

PRESS RELEASE

Newgen Software reports Revenues of Rs 185cr in Q3 FY'20, up 15% YoY,
PAT up 33% YoY

Newgen sees a Continued Adoption of Low Code Automation and Cloud Deployment

New Delhi, India – 21 January 2020

The management of Newgen Software Technologies Ltd. announced results for the Quarter and Financial period ended 31 December 2019 at its Board Meeting held on 21 January 2020.

Speaking about the results, Mr. Diwakar Nigam, Chairman & Managing Director, Newgen Software Technologies Ltd. said – “As expected, business is picking up in the second half of the financial year leading to strong growth in revenues and profitability. Specifically, the EMEA region has performed very well during this quarter. We acquired a total of 50 new logos globally in the first 9 months of the financial year.

We are happy to share that we are ready with a new version of our product iBPS, a low code BPM platform for rapid application development. By adapting low code development platforms, enterprises respond quicker to the needs of their digital businesses. With this release and extended capabilities, we expect to extend our solutions stack further across all verticals and get deeper and wider market presence. With low code capabilities of the platform our customers expect to gain from significant reduction in deployment cycle, effort and cost.”

Highlights – Q3 FY'20 (YOY)

Revenue growth of 15%

PAT growth of 33%

SaaS revenues up 61%

Key Consolidated Financial Highlights (Q3 FY'20) – [Y-o-Y Comparison]

- **Revenue from operations (Consolidated) up 15% YoY at Rs 185.0 crores** as compared to Rs 160.5 crores in Q3 FY'19.
 - Revenue from Sale of Products/ License were at Rs 35.9 crores
 - Annuity Revenue streams (ATS/AMC, Support and Cloud/SaaS) were at Rs 102.6 crores. Cloud/SaaS continues to be our fastest growing revenue component.
 - Implementation & Digitization revenues were at Rs 46.4 crores
- **EBITDA* was at Rs 35.8 crores**, up 34% and **Profit after tax is Rs 24.0 crores**, up 33% due to revenue growth and cost optimization.

Key Consolidated Financial Highlights (9M FY'20) – [Y-o-Y Comparison]

- Revenue from operations (Consolidated) up by 13% at Rs 470 crores as compared to Rs 417 crores in 9M FY'19.
- EBITDA* was at Rs 52.7 crores.
- Profit after tax is Rs 31.3 crores

*Earnings before Interest, Tax, Depreciation and Amortisation, adjusted for other income

Key Business Highlights (Q3 FY'20)

- **Prestigious customer wins:** 12 new customer additions in Q3 FY'20 including:
 - Cloud deal with a full-service commercial bank based in Massachusetts
 - A project with a government agency in Caribbean
 - A large project with East Africa's largest commercial Bank
 - A mid-sized project with a reputed organization for all financial solutions in the Kingdom of Saudi Arabia
 - Selection by a leading energy and environment solutions provider from India offering integrated innovative solutions in the areas of heating, cooling, power, water and waste management, air pollution control and chemicals.
- EMEA region witnessed growth of 87% and APAC region witnessed growth of 16%
- **Analyst Recognitions:** Newgen has been positioned a “Challenger” in Gartner Magic Quadrant for Content Services Platforms, 2019, 30 October 2019, Michael Woodbridge et al.
- **Key Awards:** Newgen also received Special Recognition at Dun & Bradstreet – RBL Bank SME Business Excellence Awards 2019

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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 provider of Business Process Management, Enterprise Content Management and Customer Communication Management platforms with large, mission-critical solutions deployed at world's leading banks, Governments, BPO's & IT Companies, Insurance firms and Healthcare Organizations.

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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