



Earnings call

Q1 2021



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 forward-looking statements. These statements are based on the current views, expectations, assumptions and information of the management of Nagarro. 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. Nagarro does not undertake any obligation to update any of the forward-looking statements.

The figures presented for Q1 2021 are unaudited.

Gross profit, gross margin, adjusted EBITDA and adjusted EBITDA margin are non-IFRS financial measures. These and other non-IFRS 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. You are cautioned not to place undue reliance on any non-IFRS financial measures included herein. Please find further explanations regarding our financial key performance indicators in chapter „ Section A – VI. Financial Performance “ in the Annual Report 2020 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 and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures to which they refer.

Q1 described



Highlights

- After spin-off and listing in 2020, **focus on the business**
- **Excellent client satisfaction** despite remote working
- **Strong demand rebound**, except in specific industries and companies
- Supply challenges due to a **superheated job market**
- Stepped up hiring ops, **highest intake ever**

Milestones

- **Livisi**
acquisition from Innogy
- **Sri Lanka**
new service region
- **Stock options**
for mgmt. and employees
- **Rollover of mgmt. participation**
work in progress

Q1 by the numbers

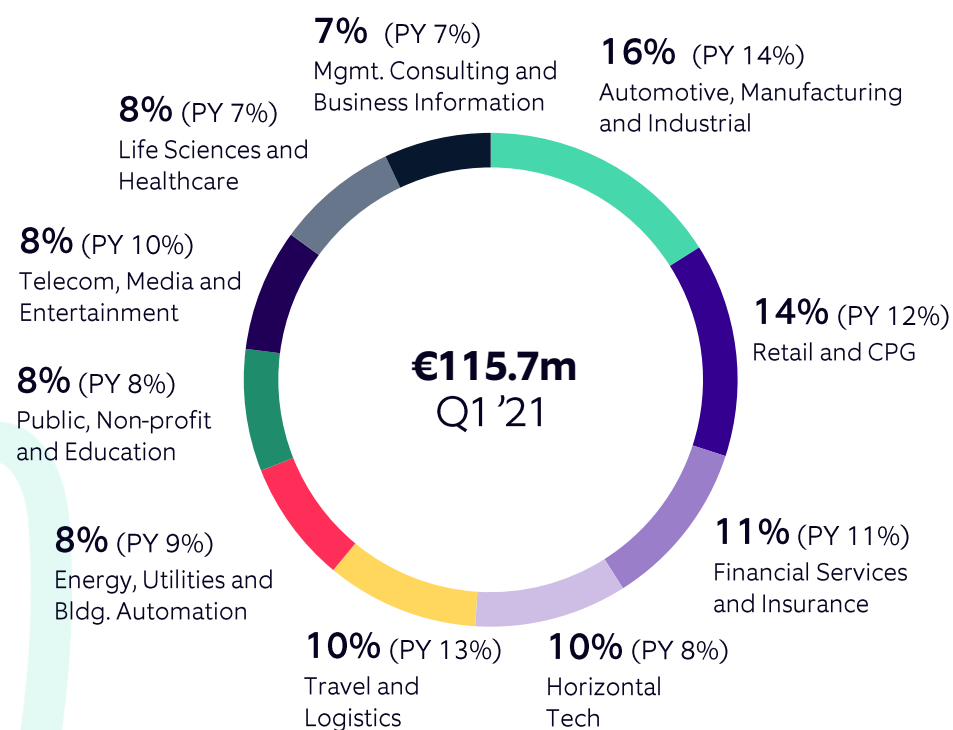


€115.7m revenue	4.3% YoY revenue growth	6.2% QoQ revenue growth	29.4% gross margin	€18.6m adjusted EBITDA
INDUSTRIES' YoY RANGE		SEGMENTS' YoY RANGE		
32% horizontal tech	-20% travel & logistics	13% Rest of World	-1% Central Europe	14% top 5 clients' revenue
€99m cash balance	1,084 professionals added	96% CSAT score	GUIDANCE	
			~€495m 2021 revenue	
			~15.0% 2021 adjusted EBITDA margin	

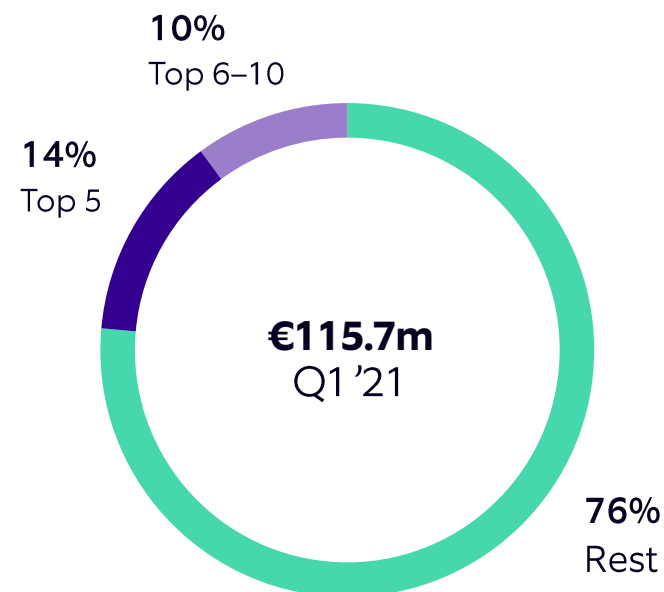
Buoyed by diversification across industries and customers



Revenue by industry



Revenue by customers

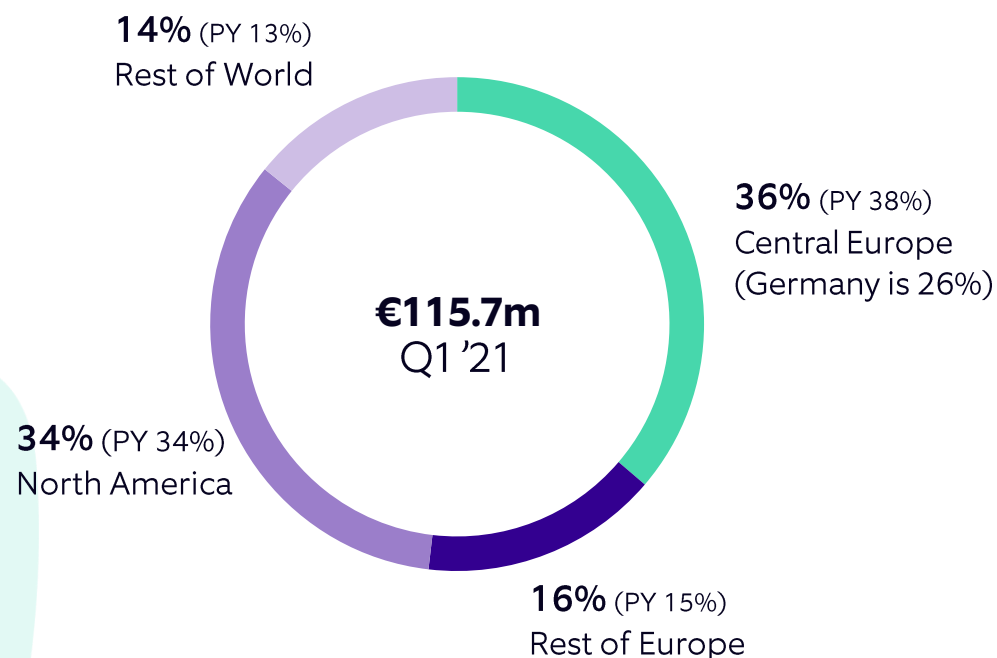


Revenue by industry is based on the company's own classification of each client (or its corporate group) by industry. Each corporate group is counted as a single customer. Numbers in brackets represent previous year (PY) data, i.e. for Q1 '20. Percentages are individually rounded and may not add up to 100%.

Ramping up to service clients globally



Revenue by client region



Personnel worldwide

8,666 + 1,084 = 9,750 total professionals, of which...

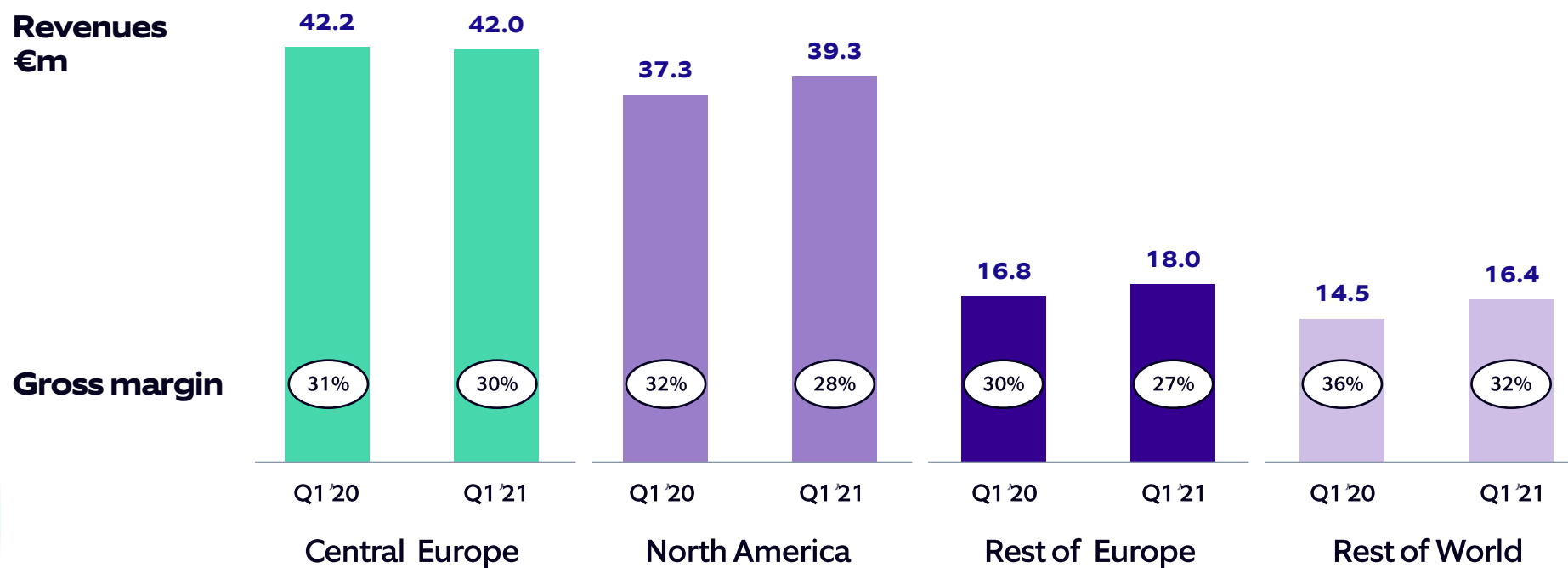
7,829 + 999 = 8,828 professionals in engineering

Dec 31,
2020

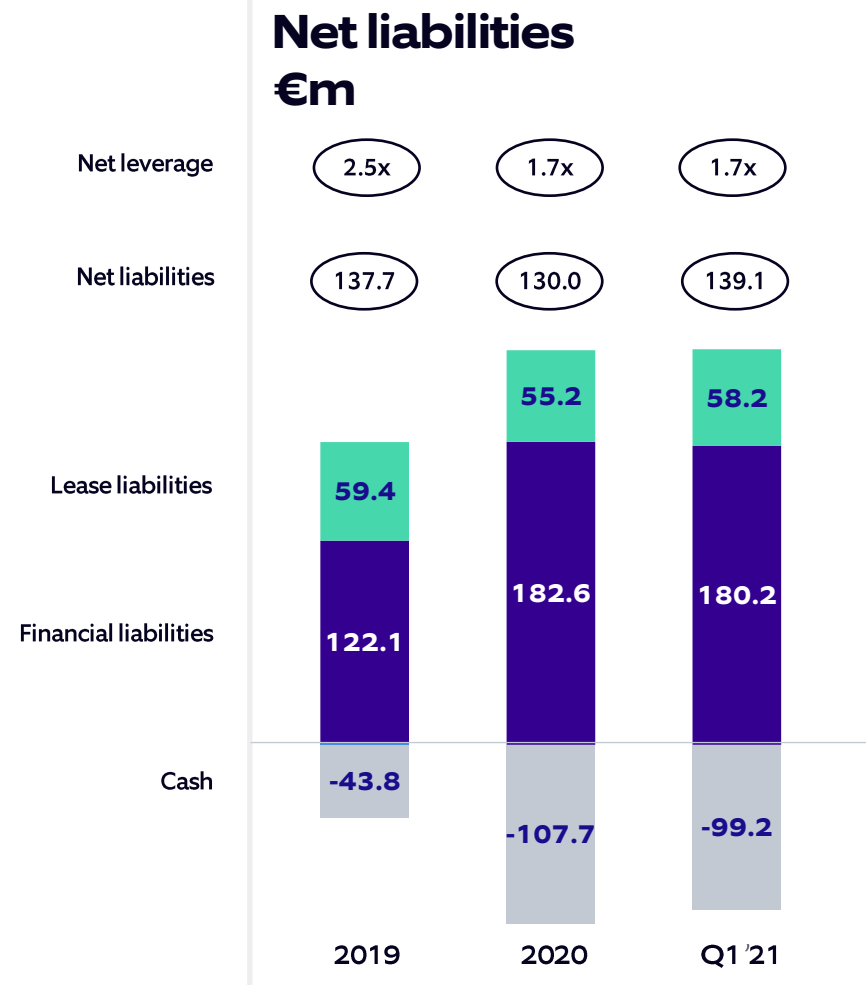
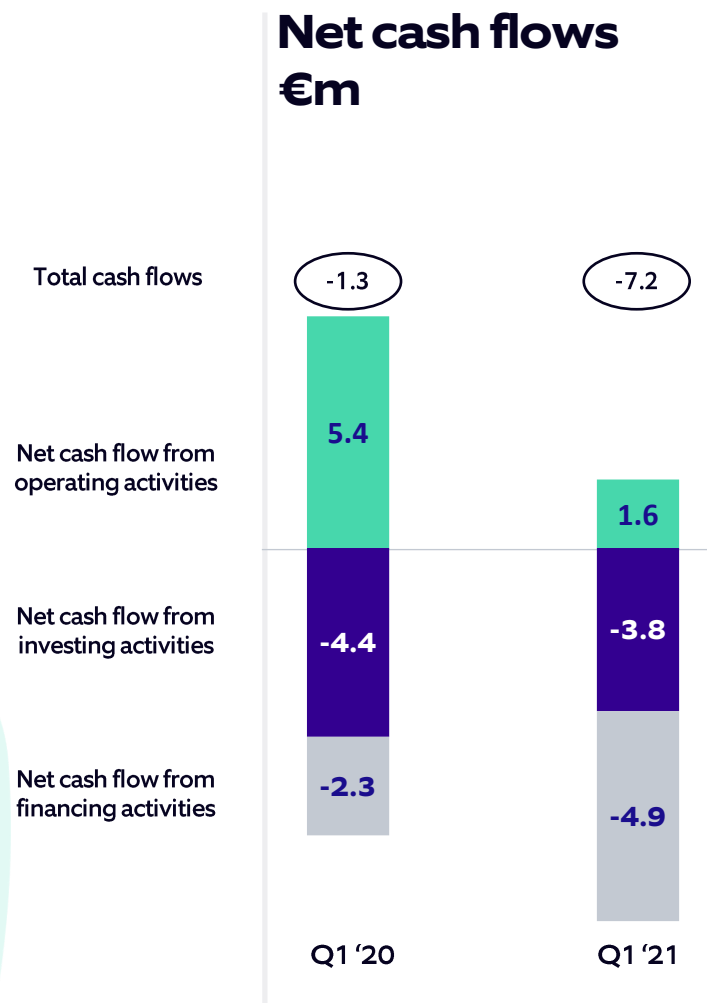
Mar 31,
2021

Central Europe comprises Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia and Switzerland. A portion of the new hires in Q1 are fresh graduates, to be trained further, and not likely to be immediately deployed on client projects.

Segment revenues and gross margins



Cash flows and net liabilities



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 EBITDA.

Recent history and outlook



	2019	2020	2021 target	Medium-term target
Revenue	€402m	€430m (7% growth)	~€495m (~15% growth)	Organic revenue growth rates ~20%
Gross Margin	32%	33%	~32%	–
Adjusted EBITDA	€55.0m (14% margin)	€76.2m (18% margin)	~15%	~15%

Investment highlights





Q&A