Majesco Limited
Regd. Off.: MNDC, MBP-P-136,
Mahape,
Navi Mumbai – 400 710, India
+91-22-61501800
+91-22-2778-1320
www.majesco.com

Date: May 16, 2019

Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai-400 001.

BSE Script Code: 539289

Listing Department
National Stock Exchange of India Limited
Bandra Kurla Complex
Bandra East
Mumbai – 400 051.

NSE Symbol: MAJESCO

Dear Sir/Madam,

Sub: <u>Investor Presentation</u>

We are enclosing herewith Investor presentation titled "**Majesco Financial Update**".

You are requested to take the same on record.

Thanking you.

Yours faithfully
For **Majesco Limited**
Varika Rastogi
Varika Rastogi
Company Secretary

Encl: As above

INVESTOR DAY 2019
MAJESCO

Majesco Financial Update

Farid Kazani
Managing Director & Group CFO

May 16, 2019

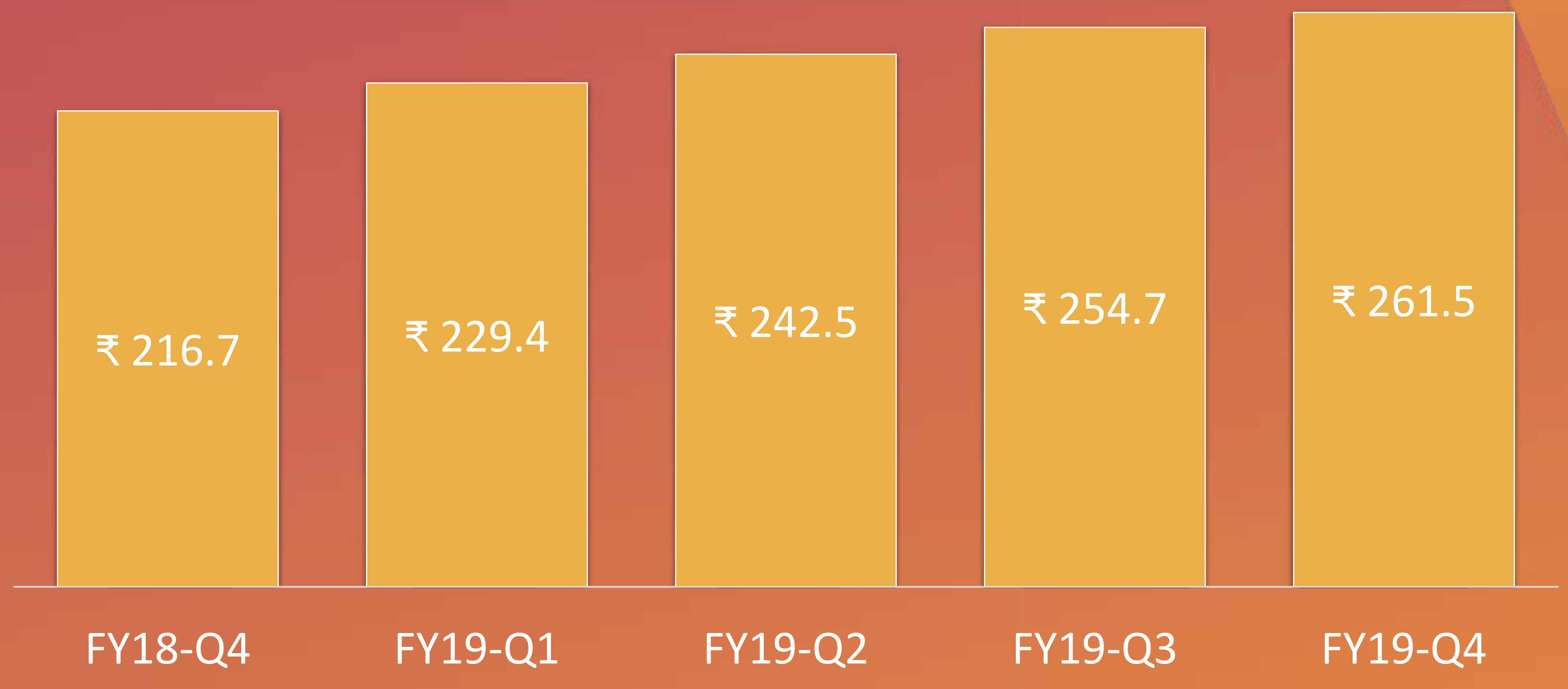
Fiscal Year End March 31, 2019

FY 2019 Financial Summary

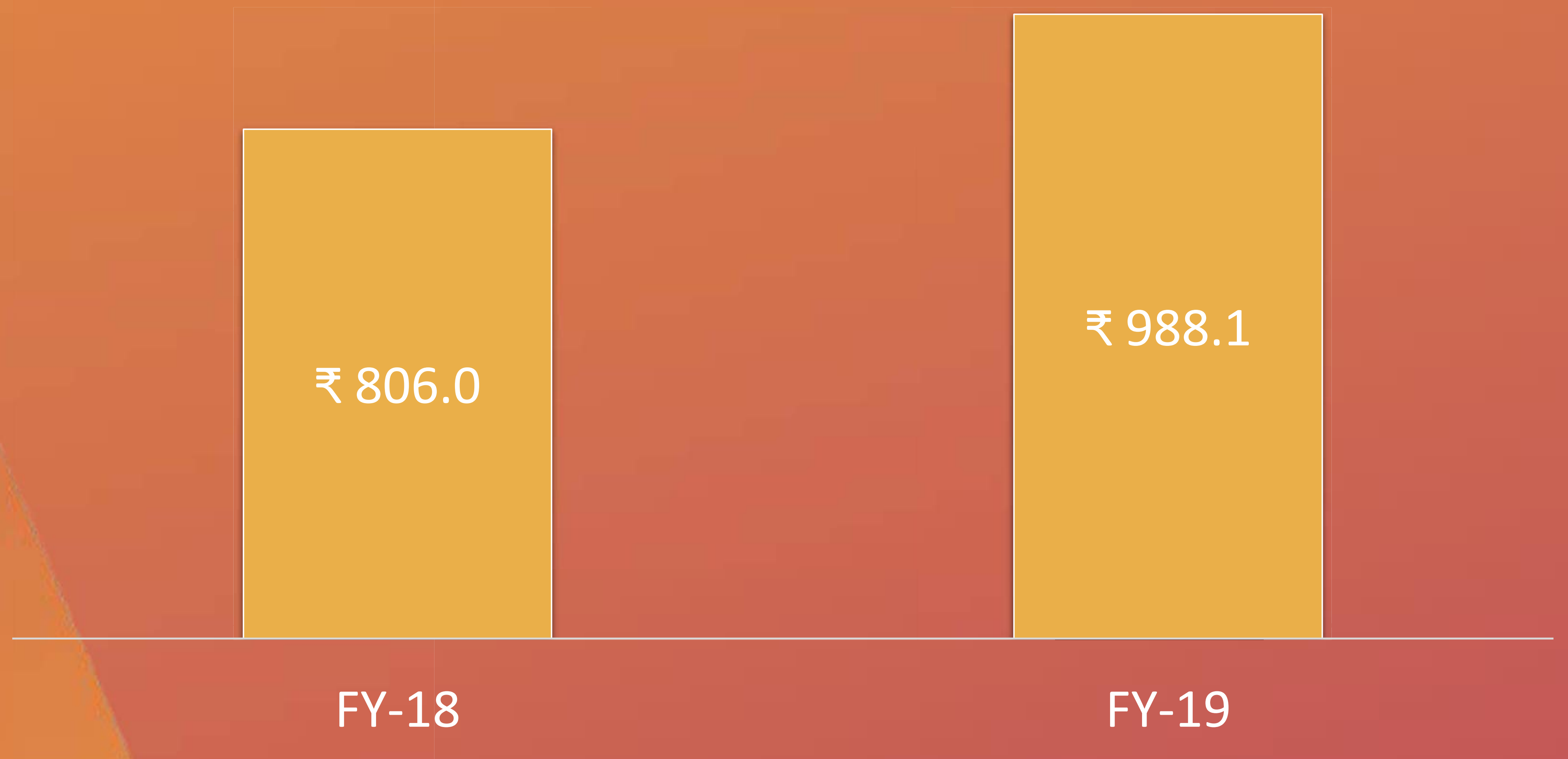
	FY 2018	FY 2019		
Income from Operations	₹ 806.0Cr	₹ 988.1Cr	↑	22.6%
Adjusted EBITDA	₹ 39.2Cr	₹ 117.7Cr	↑	200.5%
EBITDA Margin	₹ 4.9%	₹ 11.9%	↑	700 bps
Net Profit	₹ 2.8Cr	₹ 71.7Cr		
Cloud Revenue	₹ 239.9Cr	₹ 401.1Cr	↑	67.2%
12 Month Order Backlog	₹ 606.5Cr	₹ 670.1Cr	↑	10.5%
Net Cash/(Debt) Position	₹ 308.1Cr	₹ 399.5Cr		

Accelerating Revenue Growth

INCOME FROM OPERATIONS
Quarter Over Quarter (Crore)

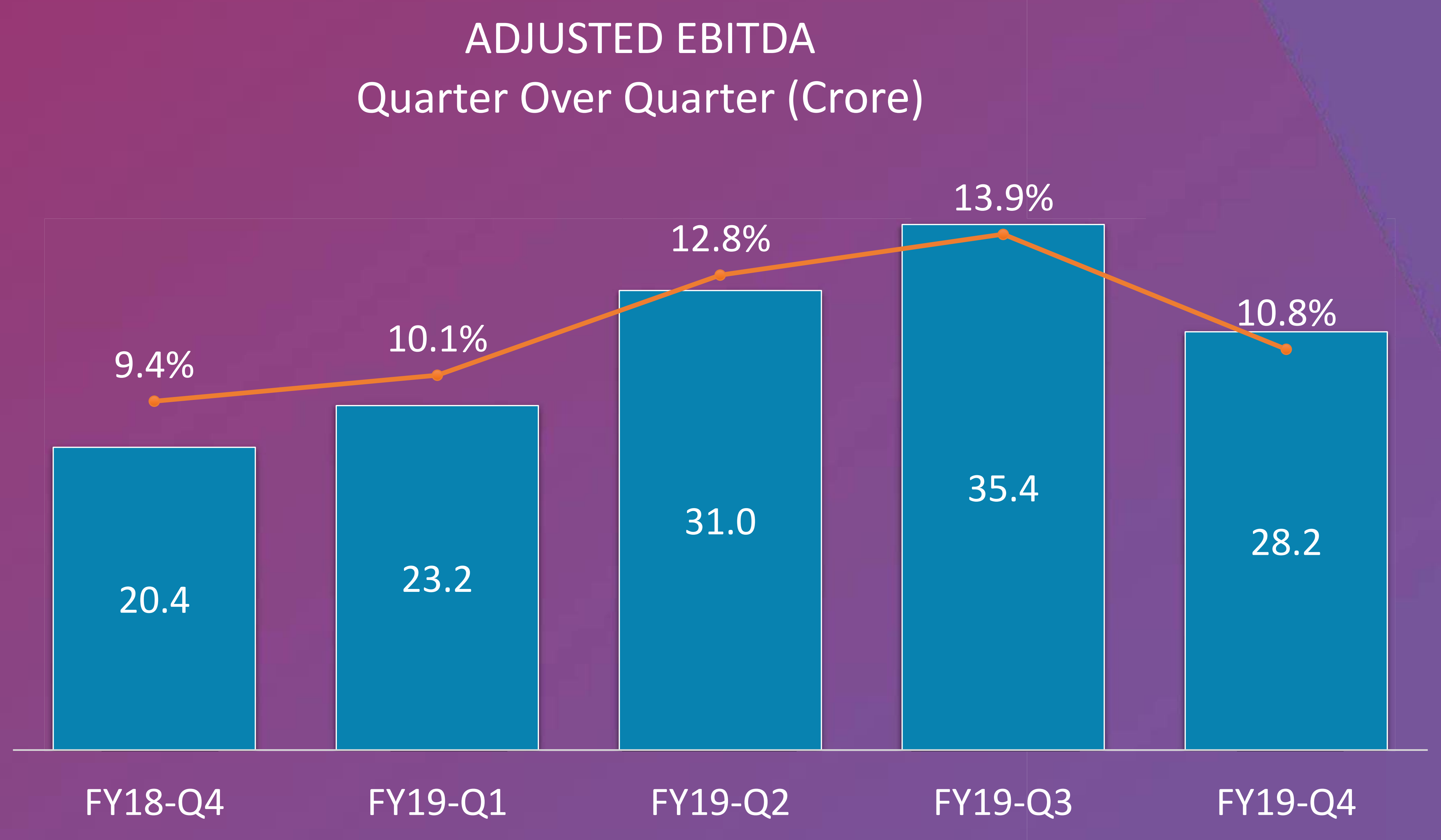


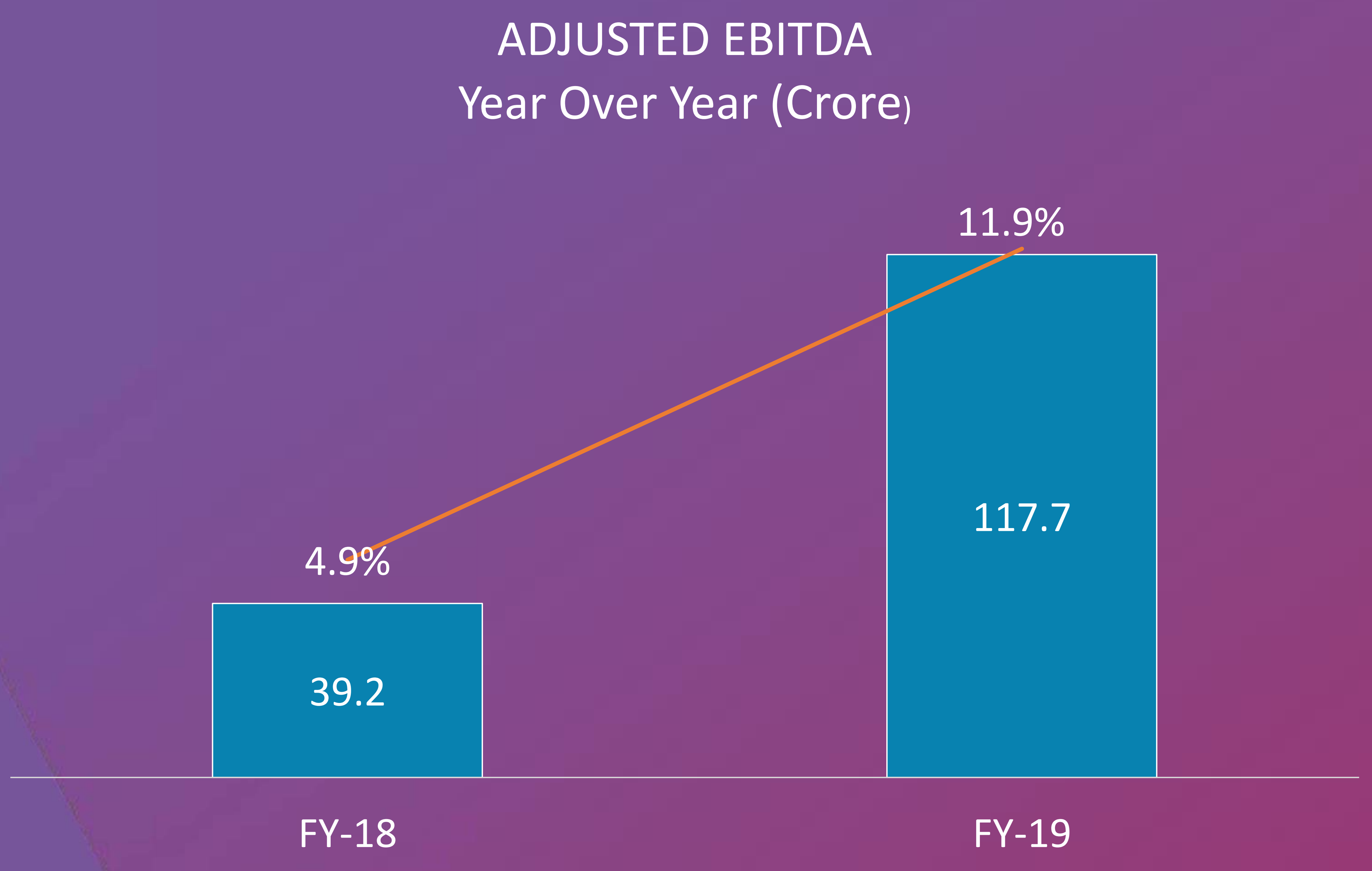
INCOME FROM OPERATIONS
Year Over Year (Crore)



- YoY Revenue growth of 22.6%
- Seven consecutive quarters of consistent financial performance
- The increase in revenue was led by higher cloud revenue, new logos, footprint expansion within existing accounts, and acquisition revenues from Exaxe

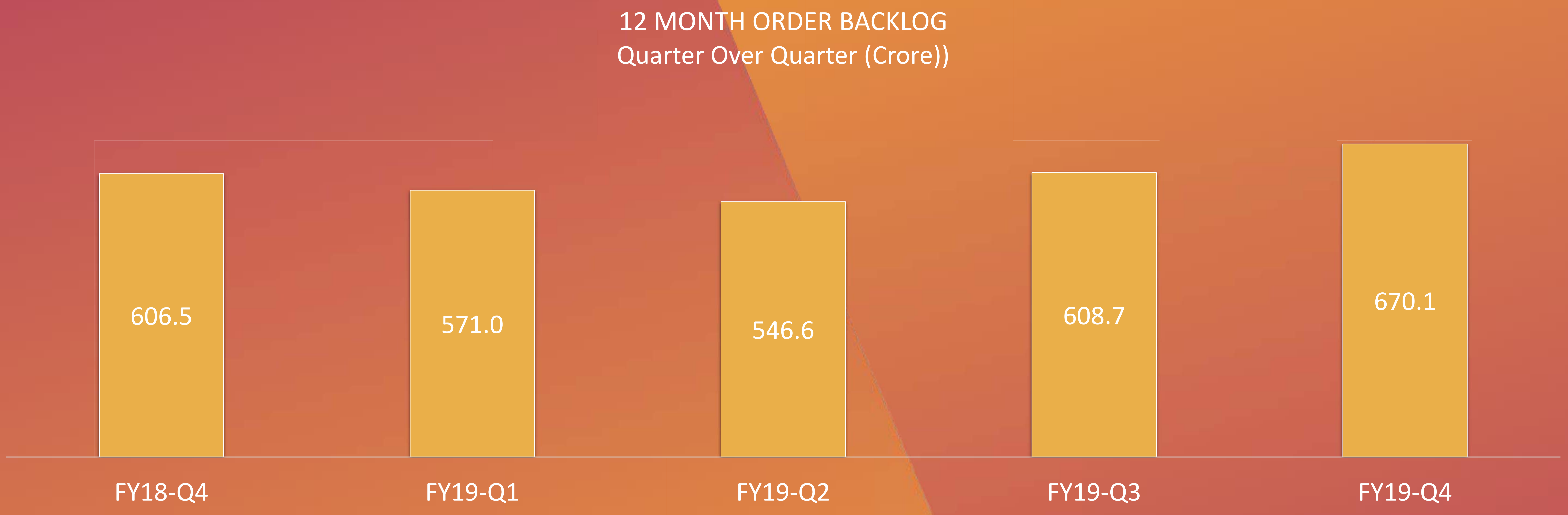
Expanding Adjusted EBITDA Margin





- Adjusted EBITDA Margins expanded 700 bps in FY19 compared to FY18
- Higher cloud and recurring revenue coupled with operating efficiencies resulted in improved margins

Healthy Committed Revenue Stream



- YoY growth of 10.5% in the 12 month order backlog
- Q4FY19 position reflects 22.6% growth from Q2 FY19 supported by strong TCV bookings in H2 FY19

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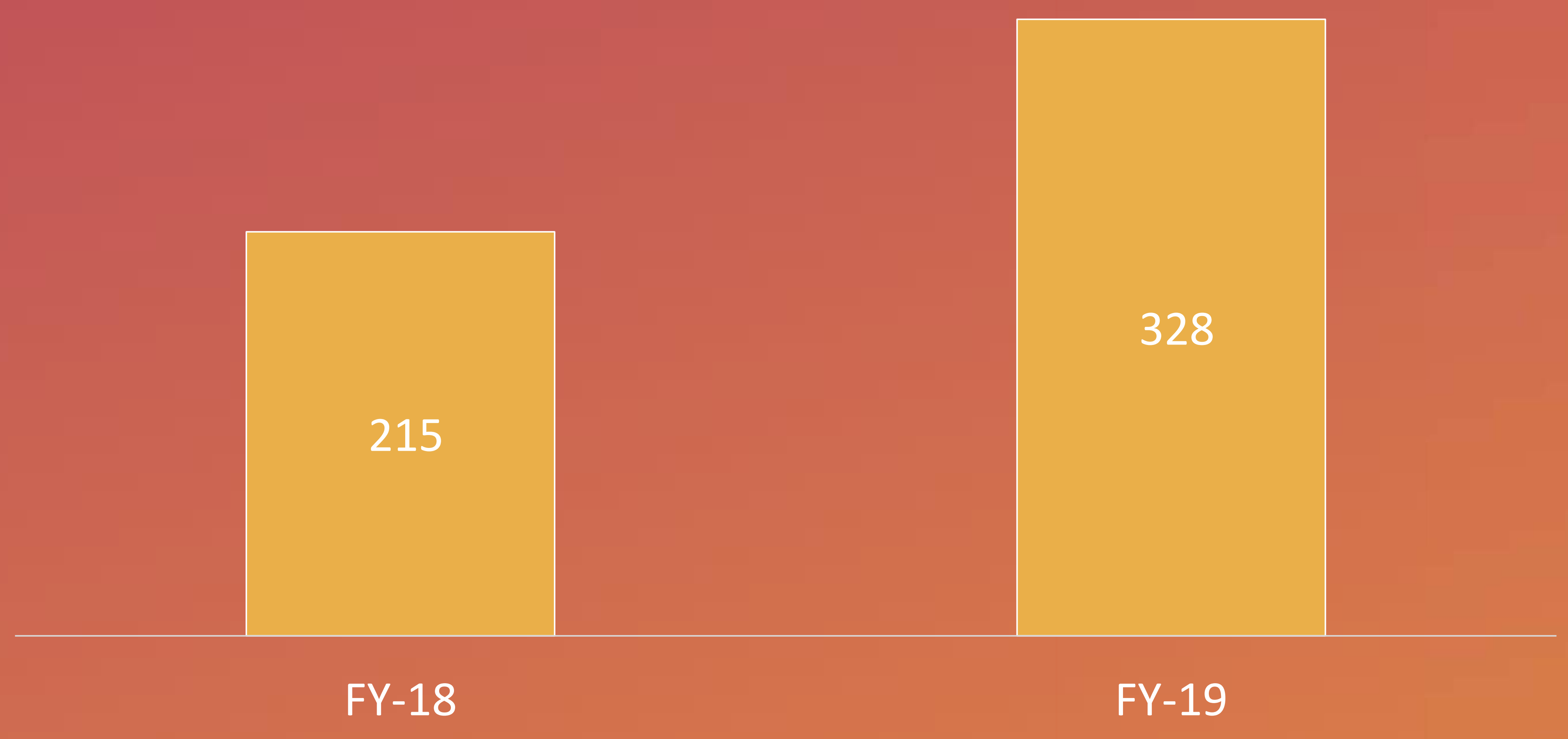
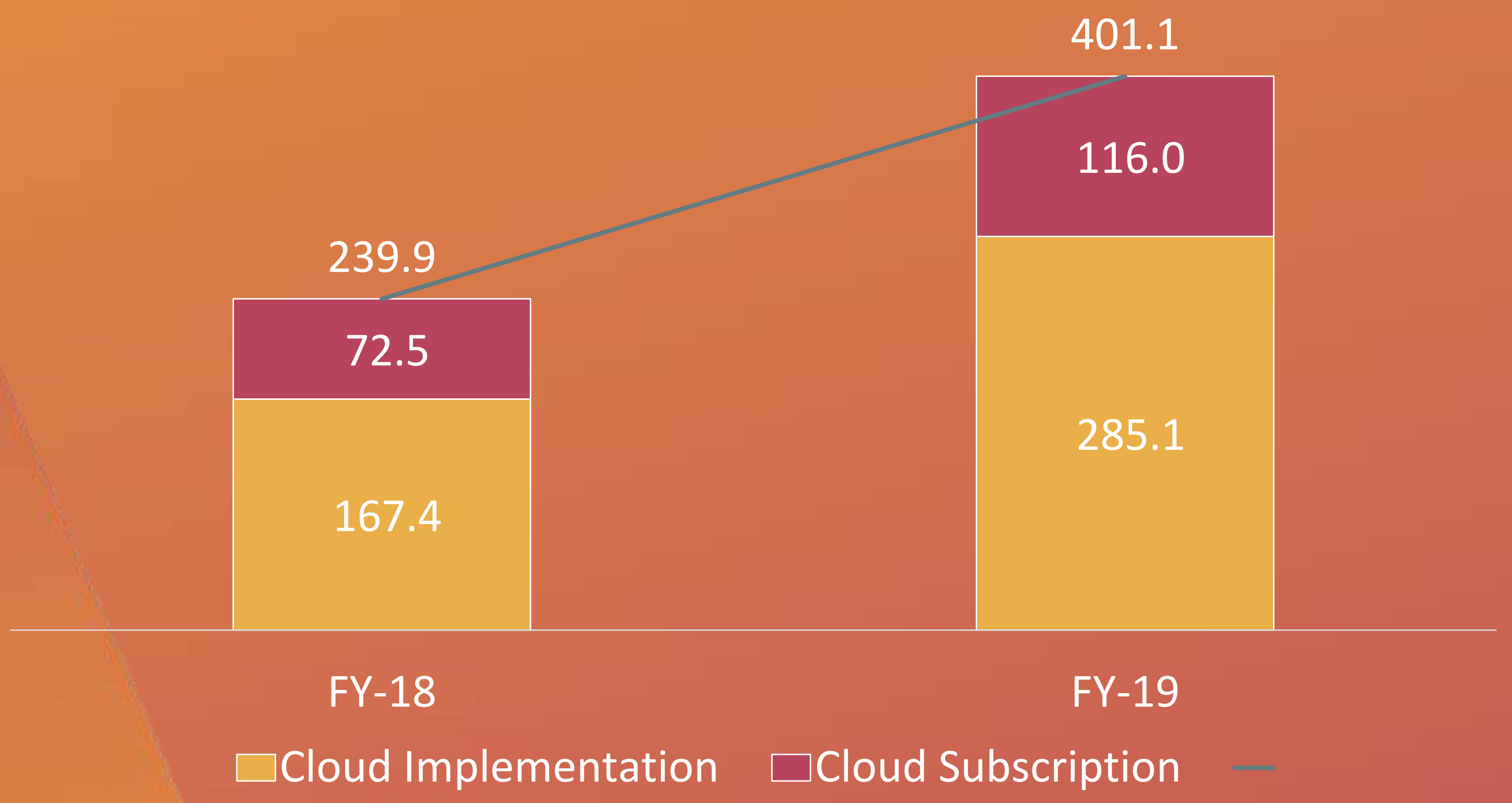
Increasing Recurring and Cloud Revenue

RECURRING REVENUE
Year Over Year (Crore)



CLOUD REVENUE
Year Over Year (Crore)



- Recurring revenue includes cloud subscription, license fees, maintenance and support
- Recurring revenue growth of 52.6% driven by growth in cloud subscription revenue
- Recurring revenue as a percent of total revenue was 33.2% in FY19 as compared to 26.7% in FY18

- Total cloud customers grew from 37 to 54
- Cloud revenue growth of 67.2% driven by strong revenues from IBM project and other cloud deals
- Cloud revenue as a percent of total revenue was 40.6% in FY19 compared to 29.8% in FY18
- Cloud subscription percent to total revenue was 11.7% in FY19 as compared to 9.0% in FY18

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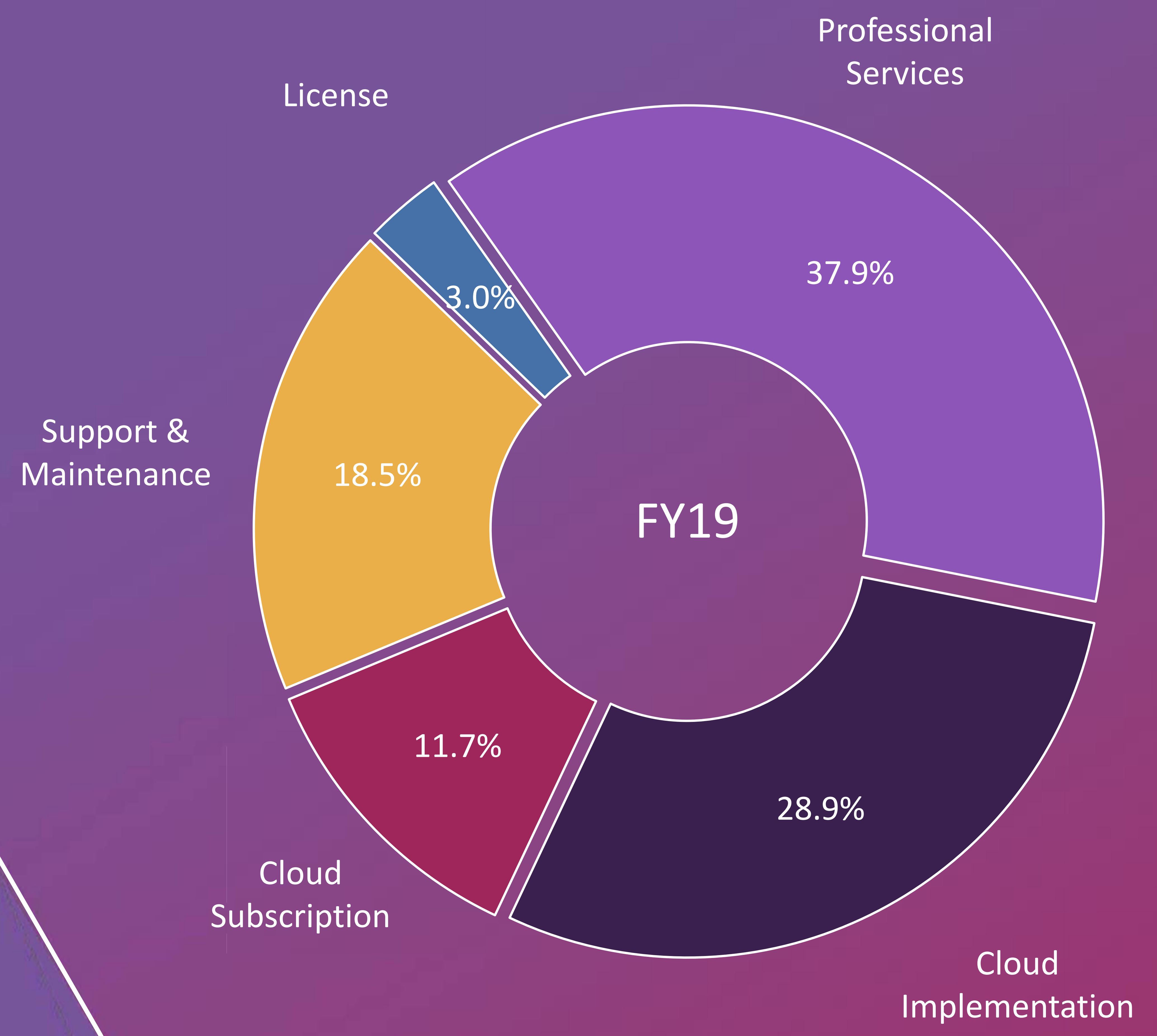
FY 2019 Revenue Split By Segment

Strong growth in Cloud Revenue more than offsets drop in On-Premise Professional Services revenue

Overall Cloud business increased from 29.8% to 40.6% YoY

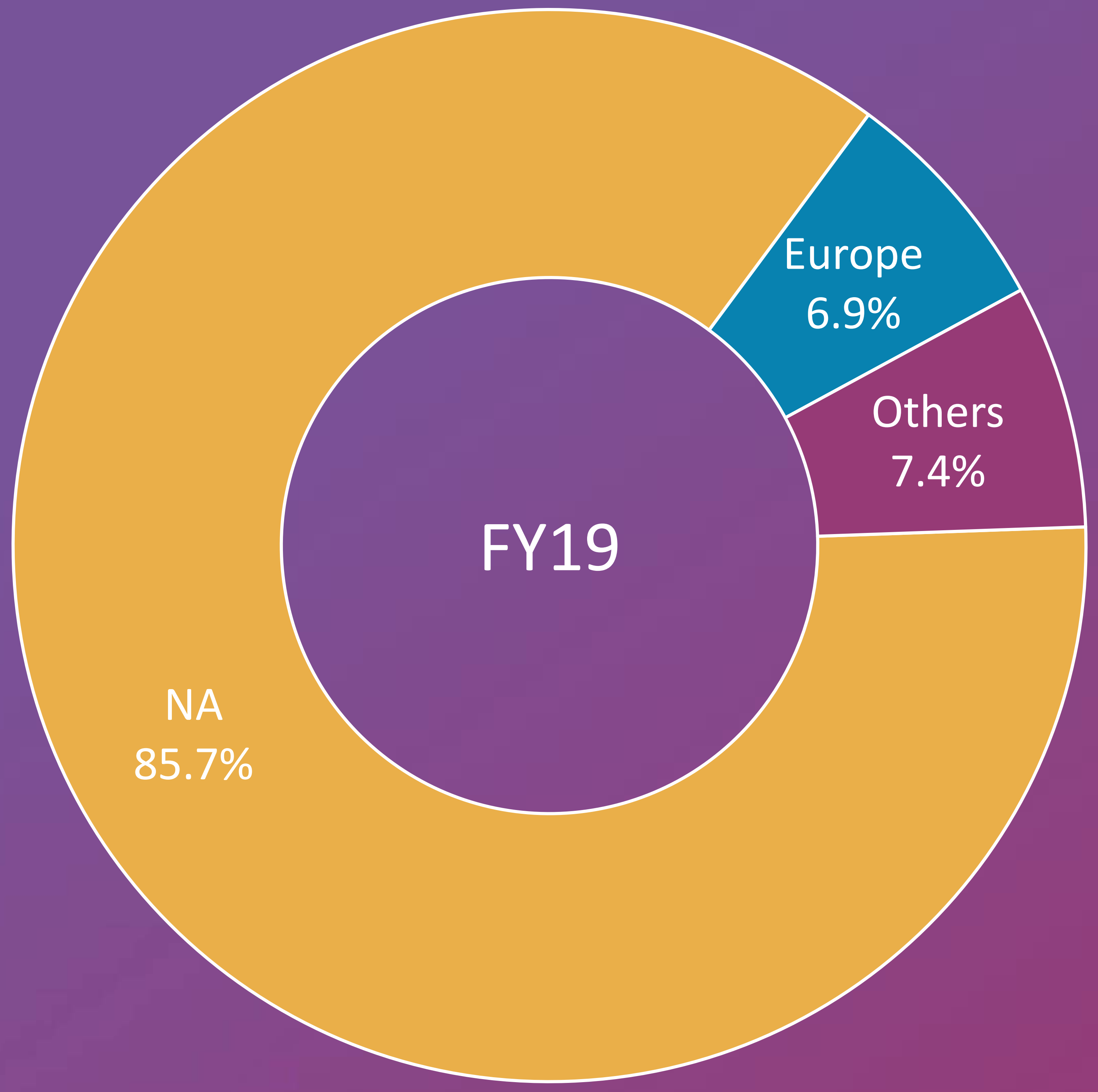
On-Premise Professional Services decreased from 31.3% to 20.7% YoY



FY 2019 Revenue Split By Geography

Growth across all geographies

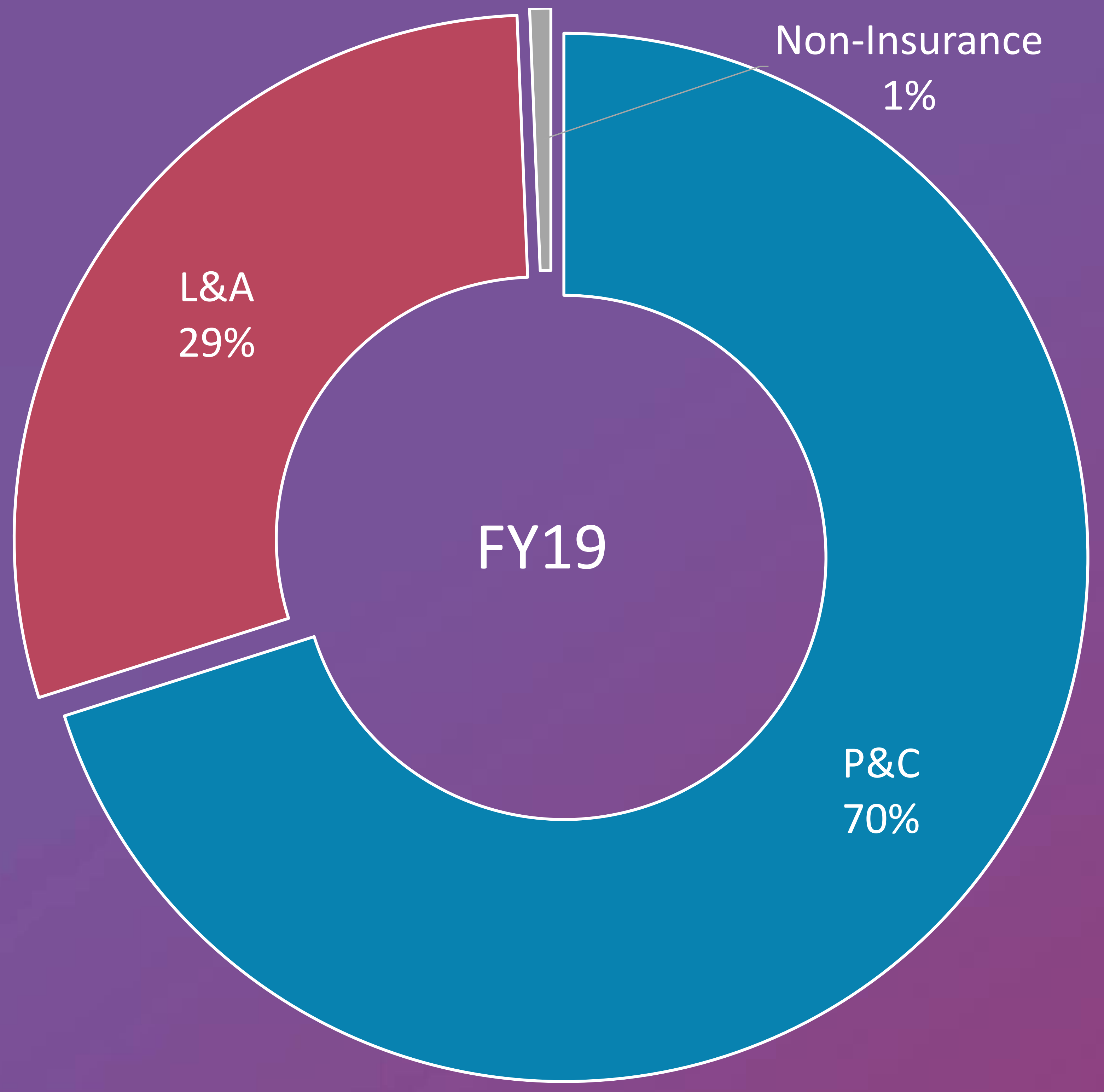
While North America remains our predominant market, higher growth in EMEA was driven by our Exaxe acquisition

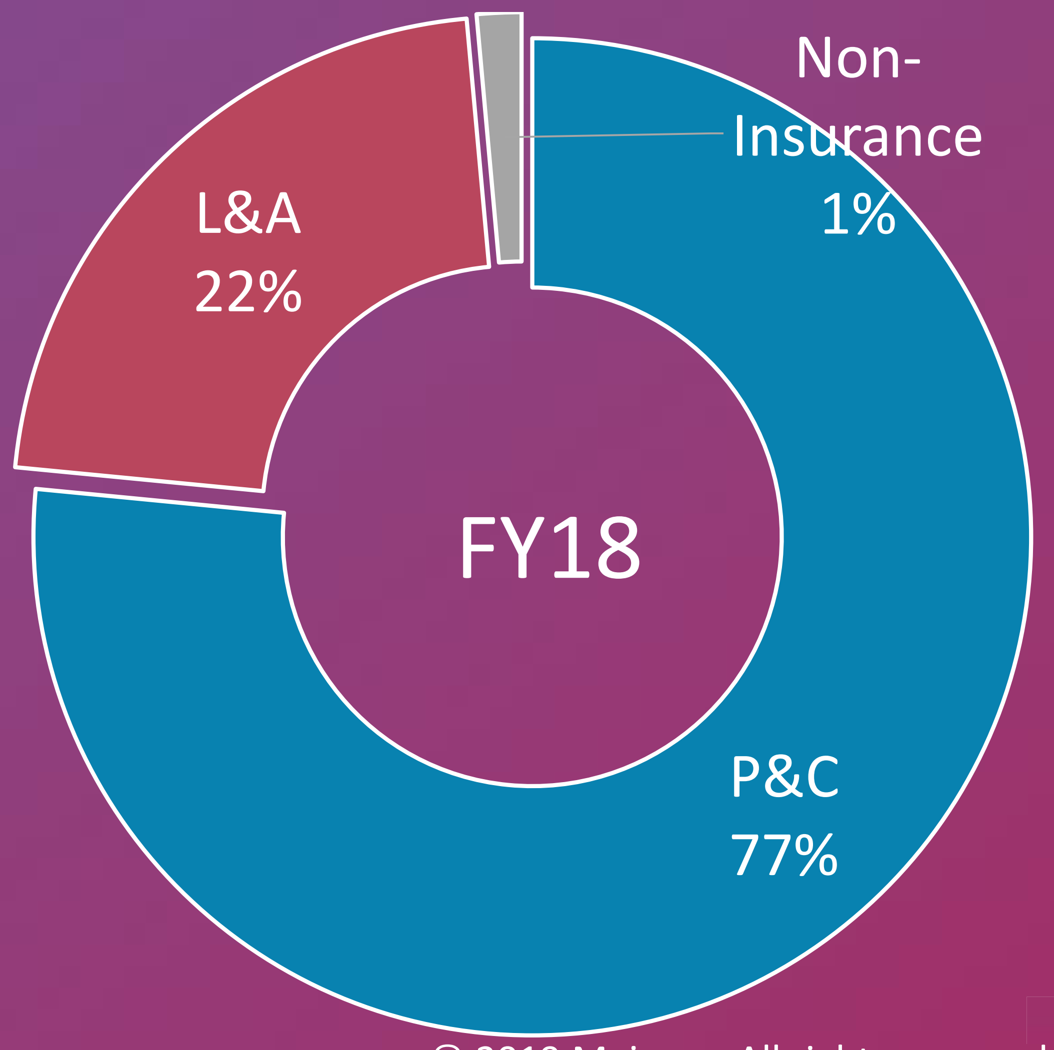


FY 2019 Revenue Split By Line of Business

Growth across both P&C and L&A

L&A contribution was higher due to the IBM project with MetLife and the Exaxe acquisition





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OUR LOOK FORWARD

This Is An Exciting Time To Get On Board With Majesco

CONTEXT

Insurance companies are feeling the pressure from slow growth markets and low interest rate returns

The industry must respond with new business models and products for a new breed of customers that wants real-time, digital engagement from quote-to-buy-and-service

Opportunities to optimize the business are becoming more critical

The Opportunity for Majesco

Insurers' investments in technology are outpacing premium growth

These investments need to reflect the changes in the market – from their customers to their workforce with regard to locations, logistics and "hard asset ownership"

L&A is an untapped and underserved market

Shifting our revenue model from on-premise installations and perpetual licenses to SaaS annual recurring revenue subscription fees

Lower recognized revenue in the first year is more than offset by future year SaaS expansion revenue model

The initial floor on subscription rates provides downside protection and achieves compounded growth through SaaS expansion

We share in our clients' success; as their premium volume grows and they expand the use of our product, our volume-based pricing model increases recognizable revenue

Upwards of 95%+ renewal rate with clients keeps income stream growing beyond initial contract period

Enhanced predictability of future revenue base allows for more accurate analysis, less budget to actual variances and greater insights for making R&D investments

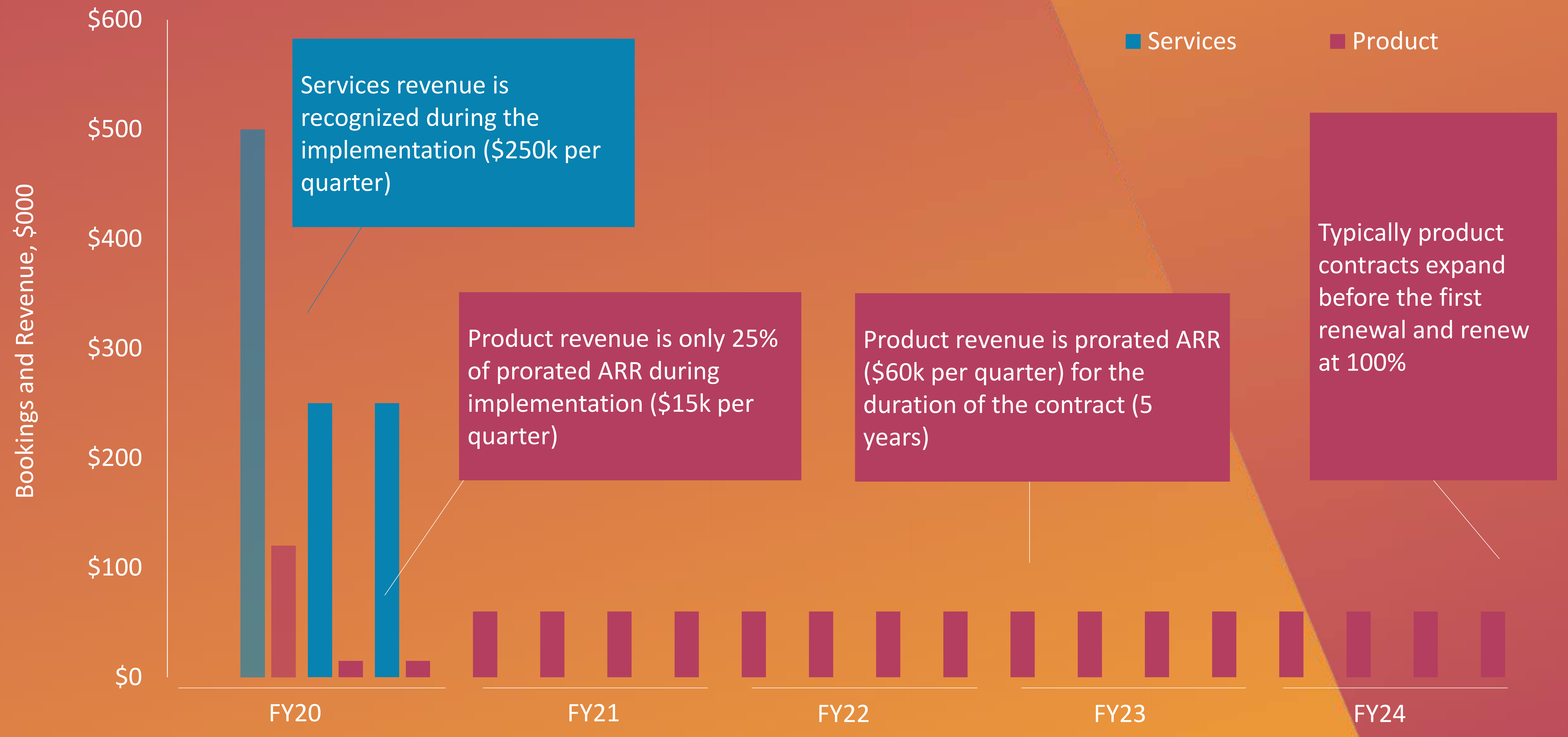
Creating a Powerful, Value-Oriented Revenue Model That's Built For Long-Term Sustainable Growth

…let's look at an illustration..

On-Premise Versus Cloud Revenue Example (without expansion)

Services bookings are recognized sooner than product, but product delivers greater long-term revenue due to the recurring contracts

Example Deal: $500k in Services Bookings, $240k Product ARR, 6 months implementation, 5 year contract; Bookings and Revenue Recognition over time, $000



SERVICES
$500k bookings

$500k revenue (all FY20)

PRODUCT
$240k ARR bookings

$1M+ in revenue over 5 years ($90k in FY20)

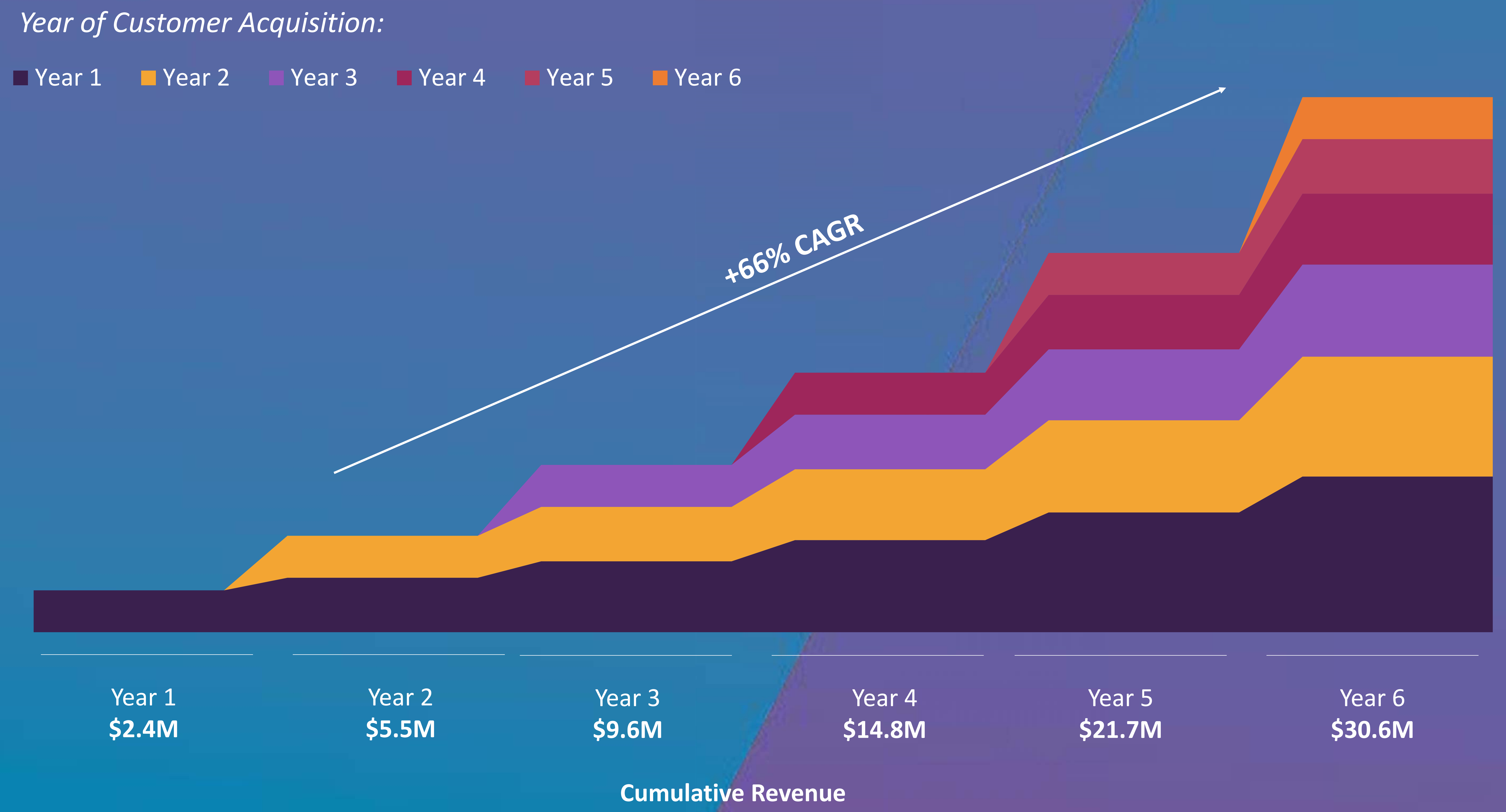
Long term product growth is reliant on **renewing and expanding**

(adoption/ upsell) See Next Page

Moving to a Subscription-Based Revenue Model

Long-term, sustainable revenue growth will come from landing, adopting, expanding and renewing ARR product contracts with high lifetime value

Illustrative Product Revenue Over Time in the Land and Expand SaaS Model



Example details:

10 new customers each year with a landing ARR of $240k

Each account expands 30% YoY (through adoption/ expansion)

In year 1 (post implementation), there are ***10 customers and $2.4M*** in revenue

Building on that performance, in year 6 the ***60 customers and $30.6M*** in revenue, a 66% CAGR from year 1

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Reallocate and Reinvest

STRUCTURE, SIMPLICITY AND SCALE

Overall operations structured for a cloud-based business

Investments aligned with growth opportunities and customer value

A Market Poised for Transformation
End-to-end cloud company that's positioned to aggressively go after market opportunities

Built for Long-Term, Sustainable Growth
Proven record of customer success and growth, with seven consecutive quarters of profit

Diversified Business Model
Blended business across P&C and L&A markets

Investor Fundamentals
Increased balance sheet strength and actively managing liquidity

Reinvesting Back Into the Business
Operations optimized for a cloud-based business and go-to-market velocity

Why Majesco?

THE FUTURE OF INSURANCE STARTS HERE

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APPENDIX

Appendix 1 – P&L Statement

In ₹ Crore	FY 2019	FY 2018	Change
Income from Operations	988.1	806.0	22.6%
Operating Expenses	892.9	783.4	14.0%
EBITA	117.7	39.2	200.4%
EBITDA %	11.9%	4.9%	705 bps
Depreciation & Amortization	19.6	17.9	9.9%
Other Income	28.1	10.9	157.3%
Finance Costs	3.6	4.9	(26.3%)
Exceptional Items (incl restructuring)	2.7	10.5	(74.0%)
Profit before taxes	102.8	21.3	382.4%
Taxes paid/(benefit)	31.1	18.5	67.8%
Net Profit after taxes	71.7	2.8	NA
NPAT %	7.3%	0.3%	691 bps

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Cautionary Language Concerning Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act. These forward-looking statements are made on the basis of the current beliefs, expectations and assumptions of management, are not guarantees of performance and are subject to significant risks and uncertainty. These forward-looking statements should, therefore, be considered in light of various important factors, including those set forth in Majesco’s reports that it files from time to time with the Securities and Exchange Commission and which you should review, including those statements under “Item 1A – Risk Factors” in Majesco’s Annual Report on Form 10-K.

Important factors that could cause actual results to differ materially from those described in forward-looking statements contained in this press release include, but are not limited to: integration risks; changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters; technology development risks; intellectual property rights risks; competition risks; additional scrutiny and increased expenses as a result of being a public company; the financial condition, financing requirements, prospects and cash flow of Majesco; loss of strategic relationships; changes in laws or regulations affecting the insurance industry in particular; restrictions on immigration; the ability and cost of retaining and recruiting key personnel; the ability to attract new clients and retain them and the risk of loss of large customers; continued compliance with evolving laws; customer data and cybersecurity risk; and Majesco’s ability to raise capital to fund future growth.

These forward-looking statements should not be relied upon as predictions of future events and Majesco cannot assure you that the events or circumstances discussed or reflected in these statements will be achieved or will occur. If such forward-looking statements prove to be inaccurate, the inaccuracy may be material. You should not regard these statements as a representation or warranty by Majesco or any other person that we will achieve our objectives and plans in any specified timeframe, or at all. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Majesco disclaims any obligation to publicly update or release any revisions to these forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this press release or to reflect the occurrence of unanticipated events, except as required by law.