

## PRESS RELEASE

Newgen Software Reports Revenues of Rs 673 cr in FY'21; Net Profit at Rs 126 cr in FY'21, up 74% YoY

New Delhi, India – 25 May 2021

*The management of Newgen Software Technologies Ltd. announced results for the full year and quarter ended 31 March 2021 at its Board Meeting held on 25 May 2021.*

### Key Highlights- FY'21

<b><u>Revenues</u></b> Rs 6,726 Mn (with 57% annuity)	<b><u>Subscription Revenues</u></b> Rs 2,002 Mn (19% YoY growth)	<b><u>Profit after Tax</u></b> Rs 1,265 Mn (74% YoY growth)	<b><u>US Revenues</u></b> Rs 2,118 Mn (16% YoY growth)
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Speaking about the results, Mr. Diwakar Nigam, Chairman & Managing Director, Newgen Software Technologies Ltd. said – “In these COVID times, we ensured uninterrupted, superior services to our customers, while working remotely. During the pandemic, our prime focus remained on the safety and wellbeing of our employees, and the community at large. We have had setbacks, but I appreciate the spirit of the Newgen Family, which stood by each other in these difficult times.

In FY'21, we continued to witness business momentum with expanded customer engagements and addition of 67 new logos under our umbrella. We are on our path to transformation from new license revenues to more stable subscription revenues and are witnessing a continuous increase in this segment. US region is now our largest revenue contributor recording a growth of 16% this year, with significant customers on cloud.

We have been constantly investing in our product portfolio, building industry accelerators on the low code platform and delivering several enhancements to support remote implementations. In our focused pursuit of target growth markets, we continue to build our Global System Integrator ecosystem and expand our direct sales structures.”

### Key Consolidated Financial Highlights (FY'21)

**Revenue from operations (consolidated) at Rs 672.6 crores** as compared to Rs 660.8 crores in FY'20, up 1.8% YoY.

- Subscription revenues (ATS/AMC and cloud) were at Rs 200.2 crores, up 19% YoY; increasing share of cloud business. Total annuity revenue streams (ATS/AMC, support, and cloud/SaaS) at Rs 387.1 crores, contributing 57% to revenues
- Revenue from sale of products/license were at Rs 130.5 crores, up 11% YoY
- Implementation & digitization revenues were at Rs 155.0 crores

**EBIDTA up by 83% YoY** at Rs 191.9 crores compared to Rs 104.6 crores in FY'20.

**Profit after tax up by 74% YoY** at Rs 126.5 crores from Rs 72.7 crores in FY'20, driven by cost rationalisations.

**Net cash generated from operating activities at Rs 215.7 crores** for FY'21, compared to Rs 90.1 crores for FY'20.

### Key Consolidated Financial Highlights (Q4 FY'21)

**Revenue from operations (consolidated) witnessed strong sequential growth reaching Rs 200.0 crores** as compared to Rs 185.5 crores in Q3 FY'21 (up 7.8% QoQ, 4.8% YoY).

- Subscription revenues (ATS/AMC and cloud) were at Rs 52.3 crores, witnessing strong growth of 10.5% YoY. Annuity revenue streams (ATS/AMC, support, and cloud/SaaS) were at Rs 101.8 crores
- Revenue from sale of products/license were at Rs 47.0 crores, up 65% YoY
- Implementation & digitization revenues were at Rs 51.2 crores

**EBIDTA up by 28% YoY** at Rs 66.3 crores compared to Rs 51.9 crores in Q4 FY'20.

**Profit after tax up by 27% YoY** at Rs 52.7 crores from Rs 41.5 crores in Q4 FY'20.

### Key Business Highlights (Q4 FY'21)

- **Newgen granted a patent for an invention entitled “Image Processing System and Method”** for a period of 20 years commencing from March 2018 by the United States Patent and Trademark Office. This invention is regarding a highly efficient and advanced level binarization process. Newgen has filed 44 patents till date, out of which 18 have been granted in India and the US.
- **17 new customer logos addition in the quarter, some notable successes include:**
  - **Seven new logos in the Americas region largely** in the Banking and Financial services & Insurance domains, including a cloud project for a global life insurance group
  - Strategic project win for **license & implementation at one of the leading private universal banks in the Philippines**
  - Mid-sized project for a **statutory board of the Government of Singapore**
- **US region is largest revenue contributor** during the year, growing at 16% YoY, with increasing cloud subscriptions. SaaS revenues witnessed a growth of 30% YoY contributing 7% to the revenues of the organization.
- **Accelerated performance in Banking & Financial Services, Government/PSU, and Insurance verticals** with increased demand for digital transformation initiatives in these sectors. Entered into a large transformation deal for a leading public sector bank in India during the quarter.
- **CRISIL has reaffirmed the short-term rating of CRISIL A2+ for the outstanding debt instruments/facilities** of the Company. The ratings will remain valid till 31<sup>st</sup> March 2022.

### 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 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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