



NUCLEUS SOFTWARE EXPORTS LTD.

CIN : L74899DL1989PLC034594

Corporate Office

A-39, Sector-62, Noida,
Uttar Pradesh, 201307, India.

T: +91 . 120 . 4031 . 400

F: +91 . 120 . 4031 . 672

E: nsl@nucleussoftware.com

W: www.nucleussoftware.com

February 16, 2024

The Listing Department The National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (E) Mumbai-400051. Fax Nos. 022-26598236/237/238 SYMBOL: NUCLEUS	The Listing Department Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street Mumbai-400001 Fax No. 022-22722061/41/39 SCRIP CODE: 531209
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Dear Sirs,

SUB: TRANSCRIPT OF THE INVESTOR EARNING CALL OF THE COMPANY

In pursuant to above mentioned subject, we are hereby enclosing the Transcript of the Earning conference Call of the Company for the Quarter and Nine months ended December 31, 2023 held on February 13, 2024.

This is for your information and records.

Thanking You

Yours Sincerely

FOR NUCLEUS SOFTWARE EXPORTS LIMITED

**(Poonam Bhasin)
Company Secretary**

Registered Office

33-35 Thyagraj Nagar Mkt, New Delhi - 110003

Tel.: +91.11.2462.7552 F.: +91.11.2462.0872



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Nucleus Software
Q3 FY24 Earnings Conference Call
Event Date / Time: 13/02/2024, 15:00 Hrs.

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Moderator

Good day, ladies, and gentlemen. I'm Pelsia, the moderator of this call. Thank you for standing by and welcome to Nucleus Software Quarterly Earnings Conference Call. For the duration of presentation, all participants lines will be in the listen-only mode. We will have a question-and-answer session after the presentation. I would like to now hand over the conference to Swati Ahuja. Over to you, Swati.

Swati Ahuja

Thanks, Pelsia. Good afternoon, everyone. This is Swati from Investor Relations team at Nucleus Software. A very warm welcome to all of you for this Nucleus Software earnings conference call. For the quarter and nine months ended on December 31st 2023. For discussion, we have here from the management team. Mr. Vishnu R. Dusad, our Managing Director; Mr. Parag Bhise, CEO and Executive Director; Mr. Anurag Mantri, COO, CFO and Executive Director; Dr. Ritika Dusad, Executive Director and Chief Innovation Officer; and Mr. Tapan Jayaswal, Financial Controller.

As you all are aware, Nucleus Software does not provide any specific revenue earning guidance, anything which is said during this call, which may reflect are outlook for the future, which may be construed as a forward-looking statement must be reviewed in conjunction with the risks that the company faces. Audio and transcript of this call would be shortly available on the Investor section of our website, www.nucleussoftware.com. This, we are now ready to begin with the opening comments on the performance of the company. And post that we would be available for the question-and-answer session. I now pass over to Vishnu sir. Over to you, sir.

Vishnu R. Dusad

Thanks Swati and very warm welcome to all of you for this investor call for Q3 FY24. This is another quarter that takes us closer to our vision of making financial services access easy and enriching worldwide. We continue to improve our processes to serve our customers better and better and we continue to learn from the best practices from all over the world. We had shared our progress on CICD i.e. Continuous Integration and Continuous Deployment, through our press release. And, I must say that there is a very substantial progress in that direction which you would talk about in the coming quarters. With those words, I hand over to Parag.

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Parag Bhise

Thank you, sir. Good afternoon, everyone and welcome you all to this quarter's investor call. As mentioned by Vishnu sir, we continue to focus on our deliveries, our customers and the implementations we do very strong project management continuously improving our deliveries. And yes, in the fast changing, dynamic environment, the new processes that we are following of CICD are going to play an important role because the environment is getting very dynamic, especially the regulatory environment changing. We hope to continue to create value for our customers. Thank you.

Swati Ahuja

I request Tapan sir put some light on the financial numbers.

Tapan Jayaswal

Am I audible, Swati?

Swati Ahuja

Yes, sir.

Tapan Jayaswal

The highlights from financials are as follows. Our consolidated revenue for the quarter is at INR 204.1 crores against INR 205.3 crores QoQ and INR 169.3 crores. Overall revenue in foreign currency including India rupees revenue is US\$ 25.1 million for the quarter, against US\$ 24.9 million QoQ and US\$ 21.0 million YoY. Product revenue for the quarter is at INR 175.3 crore, against INR 174.1 crore QoQ and INR 143.0 crore YoY. Revenue from projects and services for the quarter is at INR 28.8 crore, against INR 31.2 crore QoQ, and INR 26.3 crore YoY. For expense cost of delivery including cost of product development in absolute terms this is INR 126.1 crore against INR 126.3 crore QoQ and INR 101.4 crore YoY. Marketing and sales expenses for the quarter is 6.0% of revenue, against 5.0% of revenue QoQ and 4.2% YoY. G&A expenses in absolute terms is INR 18.2 crore against INR 16.9 crore QoQ and INR 13.3 crore YoY. EBITDA for the quarter is at INR 47.44 crore against INR 51.68 crore, QoQ and INR 47.60 crore YoY. Other income from investments and deposit is at INR 11.8 crore against INR 11.1 crores QoQ and INR 8.2 crores YoY. Total other income for the quarter is INR 12 crores against INR 11.9 crore QoQ and INR 9.3 crore YoY. Total taxes are at INR 14.6 crores against INR 15.34 crore QoQ and INR 13.7 crores YoY. Net profit is at INR 41.3 crore for the quarter against INR 44.6 crore for the quarter and INR 38.3 crore YoY. Other Comprehensive Income is at INR 1.6 crore for the quarter, against INR 3.4 crore QoQ, and INR 3.5 crore YoY. Total Comprehensive Income

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which includes Net Profit and other comprehensive Income is at INR 42.9 crore for the quarter, against INR 48.0 crore QoQ and INR 41.8 crore YoY. EPS for the quarter is at INR 15.43 as against INR 16.65 in the previous quarter and INR 14.32 in December 31, 2022 quarter. In terms of foreign currency hedges, on December 31, 2023 we had USD 4 million dollars of forward contracts at an average rate of 83.62. There is a mark-to-market gain of INR 0.02 crore which is taken to hedging reserve in the balance sheet. Revenue contribution from the top 5 clients for the quarter is 26.7% against 28.8% in the previous quarter. The order book position is INR 743.7 crore including INR 698.9 crore of products business and INR 44.8 crore of projects and services business. On September 30, 2023 the order book position was INR 705.1 crore including INR 648.2 crore of products business and INR 56.9 crore of projects and services business. Total Cash and cash equivalents as on December 31, 2023 are INR 749.6 crore against INR 718.1 crore as on September 30, 2023. This includes balances in current accounts of INR 47.1 crore, various schemes of mutual funds INR 624.1 crore, fixed deposits of INR 27.6 crore, investments in tax free bonds of INR 45.5 crore, INR 5.3 crore in Preference shares. With regard to receivables, we are at INR 181.7 crore against INR 161.7 crore previous quarter. During the quarter, there is a gross addition of fixed assets of INR 11.96 crore, consisting primarily of INR 2.68 crore on Computer, INR 0.14 crore on F&F, INR 0.08 on Office Equipment's, INR 0.17 crore on Software, INR 7.65 on Building and INR 1.23 crore on P&M.

Swati Ahuja

Thank you, sir, for your comments. Now we are open for the question-and-answer session. We'll hand it over to you, Pelsia. Over to you, Pelsia.

Q&A**Moderator**

Thank you, ma'am. If you wish to ask a question, please press * and 1 on your telephone keypad and wait for your name to be announced. If you wish to cancel your request, please press * and 1 again. I repeat. If you wish to ask a question, please press * and 1 on your telephone and wait for your name to be announced. We will wait for a moment while the question queue assembles. The first question comes from Piyush Arora, an individual investor. Please go ahead.

Piyush Arora

Hi, sir. Am I audible?

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Vishnu R. Dusad

Yes, you are.

Piyush Arora

Sir, my question was that for full FY24 and FY25. I think just in the TV interview you mentioned that we'll be able to maintain 30% EBITDA margin. Is that understanding, correct?

Vishnu R. Dusad

No, that's not a correct understanding. What I mentioned was that we strive to be there in that range, 30% upwards range. And as a policy, we do not give guidance.

Piyush Arora

Right. And sir, second question was that there has been some deferment of orders that we have seen. So, are we likely to see those orders getting executed in upcoming quarters?

Vishnu R. Dusad

Certainly, as I had mentioned in the TV interview, we continue to have very meaningful interactions with our existing customers as well as prospective customers, and we are very excited about how these conversations are going to result in orders and greater revenue.

Piyush Arora

Thank you, sir. I'll get back in the queue.

Moderator

Thank you. Next question is from the line of Kumar Saurabh from TechnoFunda. Please go ahead.

Kumar Saurabh

Hello sir. I am new to the company. So, a few questions I have. Historically we have been growing in 8-9%, but last one year our performance has been very good, and of course there is a price hike with

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the company has taken. But what are the other reasons for this great growth rate in recent times? What are the drivers and how do you see it sustaining? That is the first question. Second question is we have hired and we are in the process of hiring 300-400 new employees. Where are they are going to be deployed?

Are they going to work more on the product development side or where they will be deployed? And third is one of our Southeast Asia business despite of INR 77 crores revenue, it is still in losses. Whereas many other reasons we are in profit at much lesser revenue. So, what is the reason for that to be in losses and how it can recover? And the fourth question is, in Europe and US, we have very less presence. So, are there any plans to expand into those markets and what stops us from expanding into those markets? Thank you. Hello?

Vishnu R. Dusad

Yes, we'll just let you know.

Kumar Saurabh

Okay, sir.

Vishnu R. Dusad

Ritika would talk about the products part and then we'll come back to the reasons being bullish about the growth.

Dr. Ritika Dusad

One of your question was about entry in US and Europe growth markets. So, yes, these are high pay propensity markets, we're exploring how to enter these. America and Europe, we already have presence in Europe. Another question was about the 300 to 400 new employees that we have.

So, we are strengthening our product development team, they will be able to take care of product market fit requirements going ahead as we strengthen our product management practices as well. We being a lot more proactive about how we enter different market for customers from a very early stage of their product adoption. We're trying to move towards the plug-and-play solution with integrations built into the product.

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Vishnu R. Dusad

Let me address the question about being bullish for the growth rate. The single biggest reason for being bullish continues to be the strength of the product. As we demonstrate this product to our prospective customers, we get comments like it's a dream product and so on. So that is what keeps giving us that confidence that, yes, we have created something that is of immense value to the customer community. And as and when they start taking decisions, they will be able to derive that value from the product. Coming to Southeast Asia profitability, we have still to go back to them for our price hike, which we will do in coming quarters, and then we hope that this region will also be profitable.

Kumar Saurabh

Thanks a lot, sir. I'll come back in the queue. Thank you.

Moderator

Thank you. Next question is from the line of Vaibhav Badjatya from Honesty and Integrity Investment. Please go ahead.

Vaibhav Badjatya

Hi, sir. Thanks for providing the opportunity. Just a couple of questions. So firstly, there was some disturbance in the line. I'm not sure it was into my line or from your side, but if you can repeat the order book number, that's question number one. Second is the number of employees. That's what I want. And third is, on the geographical segment revenue, we see on a QoQ basis, there's a growth in Europe and Middle East. So, is it again due to AMC repricing or you attribute it to something else? These are the three questions that I have.

Vishnu R. Dusad

Okay. Tapan, would you take up that order book position and number of employee questions?

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Tapan Jayaswal

Sure, sir. So, order position is INR 743.7 crores, including INR 698.9 crores for product business and INR 44.8 crores of project and services business. On September 30, 2023, the order book position was INR 705.1 crores, including INR 648.2 crores of product business and INR 56.9 crores of project and services business. As for headcount, we were 1,878 as of 31st December 2023.

Ashwani Arora

Regarding the last point on the growth in Europe and Middle East, this is the basis on the rebase lining of the accounts we have in Europe as well as Middle East. So, that's getting reflected in the financial results. So that answer that point.

Vaibhav Badjatya

Okay. So just a follow-up on employee count. I think last quarter you said that you're going to add nearly 300, 350 employees, but we have seen some sequential decline in employee count. So, can you help us reconcile both the things?

Vishnu R. Dusad

Yes, they will get added in coming quarter.

Vaibhav Badjatya

Got it. That's it from my side. Thank you.

Vishnu R. Dusad

Thank you.

Moderator

Thank you. Next question is from the line of Chinmay Nema from Prescient Capital. Please go ahead.

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Chinmay Nema

Good afternoon, sir. Thank you for taking my questions. A couple of questions from my side. Firstly, could you provide some commentary on what kind of traction are you seeing in FinnOne Neo, whether it's new customer additions or transitions of old customers? Because previously you've talked about some friction and transition for the older customers for whom you have had very customized solutions. If you could give a commentary on that.

Vishnu R. Dusad

Yes, certainly. We did have that challenge, and now with very robust project management we have been able to get at least one customer's requirements aligned on Neo, and we are hoping that this will go live very soon, one large customer, and then we visualize that many more of our old customers will migrate to the new platform.

Chinmay Nema

Sir, would it be possible for you to share total number of client additions in the nine months?

Vishnu R. Dusad

I think these numbers are very, I would say, single-digit numbers. So, we may not be able to go anything, share anything beyond that.

Chinmay Nema

Got it, sir. Secondly, historically we have always had relatively high receivables compared to other IT companies, other core banking software companies. So, any color on that? What is the reason for that?

Vishnu R. Dusad

I think we are always within 90 days DSO. So that is what, less than 90 days. It's around 60-70 days outstanding. So, that's what we typically have.

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Chinmay Nema

Okay. And lastly, I mean, have we seen any loss of our market share or any of our clients to companies like Temenos or Thought Machine who are also operating in the same space?

Vishnu R. Dusad

Not yet. We have not heard of any such loss.

Chinmay Nema

Okay, sir. All right. I'll join back in the queue.

Vishnu R. Dusad

Thank you.

Moderator

Thank you. Next question is from the line of Pranav Mashruwala from Dolat Capital. Please go ahead.

Pranav Mashruwala

Hello. Am I audible?

Moderator

Please go ahead, sir.

Pranav Mashruwala

Yes. Just one similar feedback to a few of the participants have shared. Some parts of the audio from the management are not very audible, so it could be a repeat of few questions. One is on the Europe. So, there was some commentary shared on having some presence. So, some color on that would be great. And on the order default

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Vishnu R. Dusad

Sorry. Your voice is not clear. You'll have to speak louder. I don't know whether it's from either at your end of our end. But, yes, we were not able to hear your questions.

Pranav Mashruwala

Yes. Sir, I was saying that part of even your commentary was not quite audible, so I'll just repeat and apologize. So, one is on Europe. You said that we have some presence, so just some commentary on that and on the deferment of orders and employee headcount, please.

Parag Bhise

Europe is what was said was it was because of the repricing, what we've been talking about in the past. So, reflection in Europe and Middle East was because of that. And on employee headcount, you want precise number, what was said was that the count will get added in this quarter. If the question is related to the 300, this and next quarter, or if you're looking at precise number, then I can ask my colleague Tapan to share that. It was 1,878 as of 31st December.

Pranav Mashruwala

So, there has been some mild attrition compared to Q2. So, is that natural or we have not been backfilling?

Parag Bhise

Yes, there's a mild one. So, we'll backfilling and adding more in the quarters to come.

Pranav Mashruwala

Okay. Thank you, sir.

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Moderator

Thank you. Next question is from the line of Sonal Minhas from Prescient Cap Investment Advisors. Please go ahead.

Sonal Minhas

Hi, sir. Sonal Minhas. Am I audible?

Vishnu R. Dusad

Yes, you are.

Sonal Minhas

Sure, sir. Sir, just wanted to get a subjective two questions. The first one was subjective take of comparison of FinnOne Neo to other products like Thought Machine and Temenos. Where are we in terms of like-to-like comparison? Just trying to get educated on the specs for your product and the other peers in the market. That's the first one. And secondly, just wanted to, I think from a two, three year out perspective, what we understand from talking to some of these banks is that the core banking systems are getting, they are aging and therefore everybody is in the need.

But people are trying to blend both the asset and the liability side to have more dynamic product offering to their customers more on the personal and on the personal loan side. So just wanted to understand, sir, like how is your product development and built going to be over the next two, three years, if you could throw some color on that? And how are you leading the core banking industry? That will be good to understand. These are two questions.

Vishnu R. Dusad

Okay. Just to let you know that we have thousands of years of experience in developing the lending and transaction banking products, which again, we had put to use while designing this new product, which we call FinnOne, earlier product was called FinnOne, and the new product is called FinnOne Neo. We had put that thousands of years of experience to use for the design. Our belief is that thanks to that rich experience that we have and the effort of design, our product is amongst the best, if not

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the best. That is what we get to hear from our existing customers as well as our prospective customers.

I just mentioned, someone recently mentioned that it's a dream product. So, that is what gives us confidence that, yes, what we have created is of immense value to our customers where they would want to be very flexible in their offerings. They would like to personalize their offerings, and our product, I can say with confidence, can help them create literally thousands of offerings or if required tens of thousands of offerings. And that too within a short period of half-a-day, one-day. So that is the power of this product and that is the reason it is adding so much value to our customers.

Sonal Minhas

I understand that, sir. And sir, more from the futures growth perspective, not asking numbers. Since the product is good and is comparable to, let's say, other international and domestic products available. What has been the adoption? How do you see this growing? Do you see somebody earlier asked about the client ad, when you say single-digit client ad, do we see the pace actually speeding up in the next one, two, three years? And what are we doing about it? Just trying to understand from an org perspective of implementation of say it for this particular product.

Vishnu R. Dusad

Yes, we clearly see this increasing in the quarters and years to come. And what we are doing very proactively is marketing. As you would have noticed in the numbers, we have increased our spend on marketing, we are going to increase that spend much-much more. We didn't realize till recently that INR 40 lakh crores worth of retail assets in India alone reside on our product. We were busy developing the product and now we are busy talking about the product. That is how we are confident that these numbers are going to increase now.

Sonal Minhas

Understand that, sir. I'll come back in the queue, sir. Thanks a lot for the detailed explanation. Thank you.

Vishnu R. Dusad

Thank you.

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Moderator

Thank you. Next question is from the line of Rahul Jain from Dolat Capital. Please go ahead.

Rahul Jain

Hello.

Vishnu R. Dusad

Rahul, we cannot hear you. Sorry.

Rahul Jain

Is it any better now?

Vishnu R. Dusad

Yes, now we can hear you.

Rahul Jain

Thanks. Congratulations to get the young blood into the business in a more appropriate manner now. So, A, my first question would be what exactly Ritika's role would be here on and what kind of new thought process you think could be added to the current way the things are happening to bring in new energy from your side?

Vishnu R. Dusad

Thanks for the meaningful question, Rahul. As of now, Ritika, while her official designation is Chief Innovation Officer, she has already started looking at the product management and engineering part of the product, and also implementation of the FinnOne Neo product. So that is the role enhancement that has been done. She brings her ability to connect dots thanks to her physics training, which we are able to leverage for our customers' benefit.

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Rahul Jain

Sure. And on the business side, what I can see across your revenue subsegment is that most of the markets have seen the meaningful jump from their run rate, let's say four or five quarters back, except for Southeast Asia. So, is it safer to assume there is the market which is yet to take the AMC repricing? Is it lesser acceptance or we are yet to go in that market with that thought process?

Vishnu R. Dusad

Yes, we are yet to go in that market with that thought process. We were busy with the markets where we have been able to achieve this hike, and then now we are going there.

Rahul Jain

So, you're saying essentially from here on we would chase that market for this aspect?

Vishnu R. Dusad

Yes, both ways. We'll be talking about the repricing as well as we will be talking about transformation from FinnOne to FinnOne Neo.

Rahul Jain

Okay. So, FinnOne to FinnOne Neo, is it the first time that we are taking this thought process to the market or it's been ongoing for some time now?

Vishnu R. Dusad

It has been ongoing, but not with so much of focus in Southeast Asia.

Rahul Jain

So, is it safer to assume the kind of investment that the business has seen in last three quarters with revenue being flat but other expenses, employee cost going meaningfully higher? Is it because we

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33-35 Thyagraj Nagar Mkt, New Delhi - 110003

Tel.: +91.11.2462.7552 F.: +91.11.2462.0872



NUCLEUS SOFTWARE EXPORTS LTD.

CIN : L74899DL1989PLC034594

Corporate Office

A-39, Sector-62, Noida,
Uttar Pradesh, 201307, India.

T: + 91 . 120 . 4031 . 400

F: +91 . 120 . 4031 . 672

E: nsi@nucleussoftware.com

W: www.nucleussoftware.com

have created a parallel sales team or much deeper sales figure to ensure this transition made to happen, which we wanted for quite some time but has not materialized for us in the past?

Ritika Dusad

Okay. We are strengthening our product implementation and delivery quite a bit. These large transformation programs at some of the top banks across the globe are very complex. Some of them run into years, whether it's from a Southeast Asian geography or from Western geography. So, we are strengthening those fronts right now to take on some larger clients from across the globe. We are also strengthening our product management thought processes as well as sales and presales processes. So, we are basically strengthening the ecosystem to take on the global market that exists for something as niche as our products.

Rahul Jain

Right. So, the implementation thought process which you shared, when you say you're strengthening, basically it is the effort that you're doing in house to ensure that there is a smoother transition for people who you would apply for. Is it some live site where it's already happening?

Dr. Ritika Dusad

Yes. So, we are doing this in-house. There are various ways of strengthening these kind of programs. Of course, one is strengthening the governance, but there are a lot of ways in which SIs do this. If a bank has hired an SI, then they lead the program governance. If they haven't, then we lead the program management governance. So, there are change management procedures. There are benefit realization procedures that we are now kind of trying to share with our customers so that as soon as they realize, the sooner they realize value, the better it is. And then of course, that would also help us increasing our prices further going forward.

Rahul Jain

So, is it safer to assume the older version is now not getting as much equipped for people to actually think in that manner? Otherwise, if people would have paid a perpetual license for the older version, why would they migrate?

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Vishnu R. Dusad

That's an excellent question. The older product continues to have immense potential within that product. But having said that, the earlier process that I described about creating the new product, it takes that potential even to the next level. Things like ultra flexibility that has been built using engines, the eight number of APIs, stage through processing and so on and so forth, which were things that were not that easily available in the earlier product FinnOne. And that is the reason they are keen to move to the new version of our product.

Rahul Jain

What I'm trying to essentially understand is, I don't know if it is a perfect analogy. Let's say if you see an iPhone after a certain number of model, let's say three to four older version, the newer apps that you see on the App Store are not able to download on the older version. So, I have an iPhone 7 where I cannot download lot of apps which are now only relevant for iPhone X and beyond. So, is it something that kind of a constraint the existing user would face if they don't migrate? Because that is something that would force people to jump onto the newer version. that's why it is too essential for a very long period of time, why they would jump from the same vendor to a different product.

Vishnu R. Dusad

I think your analogy is meaningful also. While they will not be able to do certain new things using the old product, the new product has far richer functionality. These are the two reasons.

Rahul Jain

Understood. Just last bit more like a suggestion, I would say newer member in the team, not newer asset, but newer for the call is that this company has seen an excellent situation in the previous cycle where there was significant adoption and company has seen multifold jump. And then we have seen this last many years except for this last 12 months where the business has not gone to the extent where the product has its potential for.

So, now with newer energy coming in, we would appreciate if we could talk more about our new wins, more plans, more disclosure, which any larger company with larger aspiration would have,

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which would help all the people out here in the investor community to assess the business better and participate in the journey. That's a small thought from my end. Thank you.

Vishnu R. Dusad

Thank you. Thank you very much, Rahul.

Moderator

Thank you. If you wish to ask a question, please press * and 1 on your telephone and wait for your name to be announced. Once again, if you wish you ask a question, please press * and 1 on your telephone and wait for your name to be announced. Next question comes from Imran from Quantum Investments. Please go ahead.

Imran

Thank you for giving the opportunity. Can you throw some light on what are we going to do about the cash? And have we ever done an IPR valuation given that we have INR 40 lakh crores of assets share running on our software?

Vishnu R. Dusad

That's a brilliant question, Imran. Thank you so much for raising it. We have not done the valuation of IPR. We do hope that our customers quite well to the increased revenue. Coming back to the cash part. Yes, as far as cash is concerned, we're not supposed to do any exhibitions as of now at least part of it would be invested in tools and technologies, and training that we will need, keep on improving the quality of our offering. And rest of it, the board would decide whether enhance the dividend or buyback or whatever.

Imran

Thank you, sir. Sir, can you give an idea what percentage of our customers have moved to the UNC or how many are remaining or something for us to look into the future?

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E.: nsi@nucleussoftware.com

W: www.nucleussoftware.com

Vishnu R. Dusad

Okay. I can only give a small percentage is now left for enhancement of MC. Having said that, even the new prices, our customers were very kind to agree on. Those are still deeply discounted prices and we continue to be in conversation with all them so that we continue to add value and they are able to see the value.

Imran

Thank you very much, sir.

Vishnu R. Dusad

Thank you.

Moderator

Thank you. Next question comes from Anuj Sharma from M3 Investments. Please go ahead.

Anuj Sharma

Thank you for this opportunity. And Vishnu ji, your voice was not very much clear for some part of this call. But if I would like to understand, theoretically, if a customer has moved to the new pricing structure, then how do we take it forward? So, does the price now remain static for the next period of, or some period of time before we again unveil a new pricing structure or there is some elasticity in the new pricing model? That will be helpful to understand. Since most of the migration, as you said, is done. How does the price move from now on?

Vishnu R. Dusad

Okay. I think this is very important question that you have raised. Thank you so much, Anuj ji, for raising this question. We will need to appreciate the fact that as we keep adding more and more features to the product, the value keeps changing and our role is to keep demonstrating the value to our customers so that they are benefited by the features, and there is a win-win relationship which

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Tel.: +9.11.2462.7552 F.: +91.11.2462.0872



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Corporate Office

A-39, Sector-62, Noida,
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F.: +91 . 120 . 4031 . 672

E.: nsi@nucleussoftware.com

W.: www.nucleussoftware.com

is ongoing. I think that is all that I can say in terms of pricing. We may not be able to go to anything beyond that.

Anuj Sharma

All right. But since the last time around, it took us a lot of time to communicate the value proposition to our customers. The new value addition, which you'll do, will there be again a similar effort for you to convince the customers? Or there is something which is more easier or which could be done more on the go rather than waiting for a long time? How has the organization changed or the sales changed so that we are able to communicate the value proposition very quickly and get a response from the customer in possibly real-time?

Ashish Khanna

I think the product philosophy which we are following right now is primarily after every six months as of now, we are delivering the incremental value to our customer and that value realization is almost instantly. At the same time, we are also starting a lot of lean based principles for our CICD journey which we talked about, which are again going to give the value realization with the customer very instantly. The vision is to have as soon as we build something which is valuable to our customer, our customer should be able to reap benefit from that feature or value in a day's kind of a time period. So, that's our thought process and that's where we are visualizing ourselves going in next six months to one-year kind of a time period.

Vishnu R. Dusad

Just to add to what Ashish has just mentioned, the environment itself is changing at a crazy pace. The regulators requirements from regulated entities are increasing literally on weekly basis, if not daily basis. And we are preparing ourselves to help the ecosystem manage that dynamic change.

Anuj Sharma

All right, that's helpful. And if I may ask one more. Vishnu ji, once upon a time, we had a very large customer in the form of GMAC. I remember we have installations in every country. Is the sales team looking for similar large customers or are the customers by nature smaller now? And such similar customers will be very difficult to find in the future?

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Ashish Khanna

I think that's a great question. So, we are trying to have multi-country customers on boarded. One is the transformation project which is going on in Jordan, which would span across seven countries. So that is one. Second on GMAP, also, we're trying to explore possibilities of getting into North America. At the moment, it's limited to international operations, which is Latin America. So, we are also looking at expanding the footprints for the existing customers as well as acquiring new big logos which can take us to multi-country scenario.

Anuj Sharma

All right. Thank you so much and wish you all the best.

Vishnu R. Dusad

Thank you.

Moderator

Thank you. That would be the last question for the day. Now, I hand over the floor to Swati for closing comments.

Swati Ahuja

Thank you, Pelsia. We'd like to thank all the investors for joining us today on this call. Now, I would hand over to Vishnu sir for his closing comments. Over to you.

Vishnu R. Dusad

I would like to thank all of you for your continued interest in Nucleus' functioning and would like to reiterate our commitment to deliver and create long-term value for all the stakeholders. Thank you so much.

Moderator

Thank you, sir. That concludes our conference for today. Thank you for participating. You may all disconnect now.

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