



# Thinking Breakthroughs

# Disclaimer

The information contained in this document is provided as of the date of its publication and is subject to change without notice.

This presentation contains preliminary figures and forward-looking statements. Forward-looking statements may be identified by words such as “expect”, “forecast”, “anticipate”, “intend”, “plan”, “believe”, “seek”, “estimate”, “will”, “target” or words of similar meaning. These statements are based on the current views, expectations, assumptions and information of the management of Nagarro, of which many are beyond Nagarro’s control. Forward-looking statements involve known and unknown risks and uncertainties and, therefore actual results, performance or events may differ materially from those described in such statements due to, among other things, changes in the general economic and competitive environment, risks associated with capital markets, currency exchange rate fluctuations, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, and other factors. All forward-looking statements only speak as of the date when they were made and Nagarro does not undertake any obligation to update any of the forward-looking statements.

The figures presented for Q1 '23 are unaudited.

Gross profit, gross margin, adjusted EBITDA and adjusted EBITDA margin are non-IFRS/non-GAAP financial measures. These and other non-IFRS/non-GAAP financial measures may not be comparable to similarly titled measures presented by other companies, nor should they be construed as an alternative to other financial measures determined in accordance with IFRS or other GAAP. You are cautioned not to place undue reliance on any non-IFRS/non-GAAP financial measures included herein. Please find further explanations regarding our financial key performance indicators in chapter “Section A – V. Financial Performance” in the Annual Report 2022 of the Company. These documents are available under the following internet link <https://www.nagarro.com/en/investor-relations/financial-reports-and-publications>. Due to rounding, numbers presented in this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures to which they refer.

# Nagarro at a glance



- Fast-growing, scaled, diversified, **digital engineering leader** with a full-service portfolio
- A **global** company domiciled in Germany
- ~19,000 Nagarrians across 34 countries
- Differentiated organization design based on entrepreneurship and global teams
- Diverse and loyal **blue-chip customer base, 1,000+** customers across 63 countries
- Strong results through “**CARING**” core values

Employee data as of Mar 31, 2023

## FY 2022

- **€856 million** revenue
- **56.8%** YoY revenue growth
- **48.0%** YoY constant currency revenue growth
- **39.3%** YoY organic constant currency revenue growth
- **28.9%** gross margin
- **17.3%** adj. EBITDA margin

## FY 2023 guidance

- **€940 million** revenue not including 2023 M&A
- **28%** gross margin
- **15%** adj. EBITDA margin



Biometric  
Registration  
Point

Bio  
Regi  
P

n

a

g

a

r

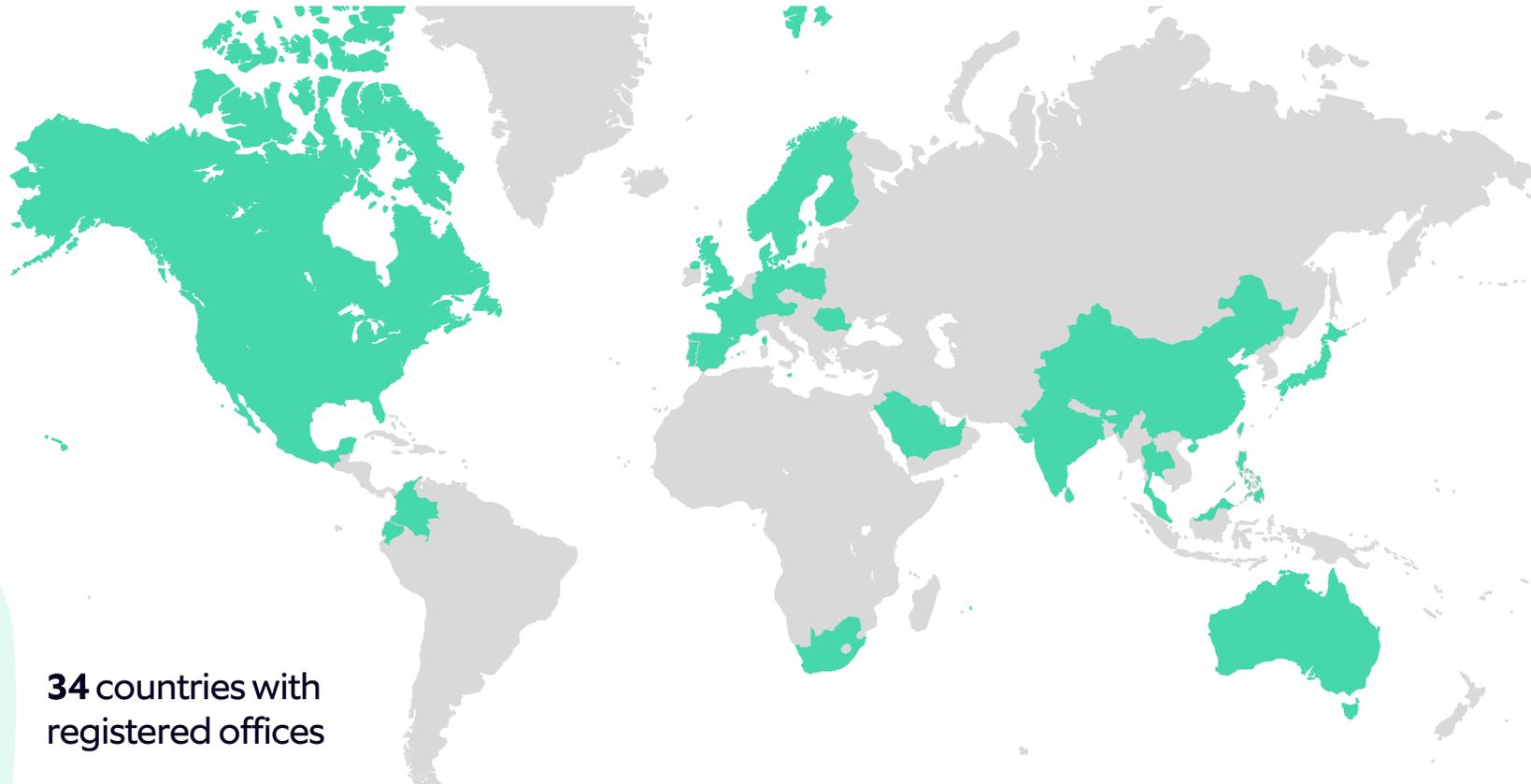
r

o

## Our Mission Statement

**To make distance and  
difference irrelevant between  
intelligent people**

# A global company with no single HQ



**34** countries with registered offices

**Over a dozen** nationalities in senior management

## Americas

Canada  
Colombia  
Ecuador  
Mexico  
US

## EMEA

Austria  
Bahrain  
Denmark  
Finland  
France  
Germany  
Malta  
Mauritius  
Norway  
Poland  
Portugal  
Romania  
Saudi Arabia  
Spain  
Sweden  
Switzerland  
South Africa  
UAE  
UK

## Asia

Australia  
China  
India  
Japan  
Malaysia  
Philippines  
Singapore  
Sri Lanka  
Thailand  
Taiwan

# Our core values: a magnet for talent

Caring is our superpower



Client-centric



Agile



Responsible



Intelligent



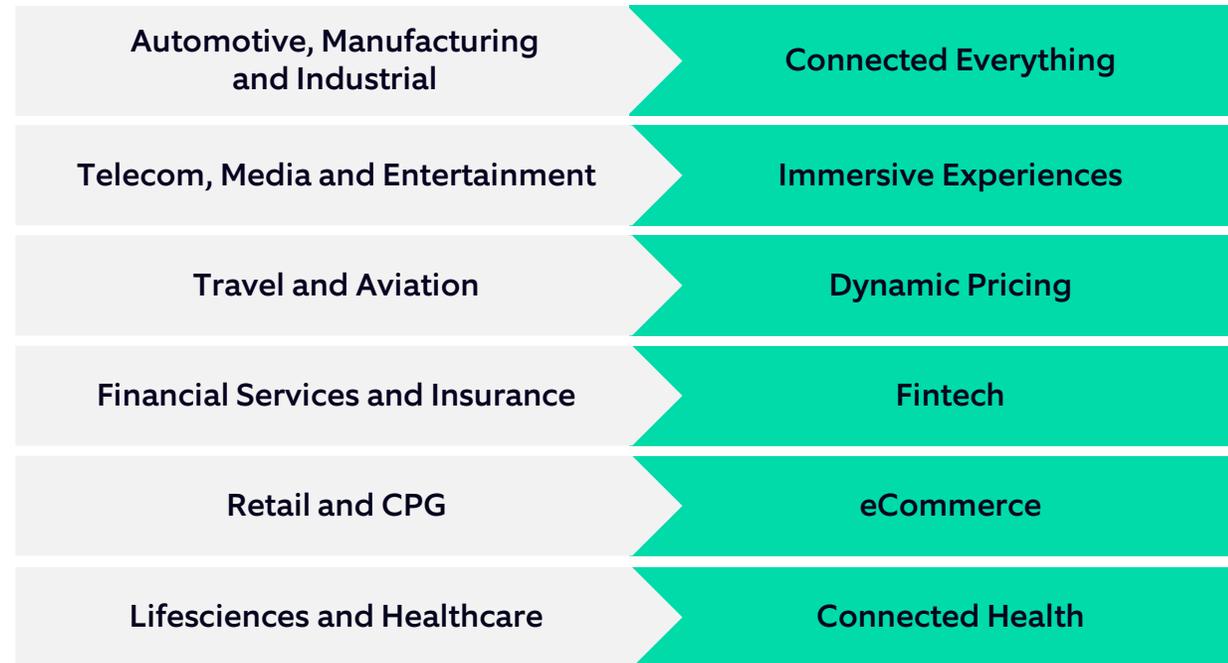
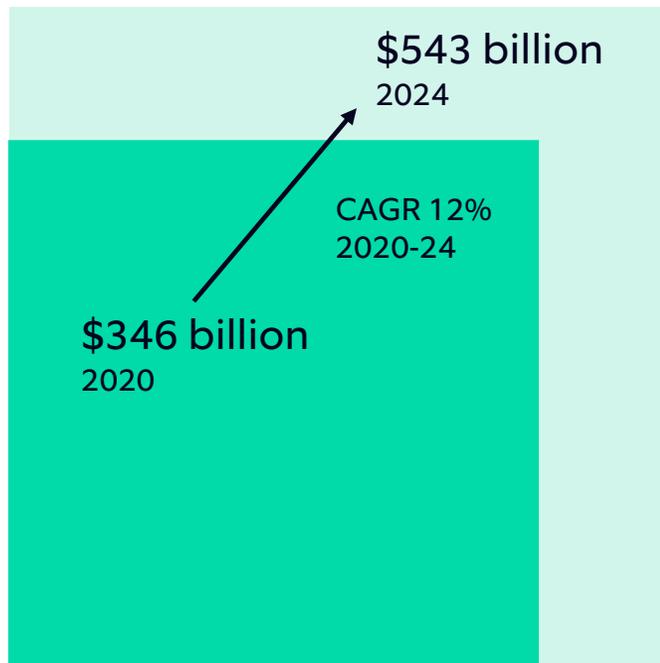
Non-hierarchical



Global

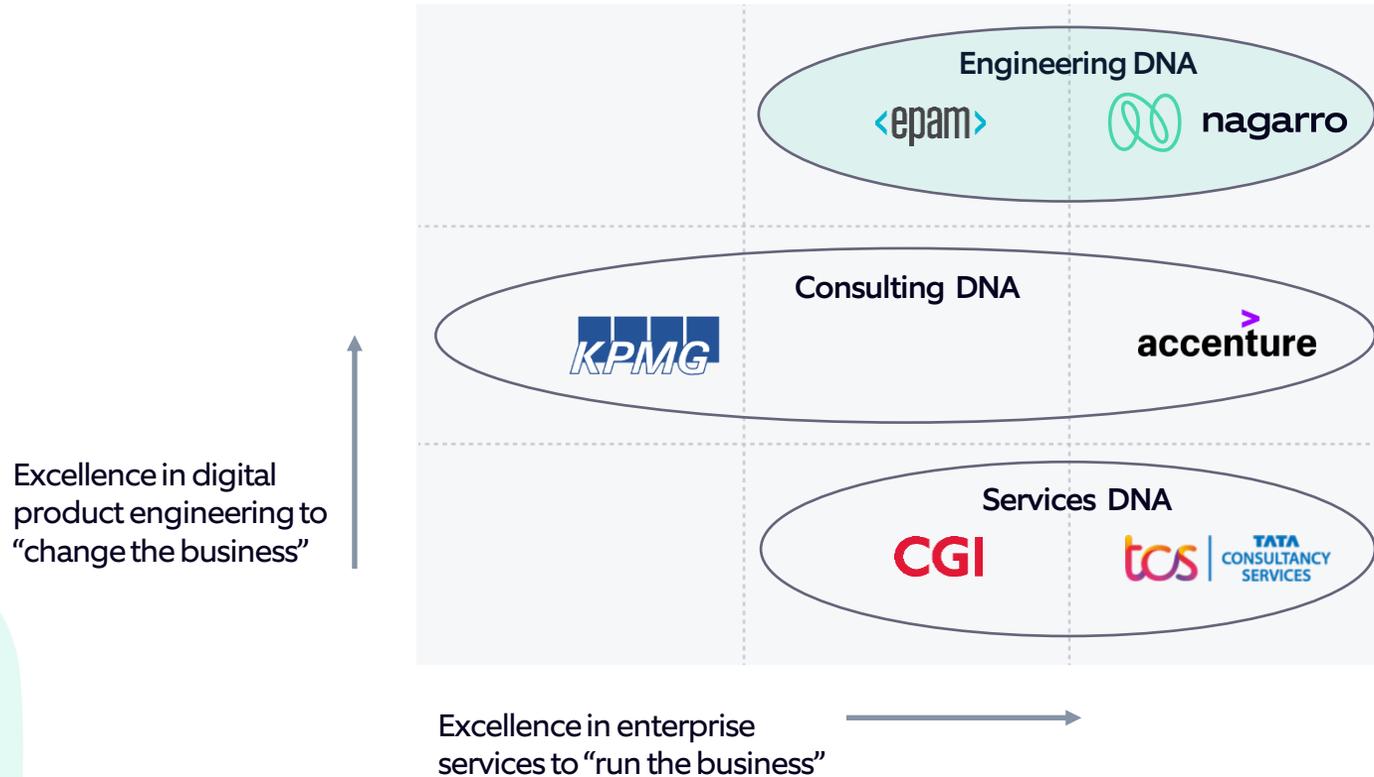
# Addressing a large, fast-growing digital services market

Growing spend on digital IT services, supported by structural tailwinds



The estimate of the digital services market is based on the “3rd Platform IT Services” forecast in the IDC Worldwide Black Book, 3rd Platform Edition (August 2020). IDC defines the 3rd Platform as made up of four pillars: cloud, mobile, big data, and social. These pillars represent a new architecture for ICT, based on a cloud-first, mobile-first approach to the management and usage of devices, infrastructure, software, and services. In addition to the four pillars, IDC also added new technologies that it refers to as innovation accelerators, which include 3D printing, AR/VR, artificial intelligence, IoT, blockchain, robotics and security.

# Differentiated market positioning



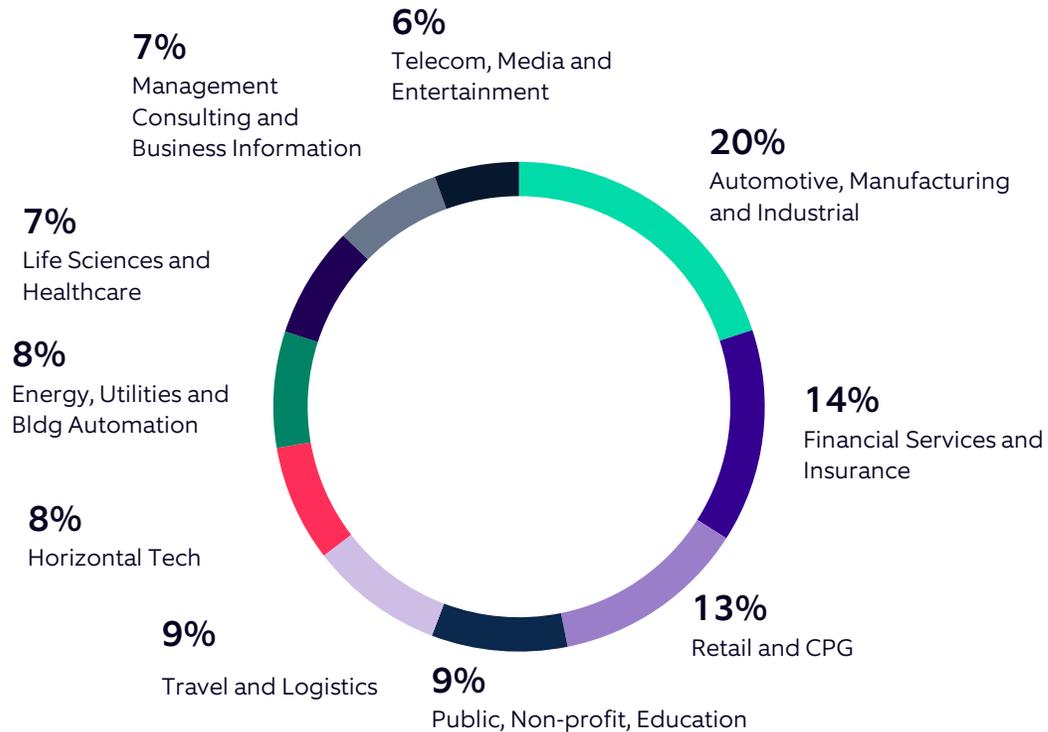
## Nagarro's differentiated position:

Excellence in digital product engineering combined with a portfolio of enterprise services

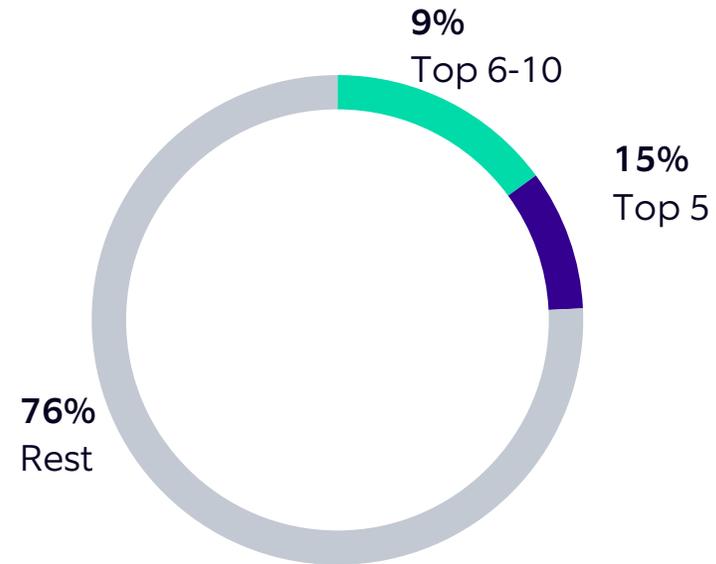
Companies presented do not include all peers. The representation here is the company's view of the competitive landscape.

# Diversified across industries and clients

## Revenue by industry



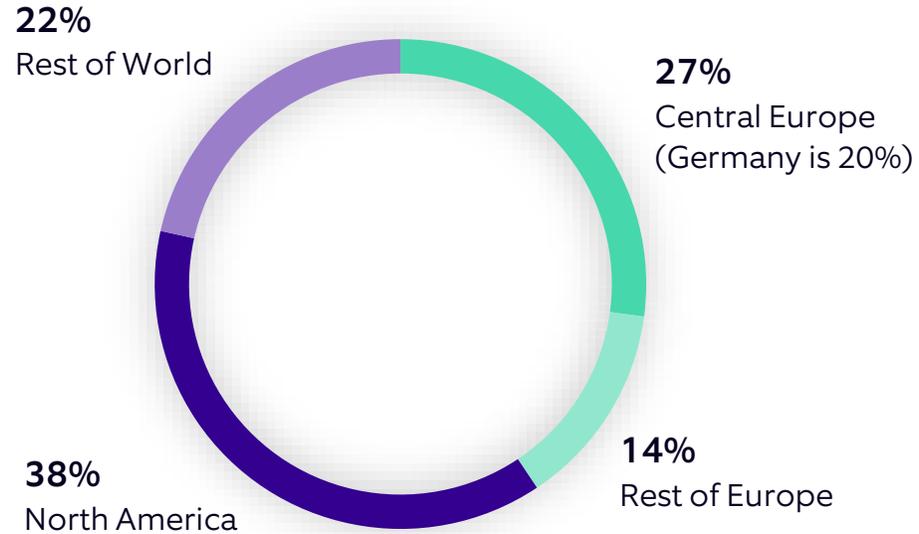
## Revenue by customers



Revenue by industry is based on the company's own classification of each client (or its corporate group) by industry. Each corporate group is counted as a single customer. Percentages are individually rounded and may not add up to 100%.

# Global opportunities served with global talent

## Revenue by client region

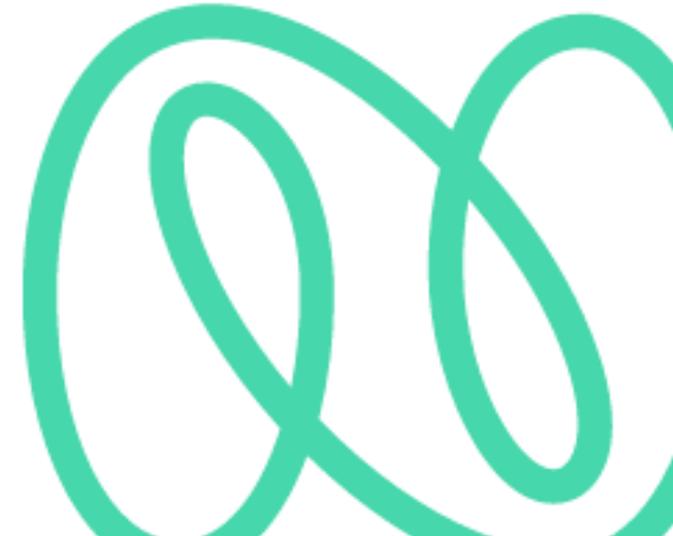


## Personnel worldwide

**18,946**  
total professionals, of which...

**17,674**  
professionals in engineering

Central Europe comprises Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia and Switzerland.  
A number of the new hires for Q1 2023 are college graduates, to be trained further, and not likely to be immediately deployed on client projects.  
Number of personnel as of March 31, 2023



# Working with the leaders in each industry

## Automotive, Manufacturing and Industrial



## Travel and Logistics



## Telecom, Media and Entertainment



## Retail and CPG



## Financial Services and Insurance



## Energy, Utilities and Building Automation



## Public, Non-profit and Education



## Life Sciences and Healthcare



## Horizontal Tech

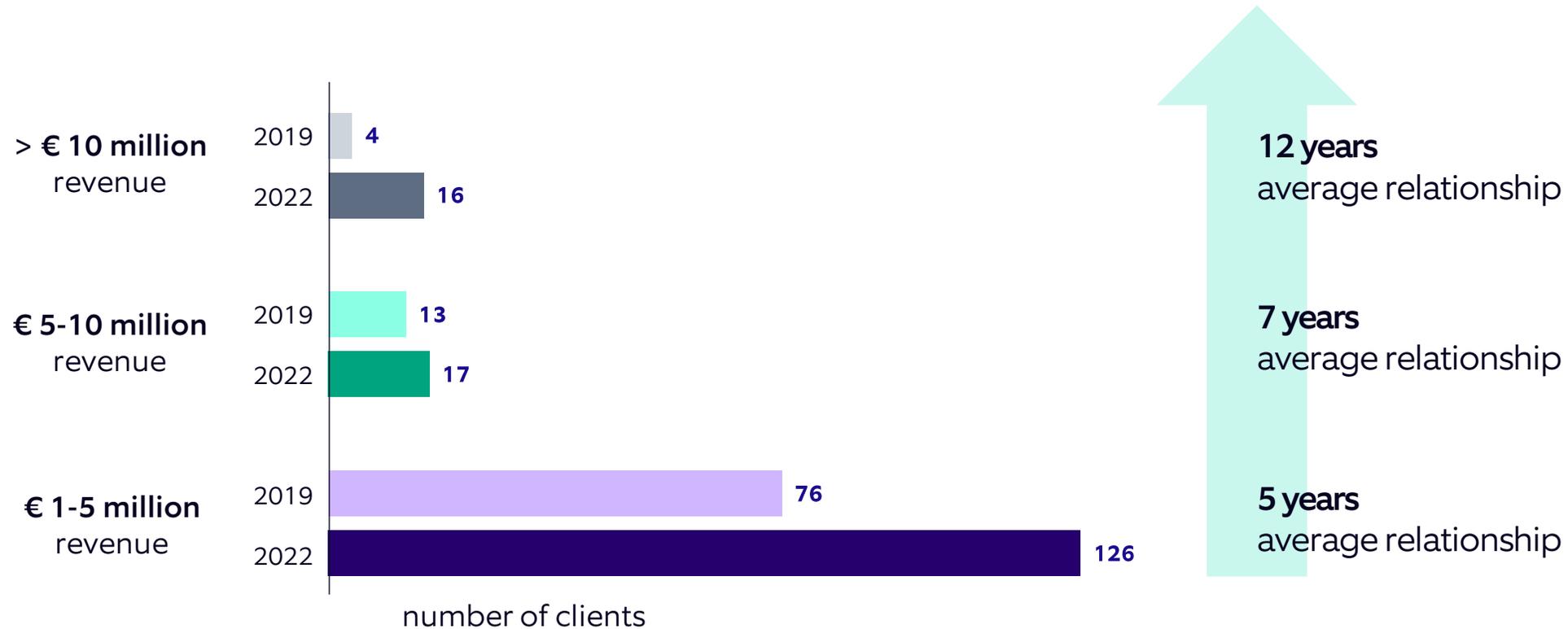


## Management Consulting and Business Information



The term "Big 3 management consulting firms" is used for McKinsey, the Boston Consulting Group and Bain Consulting.

# Large client base to develop over time



Data from acquired entities is included as if they were part of the company for the entire period except 2019

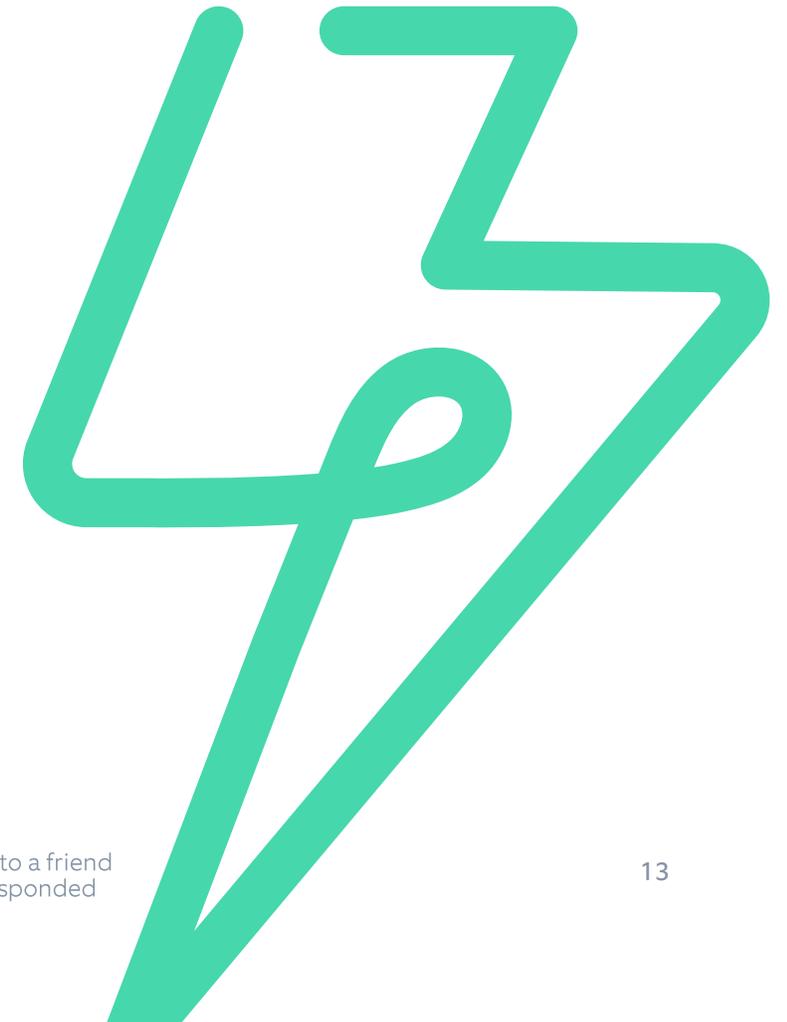
# Why customers choose us

Nagarro's "**Enterprise Agile**" mindset, processes and organization design deliver:

- Enterprise-class robust engineering
- Agility in projects, agility in adapting to changing business and technology environments
- Expertise across industries and regions

NPS  
65.4

NPS numbers are from the CSAT survey for Q1, 2023. The question posed was: "On a scale of 1-10, how likely are you to recommend Nagarro to a friend or colleague?" Promoters are those who gave a score of 9 or 10, Passive are those who gave a score of 7 or 8, and Detractors are those who responded with a score below 7. The NPS score is calculated as  $(\text{Number of Promoters} - \text{number of Detractors}) * 100 / (\text{total number of NPS responses})$ .

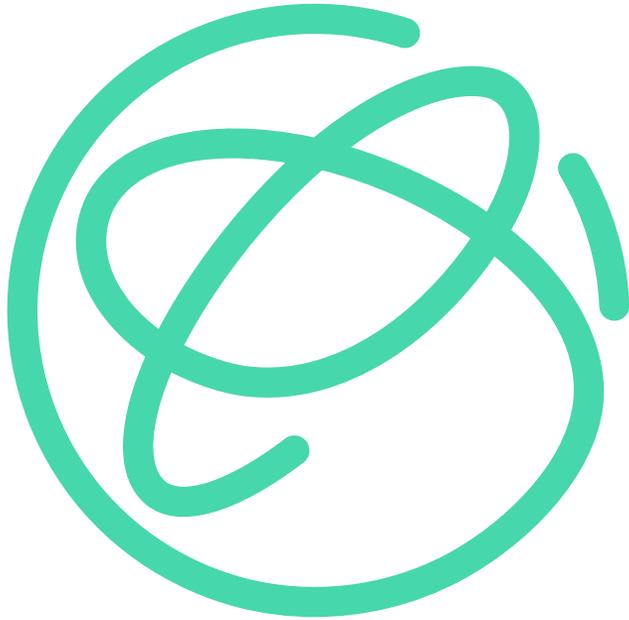


# Powered by a unique org design and culture

- **Virtual, global organization** rather than a federation of national orgs or legal entities
- **Emphasis on autonomy and choice** via internal marketplaces, not top-down decision making
- **Flat, entrepreneurial management**  
50+ top-level leaders, >25% of them entrepreneurs
- **Proprietary “business operating system”**  
embedding the org design and culture



# Open, global culture drives post-merger integration and synergies



Bringing the target's capabilities to the world...

...and bringing global capabilities to the target's clients

# Socially responsible around the globe



Testing Pro for people with autism



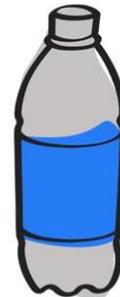
Saving lives via road safety



Incubating a university



Making art accessible



With WWF against single-use plastic



Organizing car-free days



**Q1 2023**

# Q1 2023, described

## Highlights

- Constant currency **growth continued**, although the pace moderated
- **FX impacted** reported revenue numbers
- Inorganic growth continued with the **acquisition** of Infocore and MBIS
- New subsidiary opened in **Taiwan**
- Near-term **demand softening** predicted due to the banking crisis and general economic conditions
- Medium-term sentiment bullish as digital transformation segues into **Big Data- and AI-transformation**
- Low **wage inflation and attrition** in certain job markets, including in our largest service region, India

## Milestones

- **2.6% QoQ** revenue growth in constant currency
- **22.9% YoY** revenue growth in constant currency
- **Net Promoter Score** 65
- **18,946 Nagarrians** 696 net new additions

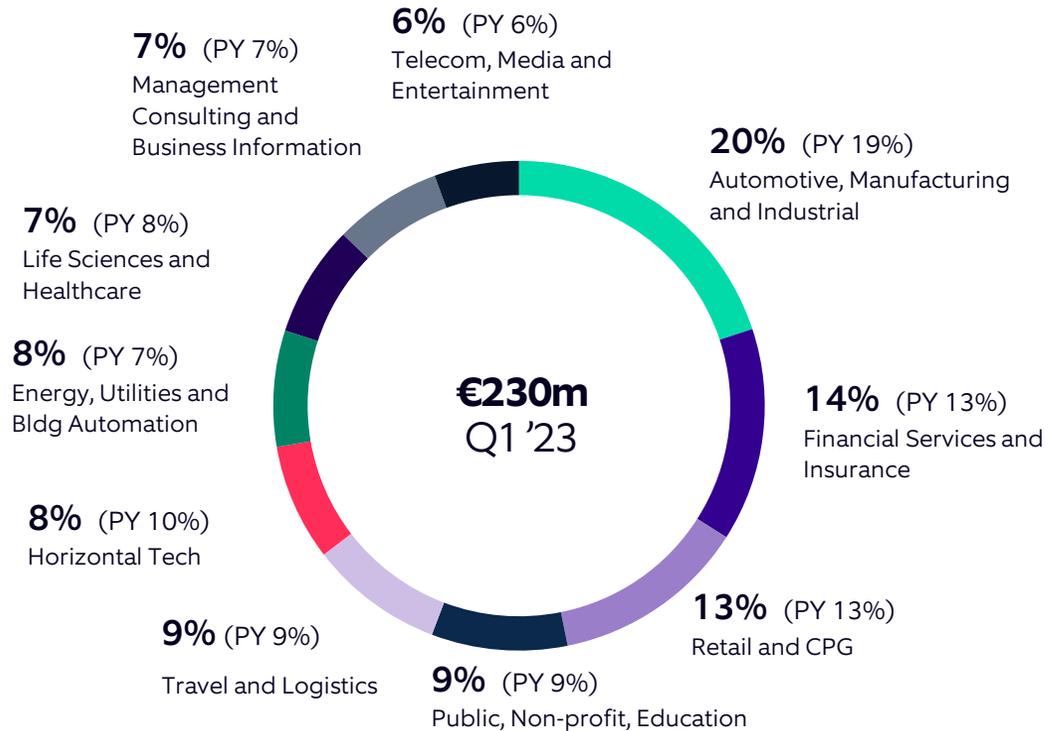
# Q1 2023, by the numbers

|   |                                    |   |                              |   |
|---|------------------------------------|---|------------------------------|---|
| <b>€230m</b><br>revenue                         | <b>23.7%</b><br>YoY revenue growth | <b>22.9%</b><br>YoY revenue growth<br>(constant currency) | <b>26.8%</b><br>gross margin | <b>€31.4m</b><br>adjusted EBITDA                |
| <b>INDUSTRIES' YoY GROWTH RANGE</b>             |                                    | <b>SEGMENTS' YoY GROWTH RANGE</b>                         |                              |   |
| <b>39%</b><br>financial services &<br>insurance | <b>-6%</b><br>horizontal tech      | <b>33%</b><br>rest of world                               | <b>17%</b><br>central europe | <b>15%</b><br>top 5 clients' revenue            |
| <b>€114m</b><br>cash balance                    | <b>696</b><br>professionals added  | <b>92.0%</b><br>CSAT score                                | <b>GUIDANCE</b>              |   |
|   |                                    |   | <b>~€940</b><br>2023 revenue | <b>~15.0%</b><br>2023 adjusted<br>EBITDA margin |

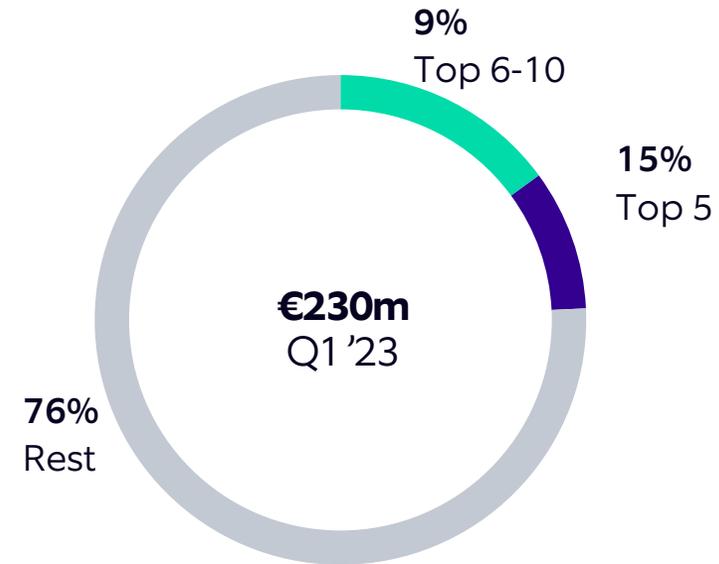
CSAT scores for Q1 2023 reported under revised survey format;  
 Q2 2022 and subsequent CSAT scores not comparable with Q1 2022 and previous scores  
 Guidance per announcement on May 12, 2023, excludes revenue from acquisitions made or to be made in 2023

# Broad-based growth across industries and clients

## Revenue by industry



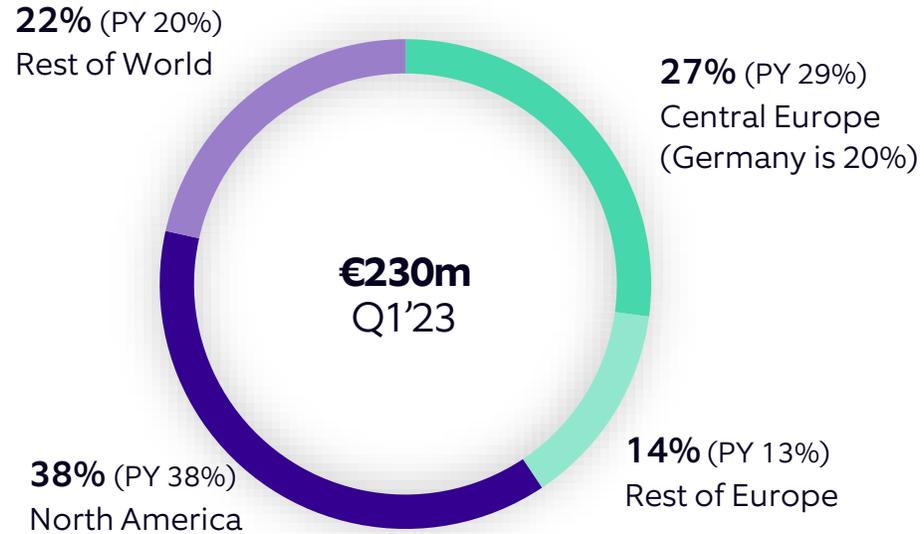
## Revenue by customers



Revenue by industry is based on the company's own classification of each client (or its corporate group) by industry. Each corporate group is counted as a single customer. Numbers in brackets represent previous year (PY) data, i.e. for Q1 '22. Percentages are individually rounded and may not add up to 100%.

# Rest of World leads growth

## Revenue by client region

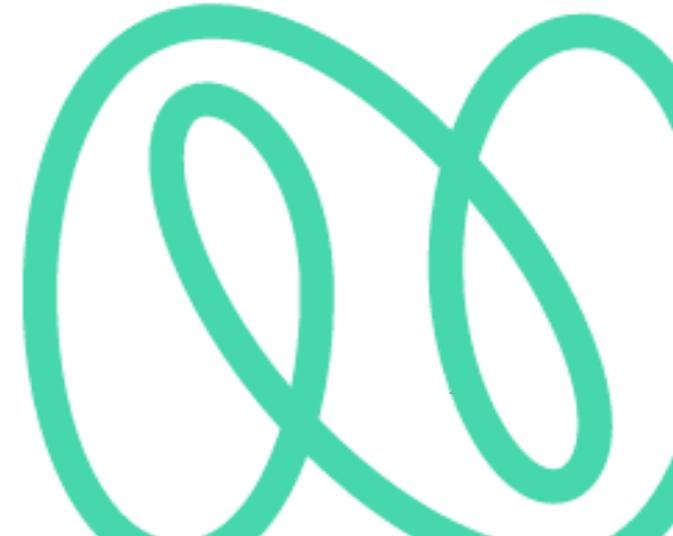


## Personnel worldwide

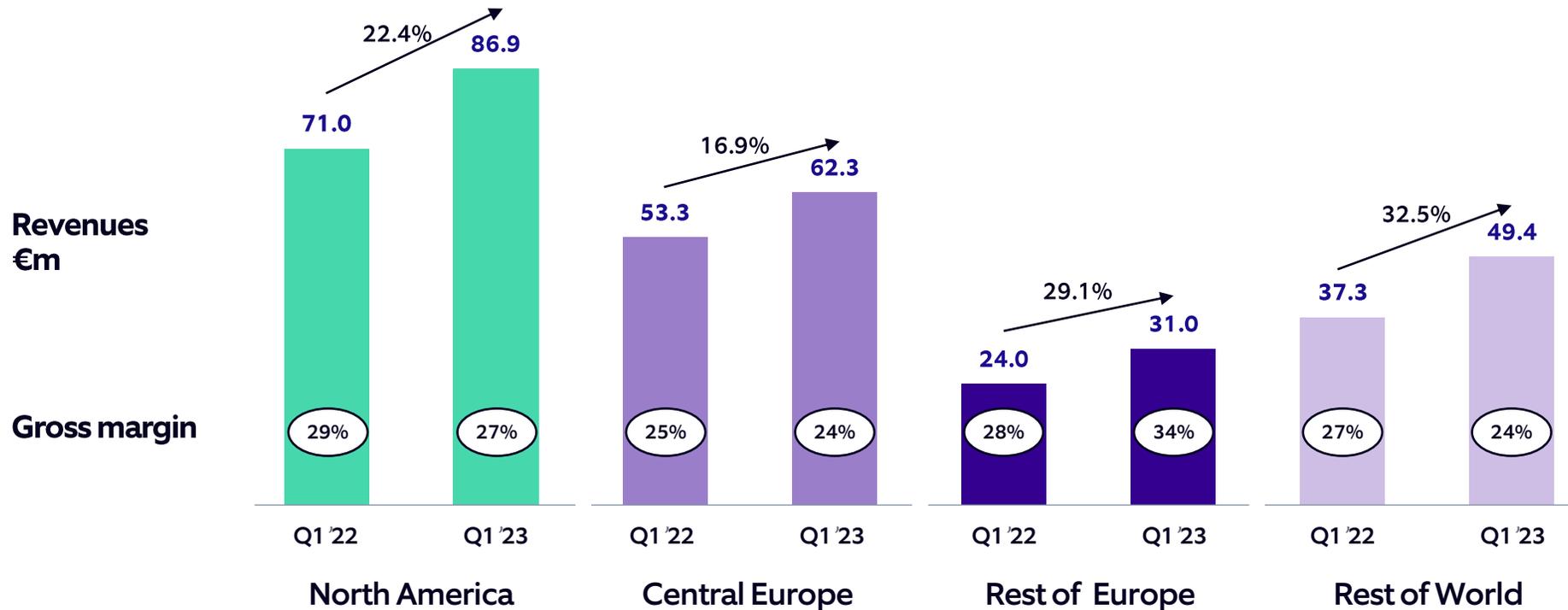
**18,946**  
total professionals, of which...

**17,674**  
professionals in engineering

Central Europe comprises Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia and Switzerland.  
A number of the new hires for Q1 2023 are college graduates, to be trained further, and not likely to be immediately deployed on client projects.  
Number of personnel as of March 31, 2023



# Segment revenues and gross margins



# Net liabilities and cash flows



Financial liabilities include drawdown on syndicated credit facility, working capital facilities, bank loans, and liabilities from factoring. Net leverage is calculated as net liabilities divided by adjusted LTM EBITDA.

# Outlook

## 2023 target

---

Revenue ~€940m

---

Gross Margin ~28%

---

Adjusted EBITDA ~15%

# Nagarro investment highlights, reiterated

- 1. Positioning** “Engineering DNA” digital leader with a special “Enterprise Agile” approach
- 2. Clients** Large, global, blue-chip customer base
- 3. Organization** Agile, entrepreneurial and global org design and culture
- 4. Financials** Strong revenue growth, attractive margins and upside potential
- 5. Growth** Sustainable organic growth capabilities, plus synergistic M&A



Q&A

