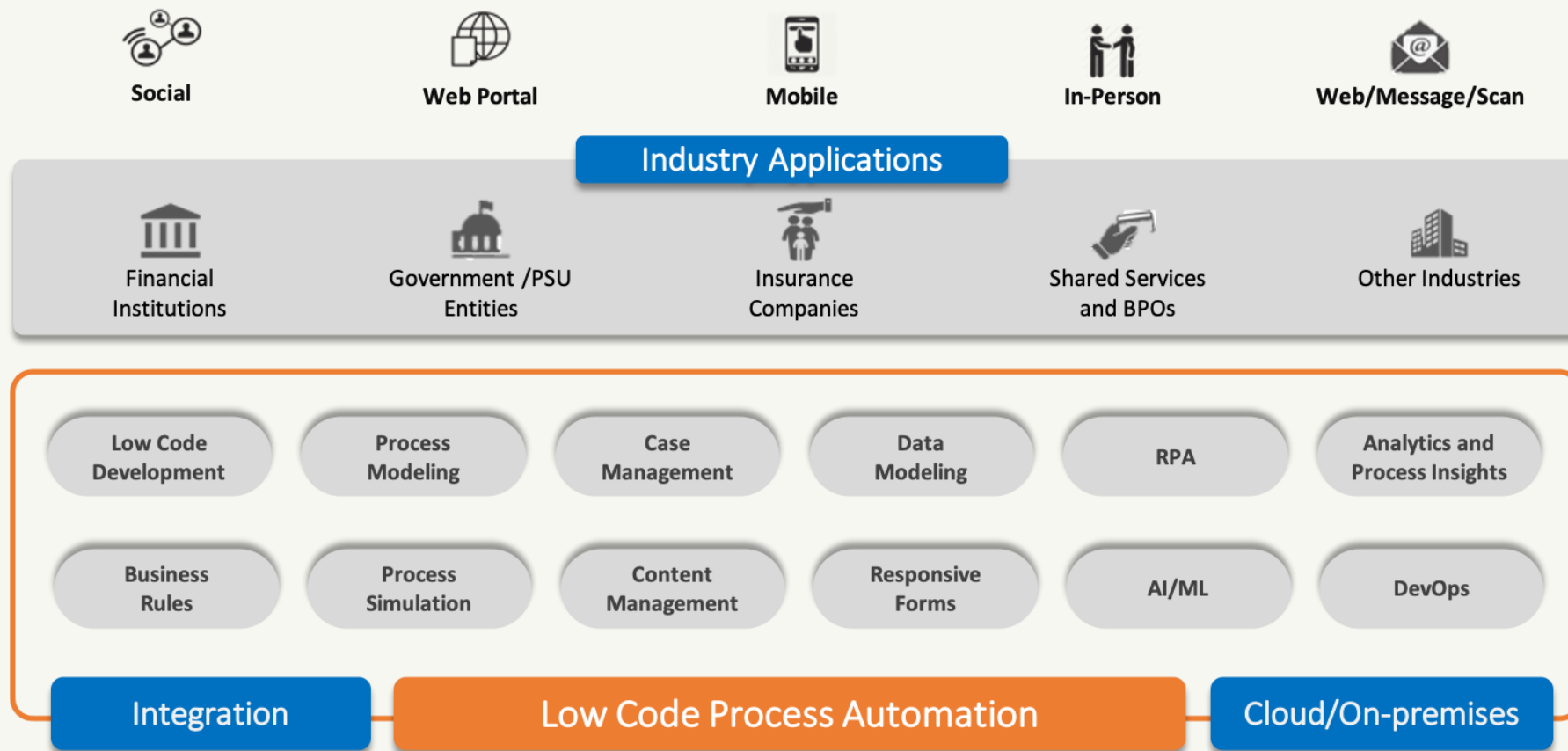
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NEWGEN

NewgenONE 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

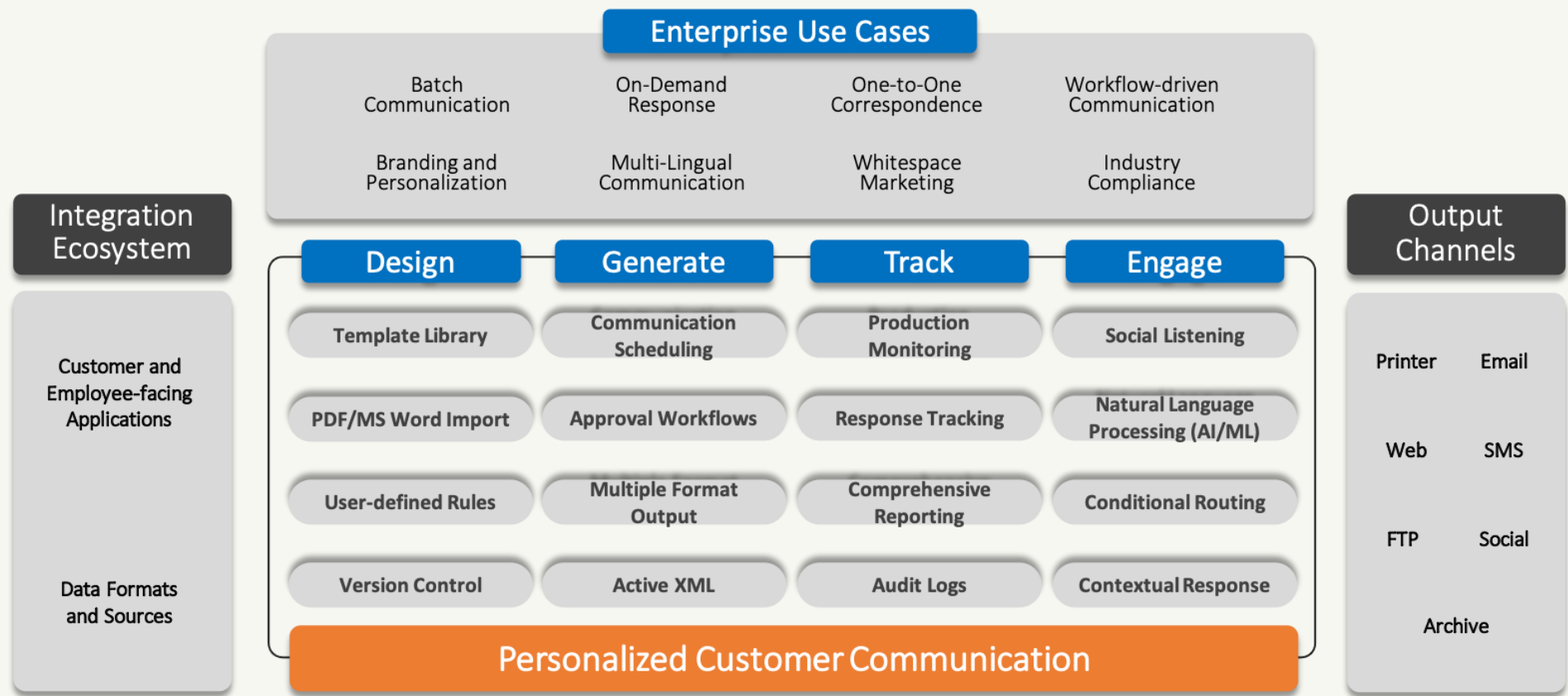
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NEWGEN

NewgenONE OMNICHANNEL 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
All data as of 31 March 2021

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)

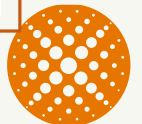
Rs 2,157 Mn

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



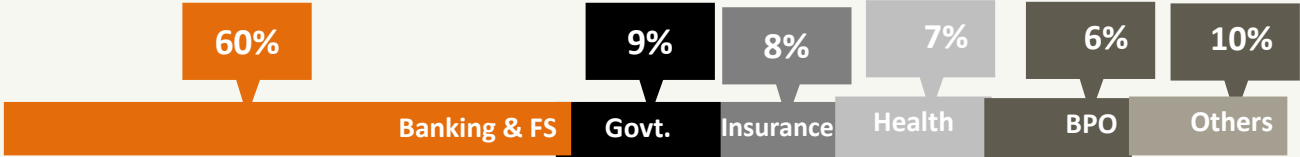
Large annuity revenues streams



FY21 Revenue Split by Segment



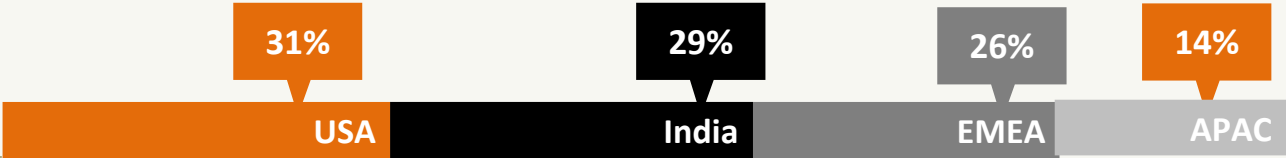
Mission critical solutions across key verticals



FY21 Revenue Split by Segment



Diversification across geographies



FY21 Revenue Split by Geography

(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



NEWGEN

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, 20 Granted⁽¹⁾

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

Unified platform with modular deployment

Intuitive applications and scalable performance

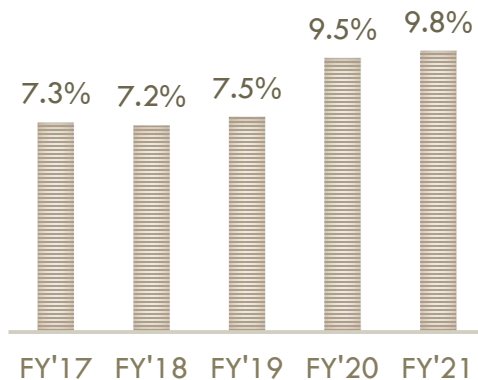
Low Code Application Platform

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

(1) As of 30 June 2021



DIVERSIFIED GLOBAL CUSTOMER BASE WITH PREDICTABLE REVENUE STREAMS

~550

GLOBAL CUSTOMERS

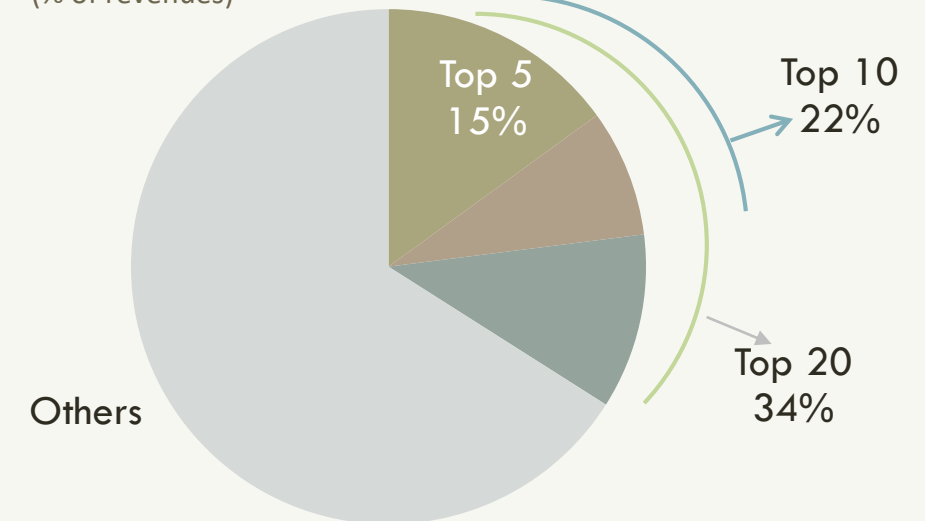
72

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+



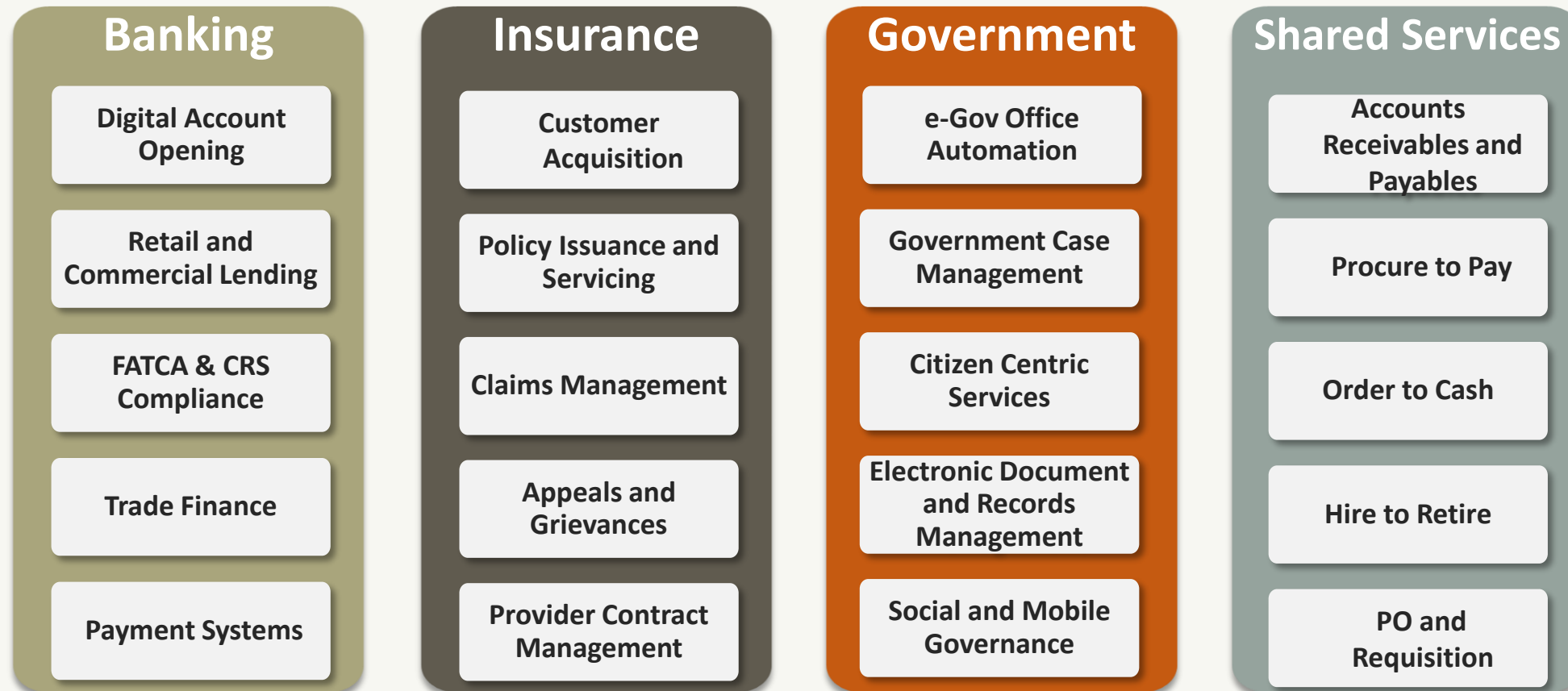
- Focus on Tier-1 customers in five core verticals in India, APAC and Middle East & Africa Region
- Focus on mid-market banks and credit unions in US region
- Differentiated 'land and expand' model
- Sale of complete functionality with initial purchase facilitates seamless creation of new applications

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.



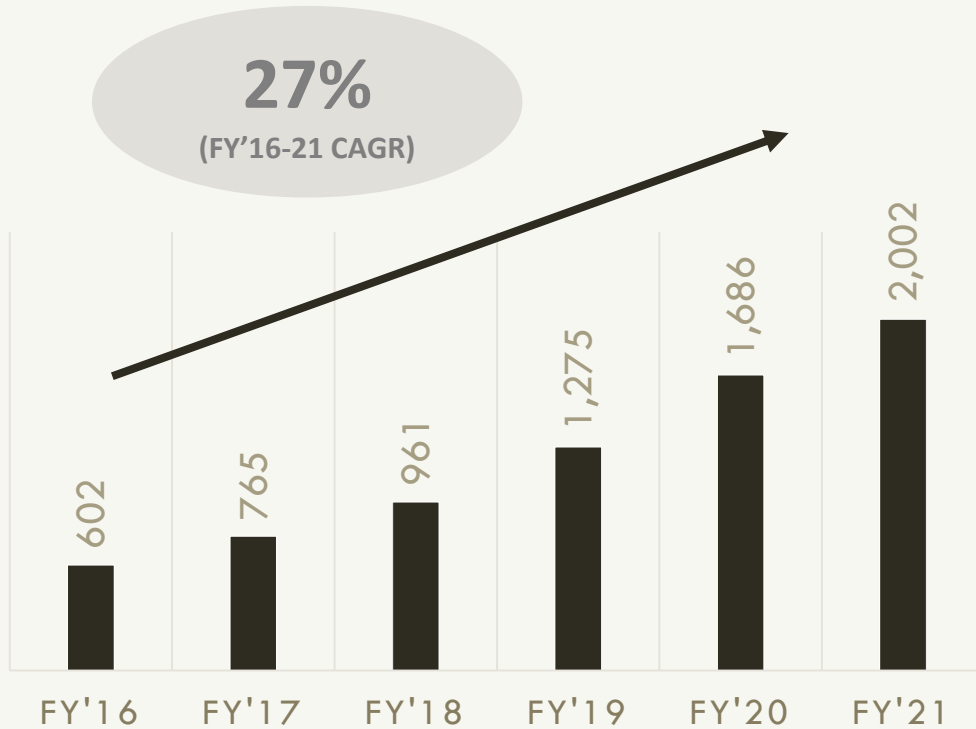
RENEWED FOCUS ON MATURE MARKETS THROUGH GLOBAL SYSTEM INTEGRATORS

- ❑ 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 as of May'21

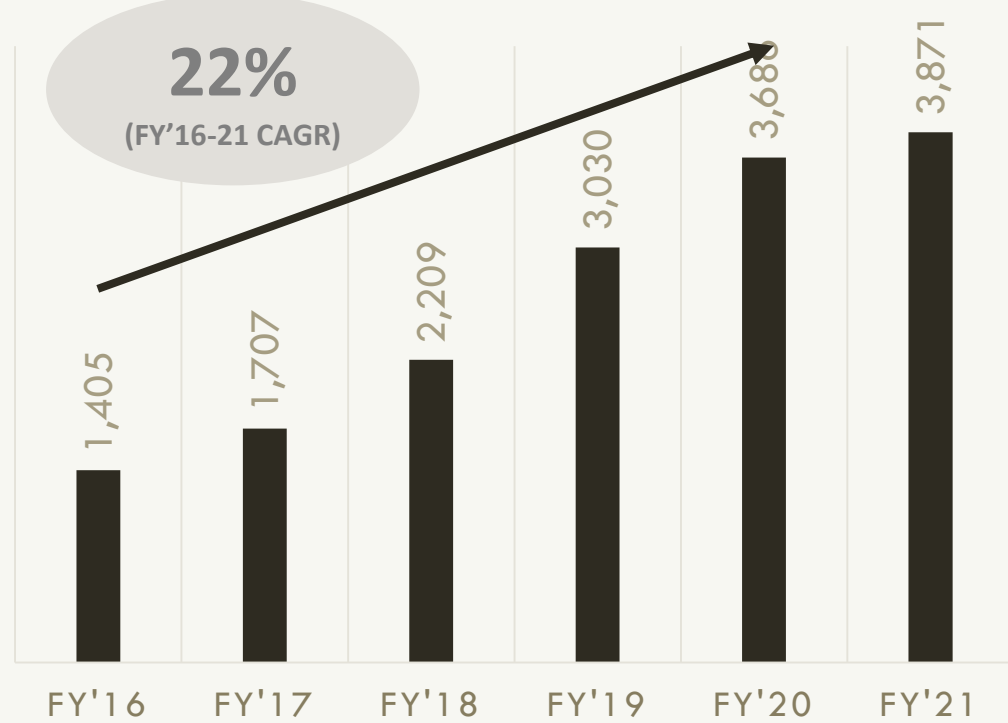


STRONG FOCUS ON ANNUITY AND SUBSCRIPTION REVENUES

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

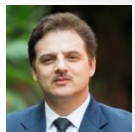


Priyadarshini Nigam

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



Arvind Jha

Sr. VP – Product

Sales & Marketing



Rajvinder Singh Kohli

Sr. VP – Sales



Hemant Makhija

VP – Marketing

US Sales



Anand Raman

EVP & COO - Newgen Software Inc.

Business Mgmt/Delivery



Tarun Nandwani

Sr. VP – Business Management



Ashok Kapoor

VP – Software Development



Dushyant Kumar

Software Development

Corporate



Dr. S.J. Raj

Sr. VP – HRD



Arun Kumar Gupta

Chief Financial Officer



Vivek Tripathi

VP – Human Resources

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

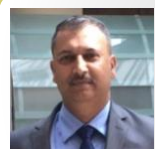
■ Supported by a **strong second line management**

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

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

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

Q1 FY'22 FINANCIAL RESULTS

FINANCIAL SUMMARY (CONSOLIDATED)

Particulars		Q1FY22 (Unaudited)	Q1FY21 (Unaudited)	YoY Growth	Q4FY21 (Unaudited)	QoQ Growth
Revenue (INR Mn)	Revenue from operations	1,595	1,321	20.8%	2,000	-20.2%
	Other Income	106	39	170.2%	46	131.6%
	Total Income	1,701	1,360	25.1%	2,046	-16.8%
Profits (INR Mn)	EBITDA (<i>adjusted for other income</i>)	228	156	46.1%	664	-65.7%
	Profit after tax	216	91	136.9%	527	-59.0%
Margin (%)	EBITDA (<i>adjusted for other income</i>)	14.3%	11.8%		33.2%	
	Profit after tax	12.7%	6.7%		25.8%	
EPS (INR)	Basic	3.12	1.32	136.1%	7.61	-59.0%
	Diluted	3.09	1.31	136.0%	7.51	-58.8%

Q1 FY'22 v/s Q1 FY'21

- Continuing strong momentum during the quarter with broad based revenue growth of 21% Q1 YoY.
- EBIDTA at Rs 228 Mn, up 46% Q1 YoY. Profit after Tax at Rs 216 Mn, up 137% Q1 YoY

CUSTOMER WINS

11*

New Logo Wins
during Q1 FY'22

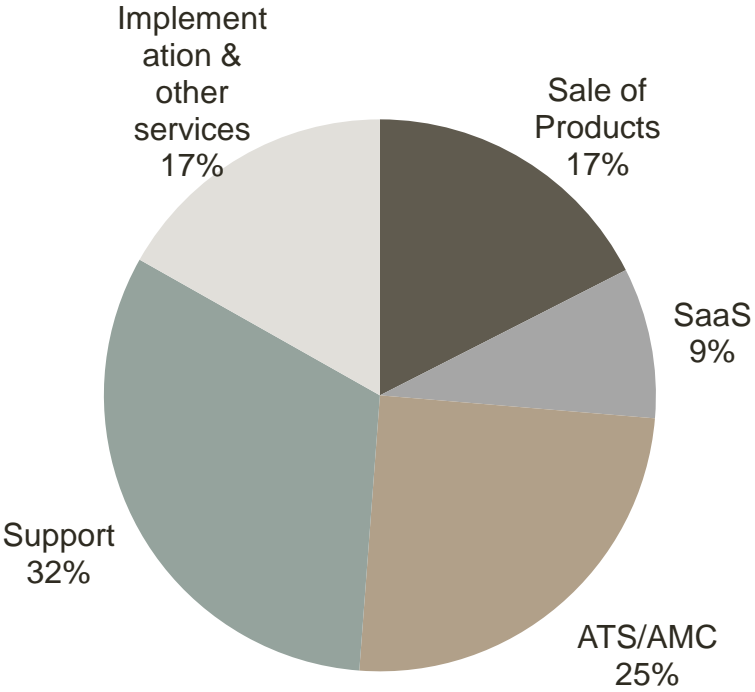
Major deals in Q1 include:

- Executed an agreement with one of the leading banks in the Middle East region, for supply of software licenses, Annual Technical Support implementation and other support related services. Total size of the work order under the Agreement is \$ 5.9 Mn over three years
- Large financial services group in Finland providing a comprehensive range of banking and insurance services for private and corporate customers, with 2 Mn owner-customers.
- Project for a federal statutory body under the purview of the Ministry of Finance in Malaysia

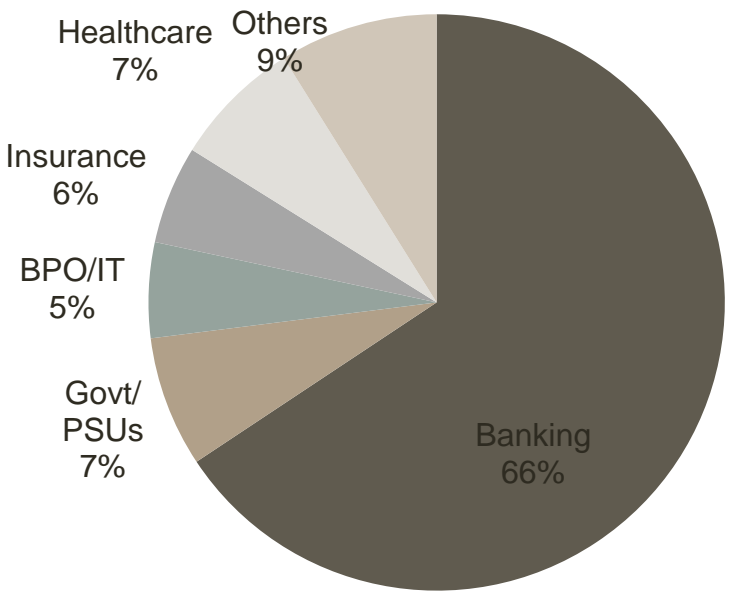
* Including billed/ to be billed.

DIVERSIFICATION CONTINUES ACROSS VERTICALS AND GEOGRAPHIES

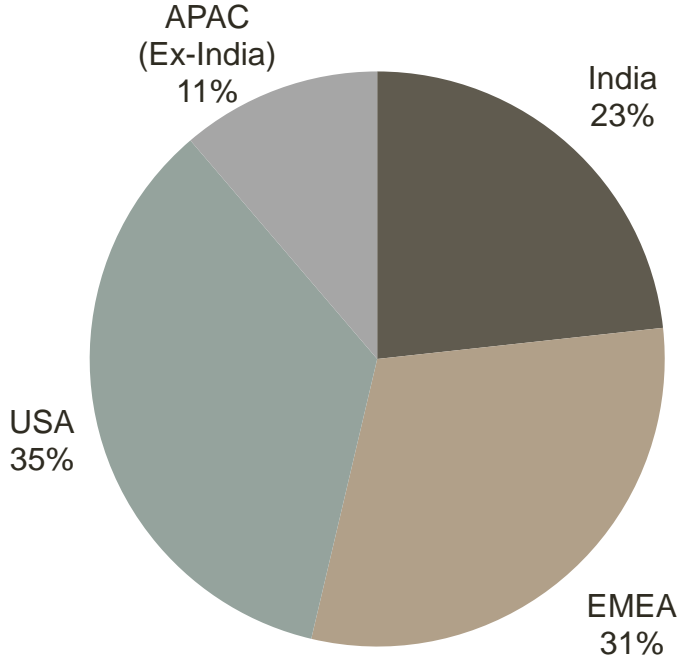
Q1 FY'22 Revenue Split by Segment



Q1 FY'22 Revenue Split by Vertical



Q1 FY'22 Revenue Split by Geography



ANALYST RECOGNITIONS (Q1 FY'22)



- Positioned as a “**Strong Performer**” in The Forrester Wave™: Content Platforms, Q2 2021, authored by Cheryl McKinnon et al.
- According to the report, “Newgen Software Technologies continues to shift its OmniDocs content platform to a cloud-first delivery model and invest in the capabilities to attract large enterprises with complex and largescale content and process management requirements. An innovative roadmap and product vision drive Newgen’s strategy.”
- The report further states, “Newgen is particularly strong in its transactional content services, including process automation, capture, and automated content generations. Consider Newgen for its highly scalable content platform with a strong, balanced portfolio of capabilities, including innovation in AI and ML and strong low- and no-code development tools.”



BUSINESS HIGHLIGHTS (Q1 FY'22)

Patent Grants

Granted two additional patents during the quarter taking the total patent grants to 20 in India and the US

- Granted a patent for an invention entitled “Online Collaborative Signing of Documents” for 20 years commencing from November 2010 by the Indian Patent Office. It aims at offering a solution for collaborative signing of documents with automatic verification of user device, user identity and user signatures.
- Granted a patent for an invention entitled “Method and System for Managing and Archiving Electronic Messages” for 20 years commencing from May 2009 by the Indian Patent Office. It aims at offering a solution for automated and efficient email archival, management and retrieval especially for business environments involving huge volumes of emails

Growing Annuity Revenue streams

- Annuity Revenues (ATS/AMC, Support, and SaaS) were at Rs 1,048 Mn, witnessing growth of 20% YoY.
- SaaS revenues witnessed a growth of 29% YoY contributing 9% to the revenues of the organization

Broad-based growth

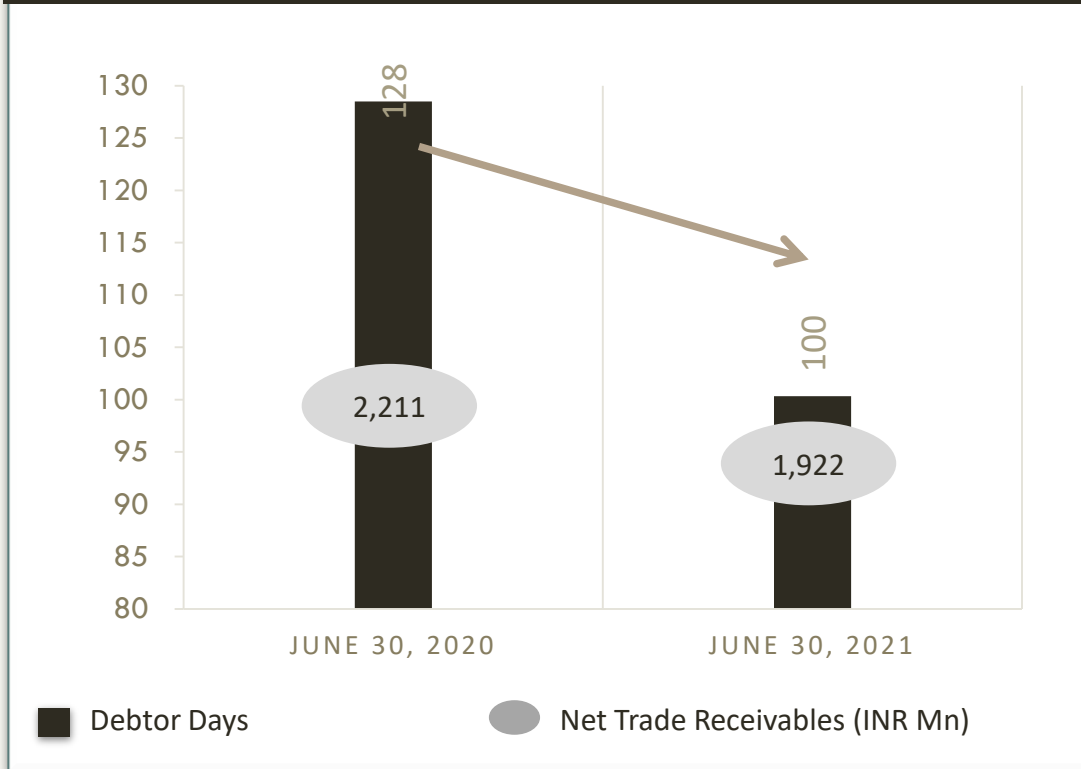
- Revenues across all geographies witness growth with EMEA and APAC witnessing the highest growth
- Banking and Financial Services, Government/ PSUs and Healthcare were the fastest growing segments during the quarter



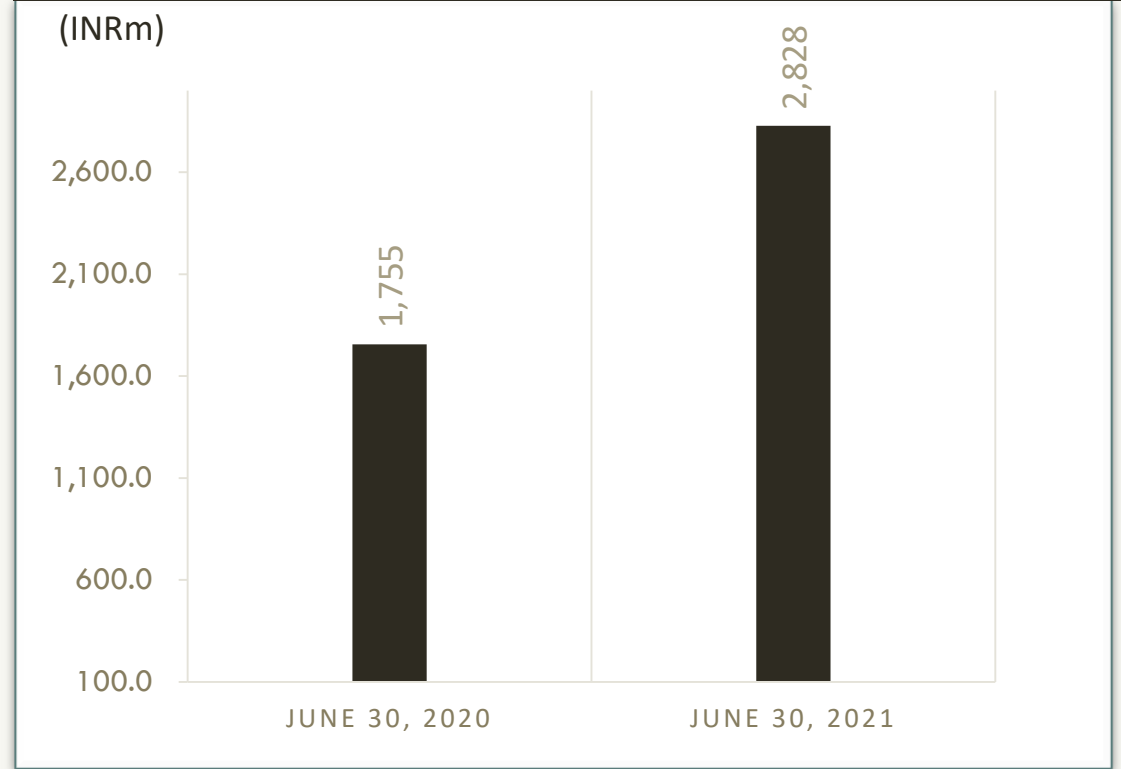
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STRENGTHENING BALANCE SHEET

Debtor Days (Based on Net Debtors)



Cash and Cash Equivalents & Bank Balance





For any Investor Queries please contact:

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P&L STATEMENT

(All amounts in INRm, except per share data and unless otherwise stated)	Q1 FY 2022	Q1 FY 2021	Q4 FY 2021	FY 2021	FY 2020
Revenue					
Revenue from operations	1,595.4	1,321.2	1,999.8	6,726.2	6,607.6
Other income	105.8	39.2	45.7	150.4	209.6
Total revenue	1,701.2	1,360.4	2,045.5	6,876.6	6,817.2
Expenses					
Employee benefits	932.4	780.6	937.4	3,276.2	3,423.9
Finance costs	6.6	18.0	8.3	56.3	109.1
Depreciation and amortisation	40.7	57.8	50.8	201.0	199.1
Other expenses	435.4	384.8	398.5	1,531.5	2,137.6
Total expenses	1,415.0	1,241.2	1,395.1	5,064.9	5,869.8
Profit before tax	286.2	119.1	650.5	1,811.7	947.4
Tax expenses					
Current tax / Tax expense for earlier years	101.1	64.4	134.7	526.6	265.1
Deferred tax (credit)/charge	-31.0	-36.4	-11.5	20.2	-45.0
Profit after tax for the year	216.0	91.2	527.3	1,264.8	727.3
Other comprehensive income/(loss) for the year, net of income tax	8.9	15.7	7.9	23.3	24.2
Total comprehensive income for the year	224.9	106.9	535.3	1,288.2	751.5
Earnings per equity share (face value of Rs. 10 per share)					
Basic earning per share	3.12	1.32	7.61	18.28	10.56
Diluted earning per share	3.09	1.31	7.51	18.10	10.51

