



PRESS RELEASE

Newgen Software Reports Total Income of Rs 210 cr in Q3 FY'22, up 11% YoY; Net Profit at Rs 48 cr, up 35% YoY

Newgen acquiring Number Theory, an AI/ML data science platform company

New Delhi, India –January 18, 2022

The management of Newgen Software Technologies Ltd. announced results for the quarter ended 31 December 2021 at its Board Meeting held on 18 January 2022.

Key Highlights - Q3 FY'22 v/s Q3 FY'21

<u>Total Income</u> Rs 209.8 Cr (11% Q3 YoY growth)	<u>Subscription Revenues</u> Rs 61.7 Cr (20% Q3 YoY growth)	<u>Profit after Tax</u> Rs 47.8 Cr (35% Q3 YoY growth)
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Speaking about the results, Diwakar Nigam, Chairman & Managing Director, Newgen Software Technologies Ltd., said – “Q3 has been on the path of continuous progression amidst ongoing uncertain environment. The quarter witnessed 20% YoY growth in subscription revenues however, several of these orders have long gestation leading to deferment of revenues. We continue to see major wins and expansion of business in our existing customers and added 17 new logos as well. Overall, in the first nine months of the year, we have clocked in revenues of Rs 548 crores and profit after tax of Rs 107 crores.”

“Newgen is pleased to announce that it is acquiring India-based Number Theory, an AI/ML (artificial intelligence and machine learning) data science platform company, subject to the completion of conditions as stated in the approved Share Purchase Agreement. Number Theory’s platform, AI Studio, brings intuitive AI/ML to every enterprise, while unifying the entire lifecycle of data engineering, from data preparation to model development and monitoring. This acquisition will further strengthen Newgen’s low code digital transformation platform, NewgenONE, with AI/ML modeling and data analytics capabilities” said Virender Jeet, CEO, Newgen Software.

Key Consolidated Financial Highlights (Q3 FY'22 v/s Q3 FY'21)

Revenue from operations (consolidated) at Rs 202.5 crores as compared to Rs 185.5 crores in Q3 FY'21, up 9% YoY

- Subscription revenues (ATS/AMC and SaaS) stood at Rs 61.7 crores, up 20% YoY, Annuity revenues (ATS/AMC, Support, and SaaS) were at Rs 111.6 crores, witnessing a growth of 11% YoY
- Revenue from the sale of products/license was reported at Rs 49.8 crores, up 37% YoY
- Implementation and digitization revenues were at Rs 41.2 crores

EBIDTA stood at Rs 57.9 crores compared to Rs 68.8 crores in Q3 FY'21. EBIDTA decreased on account of normalization of cost base compared to last year as well as increased remuneration to manage attrition

Profit after tax went up by 35% YoY at Rs 47.8 crores from Rs 35.4 crores in Q3 FY'21

Key Consolidated Financial Highlights (9M FY'22 v/s 9M FY'21)

Revenue from operations (consolidated) at Rs 547.5 crores as compared to Rs 472.6 crores in 9M FY'21, up 16% YoY. Annuity revenues were at Rs 330.9 crores, witnessing a growth of 16% YoY.

EBIDTA stable at Rs 127.2 crores compared to Rs 125.5 crores in 9M FY'21.

Profit after tax up by 45% YoY at Rs 106.8 crores from Rs 73.7 crores in 9M FY'21.

Key Operational/Business Highlights (Q3 FY'22)

Key Analyst Recognitions:

- Newgen Software has been positioned as a "**Strong Performer**" in The Forrester Wave™: Digital Process Automation Software, Q4 2021. As per the report, "Look to Newgen where the cross-section of content, process, and case management requires deep integration and applications are mission-critical."¹
- Newgen has been recognized as **Visionary** in the 2021 Gartner® Magic Quadrant™ for Content Service Platforms with integrated workflow capabilities, document assembly, and records management highlighted as strengths.²

- **Technology Innovation at the core - 22 Patents granted in India and US till date**
 - Granted a patent for an invention entitled “Centralized Controlled Printing and Administration” for 20 years commencing from 4th January 2010 by the Indian Patent Office. This invention is for facilitating centrally managed and automated printing while safeguarding document confidentiality.
 - Granted a patent for an invention entitled “Integrated Capture and Analysis of Documents” for 20 years commencing from 14th January 2011 by the Indian Patent Office. This patent protects the invention to automatically capture the best quality document images using mobile or tablet devices with the help of real-time calibration of parameters, such as distance of capture, ideal resolution, etc.

- **New Logo wins:** 17 new logo wins in Q3 FY’22 across geographies; 37 new logo wins over nine months.³

- Grant of 12,11,500 Restricted Stock Units under Newgen Software Technologies Restricted Stock Units Scheme – 2021 to employees

1. *Authored by Rob Koplowitz with Chris Gardner, John Bratincevic, Stephen Powers, Sara Sjoblom, Kara Hartig, December 14, 2021*

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2. *Gartner Magic Quadrant for Content Services Platforms, Michael Woodbridge, Marko Sillanpaa, Lane Severson, Tim Nelms, October 18, 2021*

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3. *Including orders booked but not billed*



About Newgen

Unlock Simple

Newgen Software Technologies Limited (listed in India on National Stock Exchange [Script code: NEWGEN] and BSE Ltd. [Script code: 540900]) is the leading provider of a unified digital transformation platform with native process automation, content services, and communication management capabilities. Globally, successful enterprises rely on Newgen's industry-recognized low code application platform to develop and deploy complex, content-driven, and customer-engaging business applications on the cloud. From onboarding to service requests, from lending to underwriting, and for many more use cases across industries. Newgen unlocks simple, with speed and agility.

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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