NOVEMBER 2019

Note from the MD's Desk

Padmanabhan Iyer
MD & Global CEO

Greetings from 3i Infotech Ltd.

We completed a successful Q2-FY2020 with all key parameters faring better, both quarter-on-quarter and year-on-year. I am also glad to report that the business indices look encouraging. Our pipeline is healthy and we expect traction in new markets to strengthen.

The key indices for H1-FY2020 are as under:

- Core revenue growth of 12% -
  - INR 505.92 crores (USD 72.40 Mn) in H1-FY2020 vis-a-vis INR 449.77 crores (USD 65.75 Mn) in H1-FY2019
  - 9% growth in Products revenue
  - 15% growth in Services revenue
- Core EBIDTA growth of 10% -
  - INR 67.36 crores (USD 9.64 Mn) in H1-FY2020 vis-a-vis INR 61.36 crores (USD 8.97 Mn) in H1-FY2019
- Addition of 91 new customers during H1-FY2020 –
  - 46 new customers in Banking, ERP, Financial Services and Insurance products
  - 45 new customers in Services

The key indices for Q2-FY2020 are as under:

- Core revenue growth of 6% -
  - INR 260.82 crores (USD 37.32 Mn) in Q2-FY2020 vis-a-vis INR 245.10 crores (USD 35.27 Mn) in Q1-FY2020
  - 7% growth in Products revenue
  - 6% growth in Services revenue
- Core EBIDTA growth of 18% -
  - INR 36.48 crores (USD 5.22 Mn) in Q2-FY2020 vis-a-vis INR 30.88 crores (USD 4.44 Mn) in Q1-FY2020
- Addition of 50 new customers during Q2-FY2020 –
  - 26 new customers in Banking, ERP, Financial Services and Insurance products
  - 24 new customers in Services

We expect the trend established in Q2-FY2020 to be carried forward in Q3-FY2020. The Company is firmly progressing on the growth journey and we expect to share more positive news in the times to come.

I am thankful to you for your continued patronage and look forward to being of further service to you.

Regards,
Padmanabhan Iyer
MD & Global CEO, 3i Infotech Ltd.

$$\mathfrak{Kastle}^\circledR$$

Kastle® Banking Solutions Suite – New Features

Our continuous focus is to improve our solutions suite to help our customers meet the ever-evolving market demands. In this context, we further added new features to our Kastle® products - Kastle® Digital Banking, Kastle® Integrated Risk Management and AMLOCK™.

Kastle® Digital Banking

Kastle® Digital Banking is the digital extension of the Kastle ® suite, designed to enhance the online experience of banks and their customers.

<u>m- Kastle ® (Mobile Banking) - Verification (2.2.ABCDF.0.0)</u>

m- Kastle ®, which is compatible with various mobile platforms, provides a mobility platform to services' direct teams and business partners. In this release, we have upgraded it with a new module named Verification, which helps in tracking the accuracy and consistency of customer data.

Highlights:

- Verification of chains of documents and their ownership, among others
- Verification of addresses, employment and income related documents of bank customers

<u>i-Kastle® (Internet Banking) Prospect- Feature Addition (2.1.ABCD.1.0)</u>

i-Kastle® is a secure, online and self-service platform, built using an open-standards based technology stack. In its new release, we have upgraded new features, such as chatbot, content management system and Google Analytics.

Highlights:

- Chatbot that offers 24/7 services to the customer, enabling banks to eliminate customer queues and provide world-class services to everyone. It also provides product related information to the customer
- The content management system helps you organize and keep track of text or content on your website
- Google Analytics enables you to leverage statistics and provides basic analytical tools for search engine optimization. It is used for getting the best results from tools such as dashboards, scorecards and motion charts

Kastle® Integrated Risk Management (Kastle® IRM)

Version 5.2.1 and 6.1.0 releases

In the release version 5.2.1, we have successfully developed the Liquidity Coverage Ratio (LCR) and Net Stable Funding Coverage Ratio (NSFR) modules within the anti-money laundering (ALM) offering. As a part of this Basel III compliant module, all the 10 segments, as prescribed, have been developed.

Functional Coverage:

- Basel III Liquidity Return (BLR) 1: Statement of LCR
- BLR 2: Statement of Funding Concentration
- BLR 3: Statement of Available Unencumbered Assets
- BLR 4: Statement on LCR by Significant Currency
- LCR Disclosure Template

- MEMO1 MEMO2
- BLR 7: Statement of NSFR
- Statement of NSFR to General Ledger Differences
- NSFR Disclosure Template
- NSFR Reconciliation Statement

During this quarter, we also released version 6.1.0, wherein the Internal Credit Assessment and Rating Engine (iCARE) and the erstwhile Credit Rating Module (CRx) were successfully migrated from .NET to Java environment.

- iCARE is a comprehensive financial analysis and risk rating tool that allows financial institutions to accurately assess and monitor a borrower's credit worthiness
- Its configurable framework captures, analyses, projects and models financial and non-financial details of a borrower, allowing for speed and consistency of analysis across the organization and bringing tremendous business benefits
- The tool can be seamlessly integrated with Core Lending solutions and also the Credit Risk module to assess overall risk involved in the lending function

AMLOCK™

AMLOCK™, 3i Infotech's Financial Crime Detection and Management Solution, was upgraded with the following features:

360 Degree Customer View
A new 360 degree customer view feature to provide a holistic view of the customer, covering details like KYC information, product portfolio, alert history and regulatory report history. This, in addition to the beehive tool, which is a transaction pattern analyser, helps in establishing the complete anti-money laundering (AML) profile (static + transactional + alert) profile of the customer and also in, AML analysis.

Supporting Gaming Industry in AML Compliance
The product has been integrated with the gaming application of one of the leading gaming players in the USA, which has operations both in the USA and Canada.

The highlights include:

- Complete data integration to capture player related KYC data and transaction data
- Data migration related to alerts from their existing AML solution
- Transaction monitoring with AML typologies pertaining to casinos / gaming industry
- KYC /transaction monitoring of multiple gaming properties

ORION™ 11j - Product Upgrades

Continuing with our efforts to upgrade our ERP solutions suite to cater to customer requirements and the latest industry trends, we have added a range of new features and utilities in ORION™ 11j.

A snapshot of the new features:

Finance:

- New classification in main account - general ledger (GL) / accounts receivable (AR) / accounts payable (AP)
- 13th period audit reports
- Multiple bank statement upload formats

Workflow

- User authentication through OTP during Logging in ORION™ and Payroll
- OTP authentication required document approval through workflow

Fleet & Leasing

Supply Chain Management

- Lease calculator development
- Chauffeur service development
- Car damage invoicing
- Voucher with multi hirer payments
- Vehicle delivery flow
- Discount matrix workflow
- Single sign on - 11J, Customer Relationship Management (CRM) and fleet

- Volume based promotion – point of sale (POS)
- Group promotion – POS
- Stock control – POS
- Product listing
- Loyalty group customer posting
- User based discount matrix
- Loyalty points redemption control

Human Resource Management System (HRMS) payroll

- General Organization for Social Insurance's (GOSI) deduction as per the Kingdom of Saudi Arabia (KSA) statute
- End of services as per KSA statute
- Round off feature for payroll including leave salary, enterprise operational systems (EOS)
- Salary revision updating employee pay information

Document Management System (DMS)

- Approval mail is triggered along with documents uploaded in DMS based on the system parameter
- Auto file name change of documents during DMS upload
- Validation for all transactions to verify if document attachment is done during submit
- Solr search to search DMS files based on content.

ORION™ Process Pack

- ORION™ functional process defined in the base pack

Contracting

- Contracting module 360°

Active Designer

- Duplicate option added in active designer report

Multilingual Features

- ORION™
- Payroll

DIGITAL TRANSFORMATION AND AUTOMATION UPDATES

Cloud Initiatives Updates

- Cloud ecosystem for ORION™ with Tata IZO Private Cloud, Amazon Web Services (AWS) and Oracle
- ORION™ 11S on cloud with Tata IZO Private Cloud, AWS and Oracle
- On-Premise-as-a-Service (OPaaS) on cloud subscription model with Tata IZO Private Cloud, AWS and Oracle
- Upgraded to technology partners with Tata IZO Private Cloud, AWS and Oracle
- Influenced customer deployments with Tata IZO Private Cloud, AWS and Oracle
- Architecture discussions with AWS solution architects for better performance/scalability
- Sponsored / joint marketing initiatives avenue created with Tata IZO Private Cloud, AWS and Oracle

Automation Engagements - Internet of Things (IoT) and Robotics Process Automation (RPA)

- Partnered with Lateral Emsoft, Bevywise Networks and UiPath for RPA
- Engaged with regions for enabling sales and provided multiple demos for prospects
- Partner ready to white label the product along with ORION™

KEY CLIENTS WINS

- A specialized Islamic home financial services company in the Kingdom of Saudi Arabia (KSA), has implemented AMLOCK™, 3i Infotech's Financial Crime Detection and Management Solution. The solution will help the company comply with Saudi Arabian Monetary Authority (SAMA) regulations and guidelines and also, meet its complete anti-money laundering (AML) and transaction monitoring / reporting requirements

- One of India's leading public sector banks has placed an order with 3i Infotech for a version upgrade of AMLOCK™. The bank, which was using one of one of the oldest versions of the solution, will leverage the new version to meet its AML regulatory compliance requirements

- A Kingdom of Saudi Arabia headquartered provider of Islamic personal lending and financing services, including housing loans, and a user of Kastle® Universal Lending Solution since 2010, has decided to go for an upgrade. The proposed upgrade also features an AMLOCK™ implementation which will help the company meet its SAMA requirements pertaining to KYC, transaction monitoring and reporting

- 3i Infotech recently implemented a digital banking solution for a prominent privately owned commercial bank in the Philippines. Founded over 90 years ago, the bank majorly focuses on corporate and retail loan products, including mortgages. The implementation will help the bank engage directly with its customers by leveraging the newest digital platforms

- A Nigeria headquartered bank, one of the biggest players in Africa's financial services sector, has implemented Kastle® Digital Banking. With a history of over 70 years, the bank today has business operations beyond Africa and operates with more than 20,000 direct and support staff globally. The bank required faster processing of its customer on-boarding processes. The Digital Banking solution will help it expedite and enhance the customer acquisition cycle

- A Kingdom of Saudi Arabia based provider of Islamic financial products to the home segment, has selected Kastle® Digital Banking solution with an eye to providing enhanced online services to its customers. The solution will enable the company to offer its key services to customers 24/7 and also, make its website interactive.

- A major financial services provider, headquartered in KSA, has implemented Kastle® Digital Banking solution. Operating in the KSA market since 2000, the company provides personal and commercial loan products and other financial services, based on Islamic principles. The Digital Banking solution will help the company upgrade and streamline its loan cycles and make the loan application process faster and more efficient for end customers

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ALTIRAY™
Actioning Tomorrow

- 3i Infotech's Services, Altiray®, has won an order from a Dubai-based multi-venue sports complex, for the provision of on-site IT support as well as Remote Infrastructure Management (RIM) support. The sports complex which also houses recreational and residential facilities, is built around several major sports venues. 3i Infotech's services will include onsite Managed IT Infrastructure Service support and service desk / project management support from the Company's offshore location during business hours

- 3i Infotech has bagged an order from a leading United Arab Emirates (UAE) based retailer of fashion and homeware products, for its Altiray® services. The scope of the services includes assessment, designing and building a solution to help the retailer migrate from its existing on-premise application to the

Microsoft Azure platform as well as management of Microsoft Azure cloud services after the 'go-live'. The Company will develop a cloud infrastructure setup using the DevOps software development methodology

- A Kingdom of Saudi Arabia based financial services group, one of the largest players in the sector in the Middle East, has selected Altiray® for technical consulting and project management support. The support is for implementing the COBIT framework aimed at enhancing its IT governance practices within the company.

- 3i Infotech has won an order from a major Indian public sector oil exploration and production company, for the DataScan Online suite of Enterprise Document Management System (DMS), which will include five years of support. While DMS will be implemented in the Java programming language with 350 concurrent users, its mobile application will also be developed for 50 concurrent users, giving them access to document upload and retrieval. The DMS will be integrated with Active Directory for single sign-on and an e-mail server for e-mail communications

- 3i Infotech has signed a deal with a leading insurance company in Vietnam, for the implementation of PREMIA™ 11 (Medical), a part of PREMIA™, its Insurance Solutions Suite. With this deal, the insurer became the country's first state-owned company to choose PREMIA™ for managing its healthcare business, a segment which accounts for approximately 22% of its overall premium. PREMIA™ 11 (Medical) will streamline the company's voluminous data pertaining to its healthcare insurance business, covering quotations, policy administration, claims, reinsurance and finance. PREMIA™ will also power the customer's online portals

- A leading insurance service provider in Zambia, a user of PREMIA™ since seven years, has 'Gone Live' with PREMIA™ 11. The insurer specializes in short-term insurance services, catering to both retail and corporate customers. With the go-live, the insurer now has a single solution for managing multi-regional operations, controlling multi-location servers and managing numerous portals. The expected benefits include enhanced decision-making with Business Intelligence dashboards, streamlined flow of customized business documents and cost-savings with more effective processes and workflows

- The Ghana operations of a South Africa-headquartered insurance major, has 'Gone Live' with PREMIA™ 11. The insurer operates through 65 subsidiaries, including 35 insurance and reinsurance companies. The insurer will leverage the solution's enhanced features, such as online digital applications, web services, Document Management System (DMS) and Workflow. This will help the company digitalize a major portion of its operations across multiple regions. Digitalization, along with the solution's advanced Business Intelligence dashboards, will ensure streamlined end-to-end flow of business data and improved decision-making

- A top insurance service provider in Tanzania, a PREMIA™ user since 5 years, recently upgraded to the centrally hosted PREMIA™ 11. The leading insurer by profitability among all the country's insurers, the company provides general insurance cover to both individuals and businesses through multiple partnerships. The expected benefits with PREMIA™ 11 include having a single, centrally hosted solution covering all regions of operation; improved data capture to understand customers better; and enhanced decision-making. 3i Infotech also implemented a Data Migration solution, the highlights of which include DMS, Workflow and digital automation across insurance modules

- A prominent engineering and contracting group of companies in East and Central Africa, has decided to implement ORION™ 11j. The company designs and executes projects in sectors, such as electrical; heating, ventilation, and air conditioning (HVAC); Information and Communication Technology (ICT) and others. ORION™ 11j will help the group in building effective processes, improving workflows and standardizing report generation from a single source within the organization. It will also ensure absolute control over procurement and inventory management processes, effective management of estimated cost and quantity of materials budgeted during the bidding stage, reduction in manual and monotonous processes, and generation of various operational and financial control reports

- A manufacturer of consumer goods in Nigeria has selected ORION™ 11j to establish strong, well-managed internal processes. A part of a United Kingdom-based group with investments in West Africa, the company is a leading Fast Moving Consumer Goods (FMCG) player, specialising in food & beverage products with a plant in Nigeria. The benefits expected from ORION™ 11j include improved collaborations between different business departments with centralized workflow management, generation of user-friendly reports, better cash forecasting and cash flow management and flawlessly controlled process flows, among others

- A government company based in UAE which specializes in the development and operation of oilfield logistics bases, will implement ORION™ 11j as a single, unified platform to streamline its operations spread across KSA. The company primarily focuses on the upstream oil and gas industry in the Middle East and North Africa (MENA) region and also, has operations in Malaysia, United States, KSA, Belgium and Canada. The expected benefits for the company include improved productivity, optimized business processes, complete view of business processes and informed / quicker decision-making

- The manufacturing & trading and logistics companies of an African conglomerate, which has multiple businesses in the agricultural sector, has upgraded to ORION™ 11j. The group has manufacturing operations in Central and East Africa and offices in Sudan, Ethiopia and UAE. The expected benefits with the upgrade include simplified collaborations between different business departments with Materials Requirement Planning / Master Production Schedule and workflow management, faultlessly controlled process flows, MIS reports derived directly from the system, generation of user-friendly reports and department KPIs, better cash forecasting capabilities and enhanced cash flow management

- A Dubai headquartered major player in the oil and gas industry, which is an existing user of ORION™, has upgraded to ORION™ 11j. The company operates a purpose built logistics and bulk drilling fluids facility, which maintains a large inventory of drilling fluid products and equipment that service clients across the Middle East, Africa and Central Asia. ORION™ 11j will give the company a comprehensive system to manage manufacturing processes that will also cover quality control (QC) and engineering. It looks forward to multiple benefits, such as data driven decision-making, optimized business processes, reduced operational costs, controlled wastage and QC management

- The hospitality division of a well-known UAE based player in the restaurant and hospitality fields, has upgraded to ORION™ 11j. The division operates six casual dining restaurant brands, and has agreements with four major international franchisors for running restaurants across the USA. It plans to open more restaurants in the Gulf Cooperation Council (GCC) countries. With the upgrade, the company now has a single ERP platform to manage its restaurants spread across UAE. The expected benefits with this upgrade include optimized business processes, quicker decision-making, reduced cost of operations, a holistic view across operations / locations and better decision-making

AWARDS & ACCOLADES

3i Infotech recognized as a Fortune India Next 500 company

3i Infotech has featured in the prestigious list of the Fortune India Next 500 companies. The annual listing to celebrate the achievements of the country's largest midsize companies, presently in its fifth year, is an initiative by the Fortune India magazine, the Indian edition of Fortune, one of the world's leading business magazines and media brands.

Rakesh Doshi, President & Global Head - Financial Services & Insurance Products Business, 3i Infotech, received the recognition certificate at an impressive Fortune India Next 500 Summit, held at the Taj Santacruz, Mumbai, on August 27, 2019.

EVENTS

3i Infotech receives good response at the Robotic Process Automation & AI Summit 2019

3i Infotech Altiray® Services team had a fruitful participation at the Robotic Process Automation & AI Summit 2019, held in Bengaluru, India, on September 27, 2019. The event brought together senior corporate officials and emerging technology professionals, to share ideas, information and key developments that will enable Robotic Process Automation (RPA) and Artificial Intelligence (AI) to be a game changer in future business.

An interactive session by 3i Infotech's Meghashyam Simha, Head – Mobility & Automation, received a positive response from the attendees. He spoke on the topic, 'Evolution and Moving Towards a Smarter Life - Role of RPA, AI and ML.'

3i Infotech participates in the 4th Vietnam Wealth Management Forum 2019

3i Infotech received a positive response at the 4th Vietnam Wealth Management Forum 2019 held in Ho Chi Minh City, Vietnam, on September 12, 2019. The Company was a co-sponsor of this significant event, which was attended by over 200 CEOs, COOs, independent asset managers, Independent Financial Advisors (IFAs) and other senior practitioners from local and international private banks, retail banks, insurance and asset management companies.

At the event, the Company formally launched the MFund® Suite, an Investment Management Suite in the Vietnam market and showcased two offerings, namely MFund Plus®, a multi-currency, web-based, automation tool for fund management activities and TELESTO™ a suite of products to cater to the wealth management lifecycle, and which can be tailored for Investment Advisors and Wealth Managers. The focus was on two of TELESTO™'s utilities - Hybrid Robo Advisor and Self Service Chatbots.

Abhijeet Singh Hazare, Head of Sales for Financial Services - South East Asia, 3i Infotech, conducted a session on 'The new age in wealth management: Building your digital alpha', which received an encouraging response. The Company also conducted a workshop on 'Emerging technologies that are shaping the future of wealth and investment management', which emphasized on the 'Blockchain in wealth management' and the 'Rise of AI and RPA' in the sector.

3i Infotech showcases AI, RPA solutions at Philippine InsurTech Conference 2019

3i Infotech participated in the prestigious Philippine InsurTech Conference 2019, held in Makati, Philippines, on September 12, 2019. The event witnessed an exclusive gathering of the Philippines' Non-Life Insurance industry's top executives, insurers, intermediaries, reinsurers, investors and other stakeholders. About 88 companies including reinsurers, brokers and agencies participated in the conference where 3i Infotech was a co-sponsor.

3i Infotech showcased its innovative AI and RPA solutions for insurance. Snehal Desai, Head of Global Sales – Insurance, 3i Infotech, conducted a session on 'AI + RPA + Humans: Value of Digitalization in Insurance' that focused on the latest advances in 3i Infotech's AI and RPA solutions for the sector."

ORION™ ERP showcased at the Annual Future Manufacturing and Trade Summit, Dubai

3i Infotech's ORION™ team received an encouraging response at the 4th Annual Future Manufacturing and Trade Summit 2019, in Dubai, United Arab Emirates (UAE) on September 10 and 11, 2019. Held under the patronage of the Ministry of Energy and Industry, UAE Government, the conference focused on developments and new strategies for the country's manufacturing industry. The conference was attended by about 900 professionals from the sector.

3i Infotech was a Networking Sponsor of the event. We received an overwhelming response as we showcased ORION™ 11j, the latest version of our integrated and cloud-enabled ERP Solutions Suite for growing and mid-sized enterprises.

3i Infotech participates in the IBPC Conference on Business Transformation, Doha

The ORION™ team participated in the IBPC Conference on Business Transformation, held in Doha, Qatar on September 7, 2019. The conference was organized by the Doha-based Indian Business & Professionals Council (IBPC), in collaboration with 3i Infotech and HyperThink Systems, a leading IT and business services company. IBPC operates under the aegis of the Embassy of India, to promote trade and commerce and formation of

manufacturing and trading joint ventures between India and Qatar and to bilaterally promote investment in both countries.

At the event, 3i Infotech presented how latest technological advances can transform business processes, emphasizing on the features of Industry 4.0 and the necessity of modern ERP to propel growth

IN THE NEWS

- [3i Infotech's PREMIA Astra™ to reduce operation complexities for Sarwa Insurance, Egypt](#)

WAY AHEAD

Your support has been invaluable to us as a Company over the years and we look forward to it in the future as well. As we move forward, we will keep you updated on the developments at 3i Infotech Ltd on an ongoing basis.

For any additional clarification, please feel free to write to the following email id's:
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