
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 28, 2021

Commission file number: 0-22773

NETSOL TECHNOLOGIES, INC.

(Exact name of small business issuer as specified in its charter)

NEVADA
(State or other Jurisdiction of
Incorporation or Organization)

95-4627685
(I.R.S.
Employer NO.)

23975 Park Sorrento, Suite 250
Calabasas, CA 91302
(Address of principal executive offices) (Zip Code)

(818) 222-9195 / (818) 222-9197
(Issuer's telephone/facsimile numbers, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.01 par value per share	NTWK	NASDAQ

Item 2.02 Results of Operations and Financial Condition.

On September 28, 2021, NetSol Technologies, Inc. issued a press release announcing results of operations and financial conditions for the quarter ended March 31, 2021. The press release is furnished as Exhibit 99.1 to this Form 8-K. Further, NetSol Technologies posted a summary presentation of the information presented in its form 10-K filed on September 28, 2021 on its investor relations section of its website. This presentation is furnished as Exhibit 99.2 to this Form 8-K.

The information in this report shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Exhibits

- 99.1 [News Release dated September 28, 2021](#)
99.2 [Presentation dated September 28, 2021](#)

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SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NETSOL TECHNOLOGIES, INC.

Date: September 28, 2021

/s/ Najeeb Ghauri

NAJEEB GHAURI
Chief Executive Officer

Date: September 28, 2021

/s/ Roger Almond

ROGER ALMOND
Chief Financial Officer

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NETSOL Technologies Reports Fiscal Fourth Quarter and Full Year 2021 Financial Results

- *Sequential Revenue Growth Throughout the Entire Fiscal Year, Combined with Improved Cost Structures and Expense Management, Lead to 154% Increase in Operating Income and 90% Increase in Net Income for Fiscal 2021*
- *Subscription and Support Revenue Eclipses \$20 Million Annual Run Rate, Providing Predictable, Recurring Base to Support Anticipated New Sales Growth in Fiscal 2022*
- *Company Introduces Fiscal 2022 Total Revenues and Subscription and Support Revenues Guidance of at Least 10% and 20%, Respectively*

CALABASAS, Calif., September 28, 2021 – NETSOL Technologies, Inc. (Nasdaq: NTWK), a global business services and enterprise application solutions provider, reported results for the fiscal fourth quarter and full year ended June 30, 2021.

Fiscal Fourth Quarter 2021 and Recent Operational Highlights

- Subscription (SaaS and Cloud) and support revenues reached \$22.2 million, a nearly 10% increase over the prior year and a \$23+ million run rate projected over the coming twelve months with opportunities for upside.
- Generated over \$2.5 million by successfully implementing change requests from various customers across multiple regions during the fiscal fourth quarter. Throughout fiscal 2021, the Company generated over \$7.7 million in change requests.
- NETSOL's U.S. based mobility startup Otoz launched its digital automotive retail platform for BMW Group Financial Services in the U.S. for its key brand MINI Anywhere. MINI Anywhere is now live with five MINI dealerships; Otoz is also scheduled to onboard additional California-based dealers before an expansion into Florida. Long term, the solution has the potential to be rolled out to over 100 MINI dealerships across all 50 states.
- Signed an agreement with Motorcycle Group to deploy the cloud-based version of NETSOL's flagship NFS Ascent® platform across the customer's entire operations. This agreement marks the first official sale for NFS Ascent in the U.S. market.
- Joined the Russell Microcap® Index at the conclusion of the 2021 Russell indexes annual reconstitution, effective June 28.
- Became an associate member of the Consumer Bankers Association ("CBA"). CBA is the only member-driven trade association focused exclusively on retail banking, representing the nation's largest financial institutions and the top providers of goods and services to banks.

Fiscal Fourth Quarter 2021 Financial Results

Total net revenues for the fourth quarter of fiscal 2021 were \$15.4 million, compared with \$13.6 million in the prior year period. The increase in total net revenues was primarily driven by an increase in total license fees of \$1.0 million, an increase in subscription and support revenues of \$212,000, and an increase in total services revenues of \$564,000.

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- Total license fees were \$1.5 million, compared with \$530,000 in the prior year period.
 - Total subscription (SaaS and Cloud) and support revenues were \$5.6 million, compared with \$5.4 million in the prior year period.
 - Total services revenues were \$8.2 million, compared with \$7.7 million in the prior year period.

Gross profit for the fourth quarter of fiscal 2021 increased 6.8% to \$7.5 million (or 48.8% of net revenues), compared to \$7.0 million (or 51.8% of net revenues) in the fourth quarter of fiscal 2020. The increase in gross profit was primarily due to increases in revenue, offset by increases in cost of sales of \$1.3 million. The increases in cost of sales were primarily due to increases in salaries and consultant fees of \$885,000, depreciation of \$104,000 and other costs of \$289,000.

Operating expenses for the fourth quarter of fiscal 2021 increased 8.7% to \$6.4 million (or 41.4% of sales) from \$5.9 million (or 43.2% of sales) for the fourth quarter of fiscal 2020. The increase in operating expenses was primarily due to increases in selling and marketing and research and development, slightly offset by a decrease in general administrative expenses.

GAAP net income attributable to NETSOL for the fourth quarter of fiscal 2021 totaled \$1.9 million or \$0.17 per diluted share, compared with GAAP net income of \$1.2 million or \$0.10 per diluted share in the fourth quarter of fiscal 2020. GAAP net income attributable to NETSOL included a \$918,000 gain on foreign currency exchange transactions in the fourth quarter of fiscal 2021, which was an increase from a gain of \$327,000 in the prior year period.

Non-GAAP adjusted EBITDA for the fourth quarter of fiscal 2021 totaled \$2.9 million or \$0.26 per diluted share, compared with non-GAAP adjusted EBITDA of \$2.0 million or \$0.17 per diluted share in the fourth quarter of fiscal 2020 (see note regarding "Use of Non-GAAP Financial Measures," below for further discussion of this non-GAAP measure).

At June 30, 2021, cash and cash equivalents were \$33.7 million, an increase from \$20.2 million at June 30, 2020.

Full Year Fiscal 2021 Financial Results

Total net revenues for fiscal 2021 were \$54.9 million, compared to \$56.4 million in fiscal 2020. The decrease in total net revenues was primarily due to a decrease in services revenues of \$6.4 million, which was offset by increases in subscription and support revenues of \$1.9 million and license fees of \$3.0 million.

- Total license fees were \$6.2 million, compared with \$3.3 million in the prior fiscal year.
- Total subscription and support revenues were \$22.2 million, compared with \$20.3 million in the prior fiscal year.
- Total services revenues were \$26.5 million, compared with \$32.9 million in the prior fiscal year.

Gross profit for fiscal 2021 decreased to \$26.4 million (or 48.0% of net revenues) from \$27.0 million (or 47.8% of net revenues) for fiscal 2020. The decrease in gross profit was primarily due to a decrease in revenue, offset by a decrease in cost of sales of \$841,000. The decreases in cost of sales were primarily due to decrease in travel expenses of \$3.5 million, offset by increases in salaries and consultant fees of \$2.1 million.

Operating expenses for fiscal 2021 decreased to \$23.6 million (or 43.0% of net revenues) from \$25.9 million (or 45.9% of net revenues) for fiscal 2020. The decrease in operating expenses was primarily due to decreases in general and administrative expenses and research and development costs, offset by a slight increase in selling and marketing expenses.

GAAP net income attributable to NETSOL for fiscal 2021 totaled \$1.8 million or \$0.15 per diluted share, compared with a net income of \$937,000 or \$0.08 per diluted share for fiscal 2020. GAAP net income attributable to NETSOL included a \$597,000 loss on foreign currency exchange transactions in fiscal 2021, which was a decrease from a gain of \$399,000 in the prior year period.

Non-GAAP adjusted EBITDA for fiscal 2021 totaled \$5.4 million or \$0.47 per diluted share, compared with \$4.3 million or \$0.37 per diluted share in fiscal 2020 (see note regarding “Use of Non-GAAP Financial Measures,” below for further discussion of this non-GAAP measure).

Stock Repurchase Program

On July 30, 2020, NETSOL’s Board of Directors approved a stock repurchase program that authorized potential repurchases of up to \$2 million of its common stock over a six-month period. All shares permitted to be purchased under this July 2020 plan were purchased during the plan’s original date and prior to the conclusion of the extension of the plan. On May 21, 2021, the Board of Directors authorized an additional repurchase plan of up to \$2 million worth of shares of common stock through November 20, 2021. Under the program, the Company may repurchase its common stock in the open market from time-to-time, in amounts, at prices, and at such times as the Company deems appropriate, subject to market conditions and federal and state laws governing such transactions. NETSOL expects to fund the repurchase with its existing cash balance and cash generated from operations.

As of June 30, 2021, the Company had repurchased 669,018 shares of its common stock at an aggregate value of \$2,364,781.

Fiscal 2022 Financial Outlook

For the fiscal year ending June 30, 2022, the Company expects total revenues to increase by at least 10% and subscription and support revenues to increase by at least 20%. The Company’s guidance is based on existing contracts and recurring revenue from its current customer base, performance results tracked through August of this calendar year and other information available as of the date of this report.

Management Commentary

“In a challenging year, we emerged stronger than before, and we’re entering fiscal 2022 focused on a return to growth,” said NETSOL Co-Founder, Chairman and Chief Executive Officer Najeeb Ghauri. “As the world slowly begins to reopen and with a leaner cost structure to support increased sales and marketing activities, we are making investments to build for long term success in our key growth markets. As a result of several key hires made earlier in the year, we’ve been able to improve our lead generation processes. Our North American and European pipelines have shown continued outsized promise, and we’re now starting to see some of these pending deals come to fruition, most notably shown by our first NFS Ascent contract in the U.S. While we are continuing to pursue high-value, larger deals with incumbent OEMs, our ability to grow a healthy recurring revenue base with subscription contracts in these regions will allow us to more predictably grow our business over time while still maintaining the opportunity for upside.”

Company CFO Roger Almond added: “We improved our topline performance in each quarter of the year, all while making significant adjustments to our spending in the face of a travel-restricted sales environment. Our owner-centric emphasis on managing the business has yielded positive results in several key areas, highlighted by a 154% increase in operating income and a record cash position of nearly \$34 million. Additionally, subscription and support revenues have now eclipsed a \$20 million annual run rate, further validating our investment in a recurring revenue model and providing us stronger visibility into future performance as well.”

Conference Call

NETSOL Technologies management will hold a conference call today (September 28, 2021) at 4:30 p.m. Eastern time (1:30 p.m. Pacific time) to discuss these financial results. A question and answer session will follow management’s presentation.

U.S. dial-in: 877-407-0789

International dial-in: 201-689-8562

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Gateway Investor Relations at 949-574-3860.

The conference call will be broadcasted live and available for replay [here](#) and via the Investor Relations section of NETSOL’s [website](#).

A replay of the conference call will be available after 7:30 p.m. Eastern time through October 12, 2021.

Toll-free replay number: 844-512-2921

International replay number: 412-317-6671

Replay ID: 13722946

About NETSOL Technologies

NETSOL Technologies, Inc. (Nasdaq: NTKW) is a worldwide provider of IT and enterprise software solutions primarily serving the global leasing and finance industry. The Company’s suite of applications is backed by 40 years of domain expertise and supported by a committed team of more than 1300 professionals placed in eight strategically located support and delivery centers throughout the world. NFS, LeasePak, LeaseSoft or NFS Ascent® – help companies transform their Finance and Leasing operations, providing a fully automated asset-based finance solution covering the complete finance and leasing lifecycle.

About Otoz

Otoz, a division of NETSOL Technologies Inc. ([Nasdaq: NTKW](#)), provides business-to-business, white-label technology solutions for new mobility. The Otoz suite of agile and customizable mobility solutions ranges from car sharing and subscription products to AI-enabled chatbots, allowing businesses to engage consumers and facilitate the complete transaction lifecycle intelligently and digitally. Otoz technologies empower automotive companies and start-ups to launch digital retailing and new mobility models quickly and efficiently. The technology Otoz has developed is cloud-native and supported by artificial intelligence (AI), machine learning (ML), internet of things (IoT) and blockchain. Otoz technology drives utilization, while supporting robust and efficient operations.

Forward-Looking Statements

This press release may contain forward-looking statements relating to the development of the Company’s products and services and future operating results, including statements regarding the Company that are subject to certain risks and uncertainties such as the effect of disparate stay at home orders and social distancing requirements imposed internationally by COVID-19 and its resultant impact on our financials and the world economy that could cause actual results to differ materially from those

projected. The words “expects,” “anticipates,” variations of such words, and similar expressions, identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, but their absence does not mean that the statement is not forward-looking. These statements are not guarantees of future performance and are subject to certain risks, uncertainties, and assumptions that are difficult to predict. Factors that could affect the Company’s actual results include the progress and costs of the development of products and services and the timing of the market acceptance, as well as the delay in recovery or a prolonged economic downturn that effects our Company, our customers and the world economy. The subject Companies expressly disclaim any obligation or undertaking to update or revise any forward looking statement contained herein to reflect any change in the company’s expectations with regard thereto or any change in events, conditions or circumstances upon which any statement is based.

Use of Non-GAAP Financial Measures

The reconciliation of Adjusted EBITDA to net income, the most comparable financial measure based upon GAAP, as well as a further explanation of adjusted EBITDA, is included in the financial tables in Schedule 4 of this press release.

Investor Relations Contact:

Matt Glover and Tom Colton

Gateway Investor Relations

949-574-3860

investors@netsoltech.com

NETSOL Technologies, Inc. and Subsidiaries Schedule 1: Consolidated Balance Sheets

	As of June 30, 2021	As of June 30, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 33,705,154	\$ 20,166,830
Accounts receivable, net of allowance of \$166,231 and \$435,611	4,184,096	10,131,752
Accounts receivable - related party, net of allowance of \$1,373,099 and \$90,594	-	1,282,505
Revenues in excess of billings, net of allowance of \$136,976 and \$188,914	14,680,131	17,198,281
Revenues in excess of billings - related party, net of allowance of \$8,163 and \$0	-	8,163
Other current assets, net of allowance of \$1,243,633 and \$0	3,009,393	3,108,180
Total current assets	55,578,774	51,895,711
Revenues in excess of billings, net - long term	957,603	1,300,289
Convertible note receivable - related party, net of allowance of \$4,250,000 and \$0	-	4,250,000
Property and equipment, net	12,091,812	11,329,631
Right of use of assets - operating leases	1,345,869	2,360,129
Long term investment	3,155,852	2,387,692
Other assets	55,127	41,992
Intangible assets, net	3,904,656	5,391,077
Goodwill	9,516,568	9,516,568
Total assets	\$ 86,606,261	\$ 88,473,089
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	\$ 6,696,035	\$ 5,769,161
Current portion of loans and obligations under finance leases	11,366,171	9,139,561
Current portion of operating lease obligations	857,729	1,111,912
Unearned revenue	4,556,626	4,095,472
Total current liabilities	23,476,561	20,116,106
Loans and obligations under finance leases; less current maturities	699,841	1,539,975
Operating lease obligations; less current maturities	564,257	1,339,965
Total liabilities	24,740,659	22,996,046
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$.01 par value; 500,000 shares authorized;	-	-
Common stock, \$.01 par value; 14,500,000 shares authorized; 12,181,585 shares issued and 11,265,064 outstanding as of June 30, 2021 and 12,122,149 shares issued and 11,874,646 outstanding as of June 30, 2020	121,816	121,222
Additional paid-in-capital	129,018,826	128,677,754
Treasury stock (at cost, 916,521 shares and 247,503 shares as of June 30, 2021 and June 30, 2020, respectively)	(3,820,750)	(1,455,969)
Accumulated deficit	(38,801,282)	(34,269,817)
Other comprehensive loss	(31,868,481)	(34,085,047)
Total NetSol stockholders' equity	54,650,129	58,988,143
Non-controlling interest	7,215,473	6,488,900
Total stockholders' equity	61,865,602	65,477,043
Total liabilities and stockholders' equity	\$ 86,606,261	\$ 88,473,089

NETSOL Technologies, Inc. and Subsidiaries Schedule 2: Consolidated Statement of Operations

For the Years Ended June 30,	
2021	2020

Net Revenues:			
License fees	\$	6,249,924	\$ 3,260,891
Subscription and support		22,173,745	20,254,917
Services		26,448,171	32,555,690
Services - related party		48,775	300,821
Total net revenues		54,920,615	56,372,319
Cost of revenues:			
Salaries and consultants		20,969,298	18,821,738
Travel		663,403	4,181,742
Depreciation and amortization		2,990,689	2,897,371
Other		3,944,197	3,508,098
Total cost of revenues		28,567,587	29,408,949
Gross profit		26,353,028	26,963,370
Operating expenses:			
Selling and marketing		6,555,004	6,450,663
Depreciation and amortization		965,625	834,583
General and administrative		15,437,382	17,138,832
Research and development cost		674,168	1,468,954
Total operating expenses		23,632,179	25,893,032
Income from operations		2,720,849	1,070,338
Other income and (expenses)			
Gain (loss) on sale of assets		(191,935)	23,103
Interest expense		(394,289)	(346,856)
Interest income		1,017,432	1,569,536
Gain (loss) on foreign currency exchange transactions		(597,433)	398,610
Share of net loss from equity investment		(253,819)	(605,864)
Other income		987,444	224,224
Total other income (expenses)		567,400	1,262,753
Net income before income taxes		3,288,249	2,333,091
Income tax provision		(1,026,617)	(1,141,068)
Net income		2,261,632	1,192,023
Non-controlling interest		(483,375)	(254,942)
Net income attributable to NetSol	\$	1,778,257	\$ 937,081
Net income per share:			
Net income per common share			
Basic	\$	0.15	\$ 0.08
Diluted	\$	0.15	\$ 0.08
Weighted average number of shares outstanding			
Basic		11,499,983	11,734,648
Diluted		11,499,983	11,784,414

NETSOL Technologies, Inc. and Subsidiaries
Schedule 3: Consolidated Statement of Cash Flows

	For the Years Ended June 30,	
	2021	2020
Cash flows from operating activities:		
Net income	\$ 2,261,632	\$ 1,192,023
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	3,956,314	3,731,954
Provision for bad debts	(332,325)	184,944
Share of net loss from investment under equity method	253,819	605,864
(Gain) loss on sale of assets	191,935	(23,103)
Gain on forgiveness of loan	(469,721)	-
Stock based compensation	342,153	808,616
Changes in operating assets and liabilities:		
Accounts receivable	6,861,454	2,035,843
Accounts receivable - related party	-	1,957,864
Revenues in excess of billing	2,839,709	(3,252,704)
Revenues in excess of billing - related party	-	105,441
Other current assets	(857,708)	(132,175)
Accounts payable and accrued expenses	474,098	(1,399,828)
Unearned revenue	204,563	(1,842,313)
Net cash provided by operating activities	15,725,923	3,972,426
Cash flows from investing activities:		
Purchases of property and equipment	(2,551,283)	(1,377,145)

Sales of property and equipment	188,233	106,180
Convertible note receivable - related party	-	(600,000)
Investment in associates	(155,500)	(94,500)
Purchase of subsidiary shares	-	(89,425)
Net cash used in investing activities	(2,518,550)	(2,054,890)
Cash flows from financing activities:		
Proceeds from exercise of subsidiary options	-	11,621
Purchase of treasury stock	(2,364,781)	-
Dividend paid by subsidiary to non-controlling interest	-	(1,920,618)
Proceeds from bank loans	1,898,013	4,221,203
Payments on finance lease obligations and loans - net	(698,797)	(611,913)
Net cash provided by (used in) financing activities	(1,165,565)	1,700,293
Effect of exchange rate changes	1,496,516	(817,363)
Net increase in cash and cash equivalents	13,538,324	2,800,466
Cash and cash equivalents at beginning of the period	20,166,830	17,366,364
Cash and cash equivalents at end of period	\$ 33,705,154	\$ 20,166,830

NETSOL Technologies, Inc. and Subsidiaries
Schedule 4: Reconciliation to GAAP

	For the Year Ended June 30, 2021	For the Year Ended June 30, 2020
Net Income (loss) attributable to NetSol	\$ 1,778,257	\$ 937,081
Non-controlling interest	483,375	254,942
Income taxes	1,026,617	1,141,068
Depreciation and amortization	3,956,314	3,731,954
Interest expense	394,289	346,856
Interest (income)	(1,017,432)	(1,569,536)
EBITDA	\$ 6,621,420	\$ 4,842,365
Add back:		
Non-cash stock-based compensation	342,153	808,616
Adjusted EBITDA, gross	\$ 6,963,573	\$ 5,650,981
Less non-controlling interest (a)	(1,588,701)	(1,330,352)
Adjusted EBITDA, net	\$ 5,374,872	\$ 4,320,629
Weighted Average number of shares outstanding		
Basic	11,499,983	11,734,648
Diluted	11,499,983	11,784,414
Basic adjusted EBITDA	\$ 0.47	\$ 0.37
Diluted adjusted EBITDA	\$ 0.47	\$ 0.37

(a)The reconciliation of adjusted EBITDA of non-controlling interest to net income attributable to non-controlling interest is as follows

Net Income (loss) attributable to non-controlling interest	\$ 483,375	\$ 254,942
Income Taxes	147,688	223,675
Depreciation and amortization	1,115,734	1,060,605
Interest expense	121,740	100,373
Interest (income)	(319,674)	(391,644)
EBITDA	\$ 1,548,863	\$ 1,247,951
Add back:		
Non-cash stock-based compensation	39,838	82,401
Adjusted EBITDA of non-controlling interest	\$ 1,588,701	\$ 1,330,352



KEY DISCLAIMERS

This document may contain forward-looking statements relating to the development of the Company's products and services and future operating results, including statements regarding the Company that are subject to certain risks and uncertainties such as the effect of stay-at-home orders and social distancing imposed by COVID-19 and its resultant impact on our financials and the world economy that could cause actual results to differ materially from those projected. The words "expects," "anticipates," variations of such words, and similar expressions, identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, but their absence does not mean that the statement is not forward-looking. These statements are not guarantees of future performance and are subject to certain risks, uncertainties, and assumptions that are difficult to predict. Factors that could affect the Company's actual results include the progress and costs of the development of products and services and the timing of the market acceptance, as well as the delay in recovery or a prolonged economic downturn that affects our Company, our customers and the world economy. The subject Companies expressly disclaim any obligation or undertaking to update or revise any forward-looking statement contained herein to reflect any change in the company's expectations with regard thereto or any change in events, conditions or circumstances upon which any statement is based. This document may also present certain non-GAAP financial measures. The reconciliation of Adjusted EBITDA to net income, the most comparable financial measure based upon GAAP, as well as a further explanation of adjusted EBITDA, is included in the financial tables in Schedule 4 of the accompanying press release.

This document represents a summary of information reported on our form 10-K filed with the Securities Exchange Commission and should be read in conjunction with that document.




AGENDA

01		INTRODUCTION & KEY HIGHLIGHTS
02		FINANCIAL REVIEW
03		BUSINESS UPDATE
04		Q&A



INTRODUCTION & KEY HIGHLIGHTS

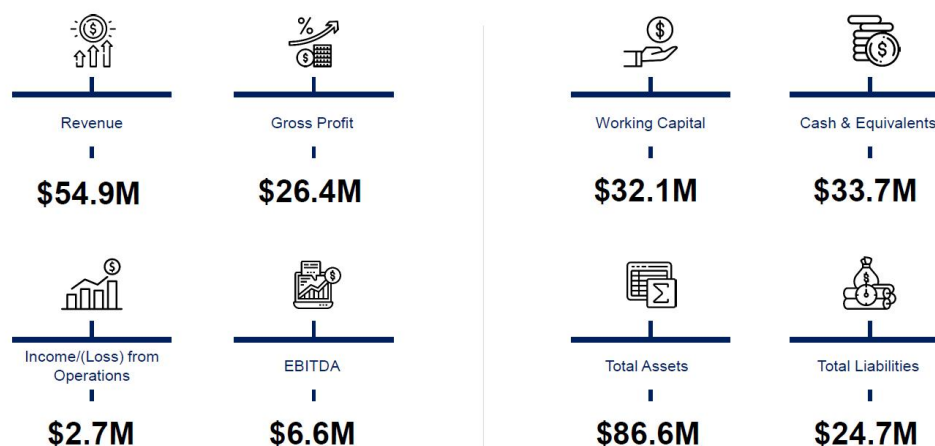
NOTABLE EVENTS – FY 2020-21



01	Signed a multi-million-dollar contract with GAC Sofinco, a global tier one auto captive in China to upgrade to next-gen NFS Ascent® platform	02	Signed a five-year, multi-million-dollar renewal contract with tier-one Japanese automotive customer in APAC	03	SCI Lease Corp, the first North American customer went live with NFS Ascent™	04	BMW Financial Services, a major global auto captive, went live with NFS Ascent® retail platform in China
05	Appointed Peter Minshall as Executive Vice President of NETSOL Technologies Americas	06	Appointed Naeem Ghauri as company President	07	Appointed James Freto as Vice President, Sales for NETSOL Technologies Americas	08	Successfully launched MINI USA (a BMW Group company) digital retail platform in partnership with tier one automotive brand
09	MINI USA and MINI Financial Services enabled dealers to facilitate end-to-end online shopping experience with launch of MINI Anywhere online retail platform	10	NETSOL Technologies was selected as 'Most Innovative Company' in the equipment finance ecosystem by Monitor Daily	11	NETSOL Technologies and WRLD introduced NXT: a COVID-aware smart workplace platform to support companies' return to work safely		

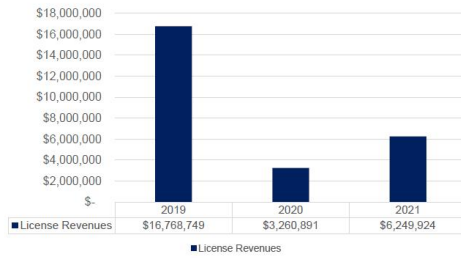


KEY FINANCIAL INFORMATION – FY 2020-21



LICENSE VS. SUBSCRIPTION & SUPPORT REVENUES MOVEMENT (2019 - 2021)

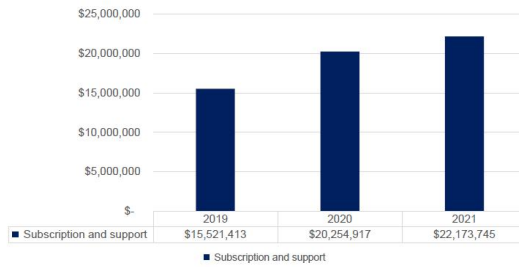
License Revenues



- License revenues have been lumpy mainly because of elongated sales cycles and current pandemic situation.

Subscription and Support Revenues

CAGR – (2019 – 2021) **20%**



- Subscription & Support revenues are expected to grow over coming years as we continue to bring new customers (currently in our pipeline) on-board, complete ongoing implementations and successfully deliver the modifications/enhancements based on requests from customers

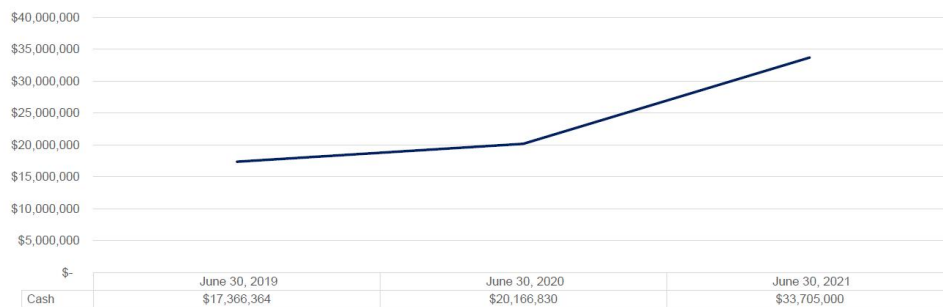
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CASH MOVEMENT (2019 -2021)

CAGR – (2019 – 2021) **39%**

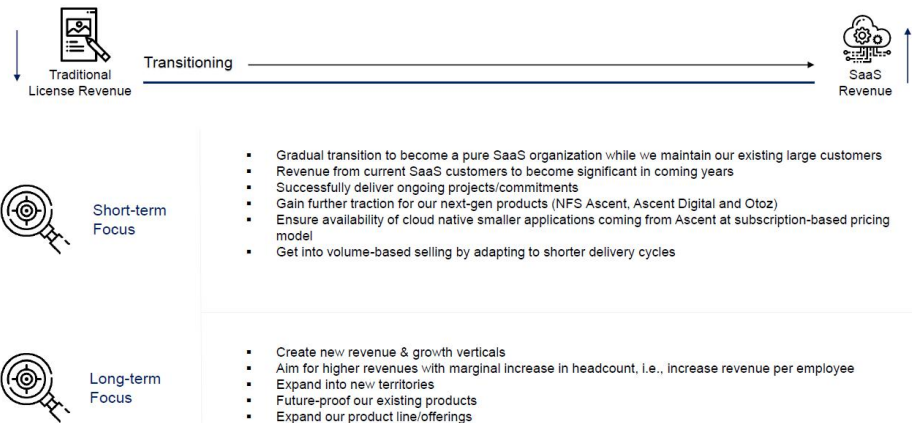


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ORGANIZATIONAL FOCUS

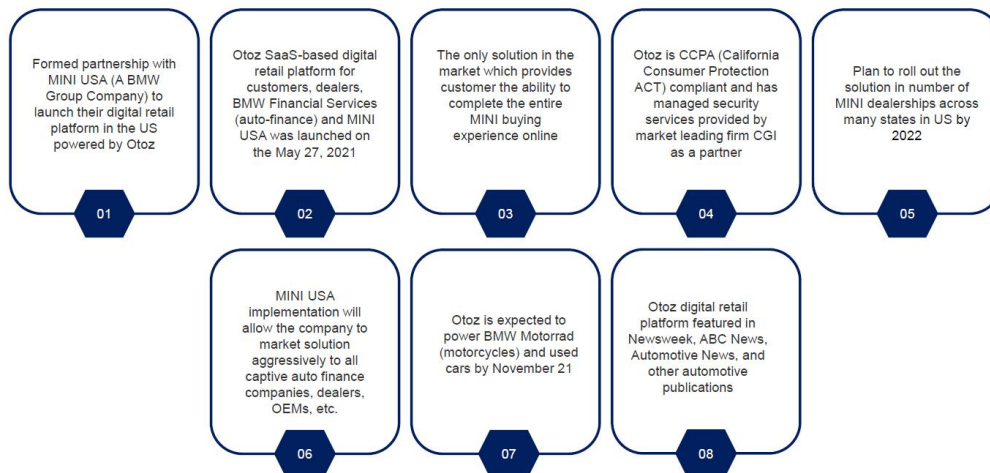


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OTOZ – DIGITAL RETAIL SOLUTION



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INDUSTRY OUTLOOK – SHORT TERM



As regions are bouncing back, global vehicles sales are expected to increase between 8% -10% this year i.e., to 83-85 million units, from 77 million in 2020.

Source: S&P Global



New car sales in China surged by 76% compared to the first three months of 2021 to again exceed five million vehicles.

Source: International Worldwide Car Sales



In China 81% of dealers agree their business models need to change to be successful in the future

Source: Accenture



China auto sector remains strong as customers are constantly demanding 'Change Requests' or additional services and reflects resilience

Source: International Worldwide Car Sales



In the first quarter of 2021, major car markets worldwide largely recovered from the initial shock of lockdowns that started early in 2020.

Source: International Worldwide Car Sales



20% of cars sold in China in 2025 are expected to be neighborhood electric vehicles (NEVs)

Source: Accenture



Increased new-car demand during pandemic has U.S. industry optimistic about 2021. GM reported a 4.8% increase in U.S. sales in the fourth quarter, while Toyota Motor Corp and Volkswagen AG saw their sales rise 9.4% and 10.8%, respectively.

Source: Reuters



Registrations in May jumped 74% to 1.08 million in the European Union, UK and EFTA markets. Among the largest automakers, European sales rose 94% for VW group, 61% for Stellantis NV and 26% for Renault SA from a year ago. Registrations jumped 96% for BMW AG and 49% for Daimler AG

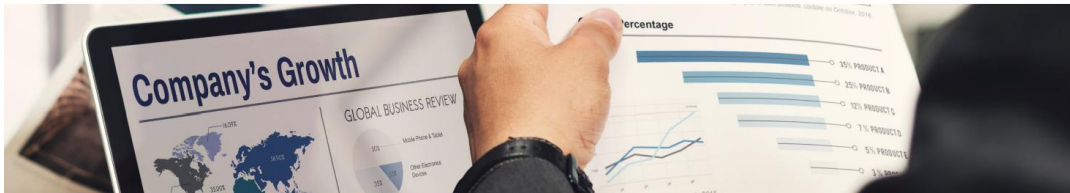
Source: Bloomberg

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INDUSTRY OUTLOOK – MEDIUM TO LONG TERM



According to Gartner, in the aftermath of the COVID-19 crisis, the worldwide end-user spending on public cloud services is forecast to grow 18.4% in 2021 to total \$304.9 billion.

Source: Forbes



According to a recent survey from Flexera, 27% of leaders mentioned a significant increase in cloud spend due to COVID-19.

Source: Forbes



Businesses are looking for SaaS solutions with advanced integration capabilities; expect more software vendors to offer flexible systems and customers to opt for SaaS based solutions.

Source: Finance Online



By 2022, 70% of all organizations will have accelerated use of digital technologies, transforming existing business processes to drive customer engagement, employee productivity, and business resiliency.

Source: Business Wire



The global automotive software market was valued at \$18.5 billion in 2019 and is projected to reach \$43.5 billion by 2027, registering a CAGR of 14.5% from 2020 to 2027.

Source: Globe News Wire



63% of the auto shoppers want to do the entire transaction online without ever visiting a dealer (pandemic)

Source: ThinkWithGoogle



Cloud growth is on the rise, with cloud spending expected to increase 6.3% year over year. In 2022, the SaaS industry will generate close to \$141 billion in revenue.

Source: BMC



The mobile-first experience in SaaS is gathering steam due to the increasing fast pace of modern workflows. 72.6% of people in the world will use a smartphone for internet access by 2022, encouraging SaaS vendors to create mobile versions of their core products.

Source: Finance Online



81% of dealers agree their business models need to change to be successful in the future

Source: Accenture

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