



Investor Briefing on Acquisition of SCI & Shree Partners

September 30, 2021

Forward-looking and Cautionary Statements

Certain statements in this Presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially 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, intense competition in IT services including those factors which may affect our cost advantage, our revenues highly dependent on customers located in the United States, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, concentration of major operations of the Company in one city, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Stock Exchanges and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.

Persistent Call Participants



Sandeep Kalra
Executive Director and CEO



Sunil Sapre
Executive Director and CFO



Jaideep Dhok
SVP Engineering, BFSI



Saurabh Dwivedi
Head of Investor Relations

We are Persistent.

We are a trusted Digital Engineering and Enterprise Modernization partner.

Forbes Asia
BEST UNDER A
BILLION
2021

30+ years of leadership in software engineering and digital transformation.

Highest customer experience scores of any company in IT industry, as rated by ISG.

Boutique mindset focused on enterprise clients moving their digital presence to the cloud.

Diverse, open and innovative business partner ecosystem for maximum adaptability.

1990

Founded

\$601.9M

TTM Revenue

\$166.82M

Q1 FY22 Revenue

350+

Clients Annually

14,500+

Employees

18

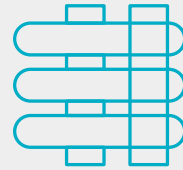
Countries

Our Stated M&A Strategy: Tuck in Acquisitions



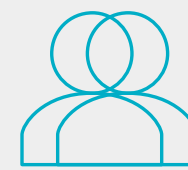
Capture

High growth
markets



Bolster

Our existing
capabilities



Expand

Geographic footprint

Announcing the acquisition of SCI, Fusion 360 & Shree Partners



FUSION
360



More than 30 years of Payments solutions experience in North America region

More than 16 years as a Digital Transformation & IT Solutions provider across US and Europe

Expertise

- **Domain Consulting capabilities in Payments ecosystem**
ACH, Check Processing, Corporate Payments, Payments Gateway, SWIFT, SEPA , Zelle, RTP, etc.
- **Specialized Digital Engineering, implementation & support for IBM FTM and other payment related products, platforms**

- **Cloud and Digital Operations**
- **Application Development**
- **Intelligent Automation**
- **Data, Analytics, AI & ML**

Revenue

US\$ 17.1M for FYE Dec 2020

US\$ 7.6M for FYE Mar 2021

Client Base

~10 marquee customers from top banks in North America

Clients across US and Europe in BFSI, Travel & Hospitality

Employees

90+, all based in North America

200+, largely in National Capital Region (NCR), India

Geographies

North America, headquartered in Charlotte

North America, Europe & NCR, India

Strategic Rationale



Capture High-growth Market Opportunity

- \ Allows us to capitalize on a large and rapidly growing market opportunity, as the Payments IT services market is expected to grow by 12.5% in 2021 to reach \$16.8 billion*
- \ Embeds Persistent further into the transformation agenda of our BFSI clients. Complements our hybrid cloud initiatives with our largest customer.

* Everest Group Research



Enrich Industry & Service Lines Capabilities

- \ **SCI** significantly bolsters Payments expertise, adding Payments Domain Consultants in North America
- \ **Shree Partners** strengthens our existing capabilities in cloud, infrastructure, data, and AI / ML
- \ Founders, and management teams, will be retained and are 30+ year industry veterans with deep payments and technology backgrounds



Deepen and Broaden Client Portfolio

- \ **SCI** deepens our client portfolio and relationships with ~10 market-leading NA Banks, with many in Top 20. Opens-up new opportunities for mining existing Persistent accounts and expands value proposition for the SCI clients to include Persistent's capabilities
- \ **Shree Partners** consolidates our position in a strategic account and adds to the customer base



Expand Geographic Footprint

- \ **SCI** extends local footprint in Charlotte, one of the largest US banking hubs
- \ **Shree Partners** adds a new point of presence in National Capital Region (NCR), India

Welcoming the Leadership of SCI – Fusion 360 and Shree Partners to Persistent



D. Keith Sides

President and CEO, SCI



Eric Massenburg

President, Fusion 360



Rajiv Dahiya

CEO, Shree Partners

Transaction Summary / Financials



- \ The total purchase consideration is US\$ 53M, comprising of \$34M upfront and balance in Earnouts/Retention
- \ Based on SCI's annual revenue of \$ 17.1M, the total purchase consideration implies an EV/revenue multiple of 3.1x
- \ Expected to be gross margin accretive for FY22 and beyond, with impact of 50-75 bps at EBIT level

- \ The total purchase consideration for the assets of Shree Partners is US\$ 6.9M, comprising of \$3.4M upfront and balance in Earnouts/Retention
- \ Based on annual revenue of \$ 7.6M, the total purchase consideration implies an EV/revenue multiple of 0.9x
- \ Expected to be gross margin accretive for FY22 and beyond, with very minimal impact at EBIT level

Announcing the Persistent Payments Business Unit

Capability
Summary

30+

Years of
Experience

250+

Payments Transformation
Specialists

15+

Banking/FinTech
Clients

- \ ACH, Cards, Check, RDC, Wires, SWIFT, SEPA
- \ Emerging Payments (RTP, Digital Wallets)
- \ ISO20022, Payment APIs & Microservices Toolkit

Offerings



Platforms Integration



Payments Transformation



Innovation Engine

Services

Advisory, Roadmap & Manage

NextGen Payment
Services

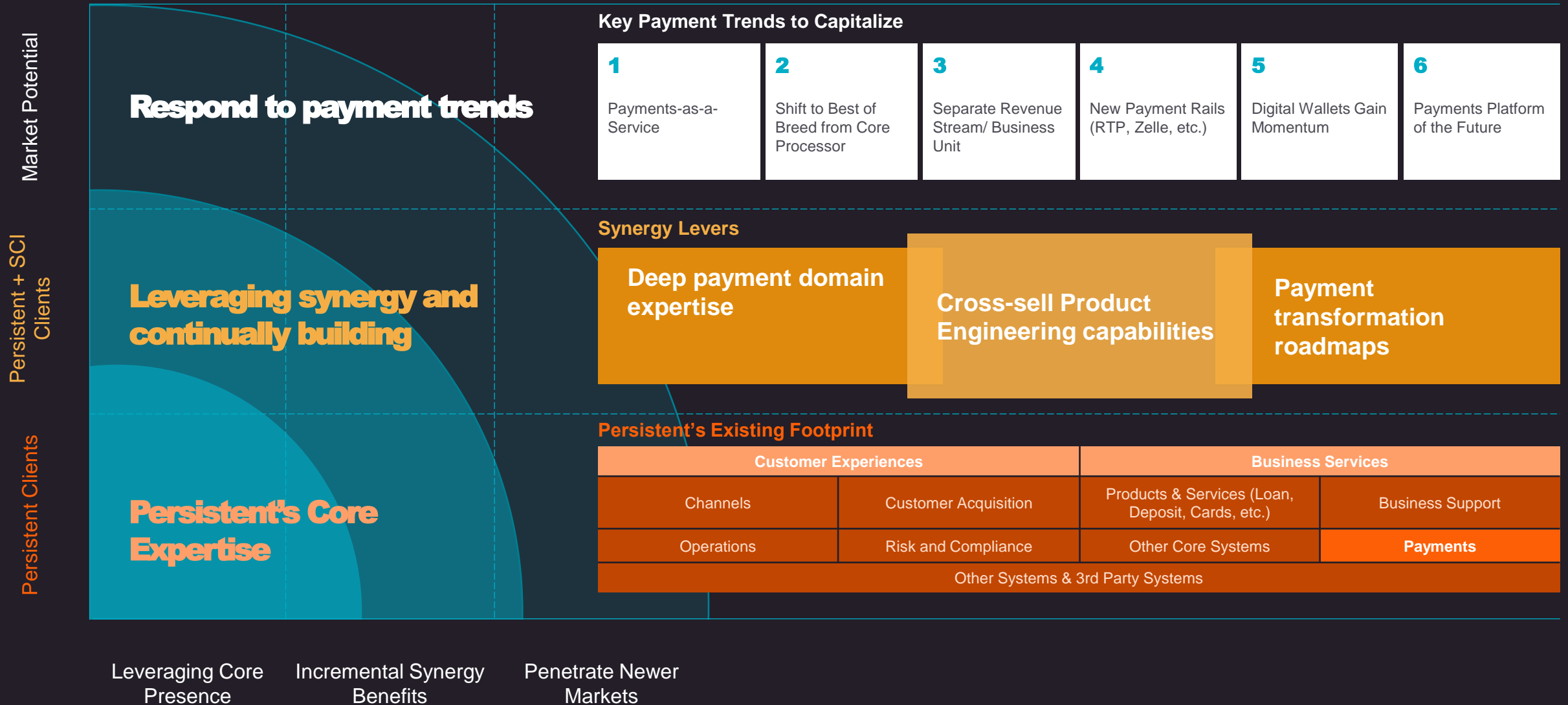
API & Microservices

Cloud & Security

Payments Data Hub

This is only the beginning. We will continue to build on this both organically and inorganically.

Synergy to boost our BFSI expansion





Persistent

See Beyond, Rise Above