

## PRESS RELEASE

### Newgen Software reports 23% YoY growth in Revenues in Q1 FY'20

New Delhi, India – 24 July 2019

*The management of Newgen Software Technologies Ltd. announced results for the Quarter and Financial Year ended 30 June 2019 at its Board Meeting held on 24 July 2019.*

Speaking about the results, Mr. Diwakar Nigam, Chairman & Managing Director, Newgen Software Technologies Ltd. said – “The fiscal year began on a positive note with revenue growth of 23% YoY and improvement in our operating profits. We continue to invest in deepening our product capabilities, talent development and new market expansion. We opened up our Australian subsidiary during the quarter and are pursuing opportunities in that market.

License revenues witnessed a growth of 90% YoY as we closed a few interesting new logos in the enterprise, banking and financial services and insurance space. ”

**Revenues up 23%  
YoY**

**EBIDTA\* up to Rs 7.7  
crores compared to  
Rs 0.6 cr in Q1 FY'19**

**12 new logo wins**

**Strong APAC & USA  
market growth; SaaS  
revenues up 73%**

\*adjusted for Other Income

#### Key Financial Highlights (Q1 FY'20) – [Y-o-Y Comparison]

- **Revenue from operations (Consolidated) was up by 23% YoY to reach Rs 131.0 crores** as compared to Rs 106.5 crores in Q1 FY'19.
  - Revenue from Sale of Products/ License were at Rs 24.2 crores
  - Annuity Revenue streams (ATS/AMC, Support and Cloud/SaaS) were at Rs 78.4 crores. Cloud/SaaS continues to be our fastest growing revenue component.
  - Implementation & Digitization revenues were at Rs 28.3 crores
- **EBITDA\* was at Rs 7.7 crores** compared to Rs 0.6 crores in Q1 FY'19 partly due to implementation of Lease Accounting Standard - Ind AS 116 (Rs 3.9 crores).
- Profit after tax is Rs 3.1 crores compared to Rs 3.9 crores in Q1 FY'19 due to significant decrease in foreign exchange gains, included in Other Income which changed to Rs 3.0 crores in Q1 FY'20 from Rs 7.8 crores in Q1 FY'19.

### Key Business Highlights (Q1 FY'20)

- **Business growth across key markets** especially APAC and USA regions which witnessed a YoY growth of 65% and 24% respectively.
- **Prestigious customer wins:** 12 new customer additions in Q1 FY'20 including:
  - License Agreement with a global leader in beverage alcohol
  - Cloud deal with a US Company in legacy annuity business
  - License Agreement with a Filipino based stock life insurance company
  - Saudi Arabia conglomerate with interests in petrochemicals, chemicals, plastics, and metals manufacturing, industrial services and environmental technologies
  - Union Bank and Trust (UBT) based in USA is implementing Newgen BPM platform for enterprise-wide automation of its banking processes. UBT is replacing its numerous disparate systems and automating manual processes in favor of a single platform that can be utilized across all areas resulting in enhanced operational efficiencies and improved customer interactions.
- **Focus on innovation:** Granted a patent in July 2019 entitled “Automated Quality and Usability Assessment of Scanned Documents”. The invention enables organizations to automatically assess the quality of scanned images and make necessary corrections.
- **Key Awards:**
  - Silver Stevie winner for ‘The Asia Pacific Stevie Awards 2019’ under the category – Innovative Use of Technology in Customer Service in Financial Services Industries
  - Bronze Stevie winner for ‘The Asia Pacific Stevie Awards 2019’ under the category – Innovative Use of Technology in Customer Service in Financial Services Industries
  - Union Bank Nigeria and Newgen Software have been awarded the Best Branch Digitisation Initiative at The Asian Banker West Africa Awards Programme 2019
  - Mashreq Bank, one of the leading financial institutions in the UAE, and Newgen Software were awarded the Best Process Automation Initiative in the Middle East at The Asian Banker Middle East and Africa Awards Programme 2019 (March 2019)
  - National Bank of Ras Al Khaimah and Newgen Software were announced the winners of The Asian Banker Middle East and Africa Awards Programme 2019 for the Best Branch Digitisation Initiative in the Middle East (March 2019)
- **Cloud/ SaaS business model strengthening annuity revenues:** In Q1 FY'20, SaaS revenues were at Rs 8.4 crores, up by 73% YoY.
- **Improved positioning through global alliance:** Compliance Systems based in Michigan and Newgen entered into a strategic alliance that will provide their joint customers with best-in-class solutions to help them drive digital transformation while remaining fully compliant. Under the agreement, Newgen and Compliance Systems will work together to develop an integrated solution that enables compliance in the lending space.



## 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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