

Q2 & H1 2023 Earnings Call

Disclaimer



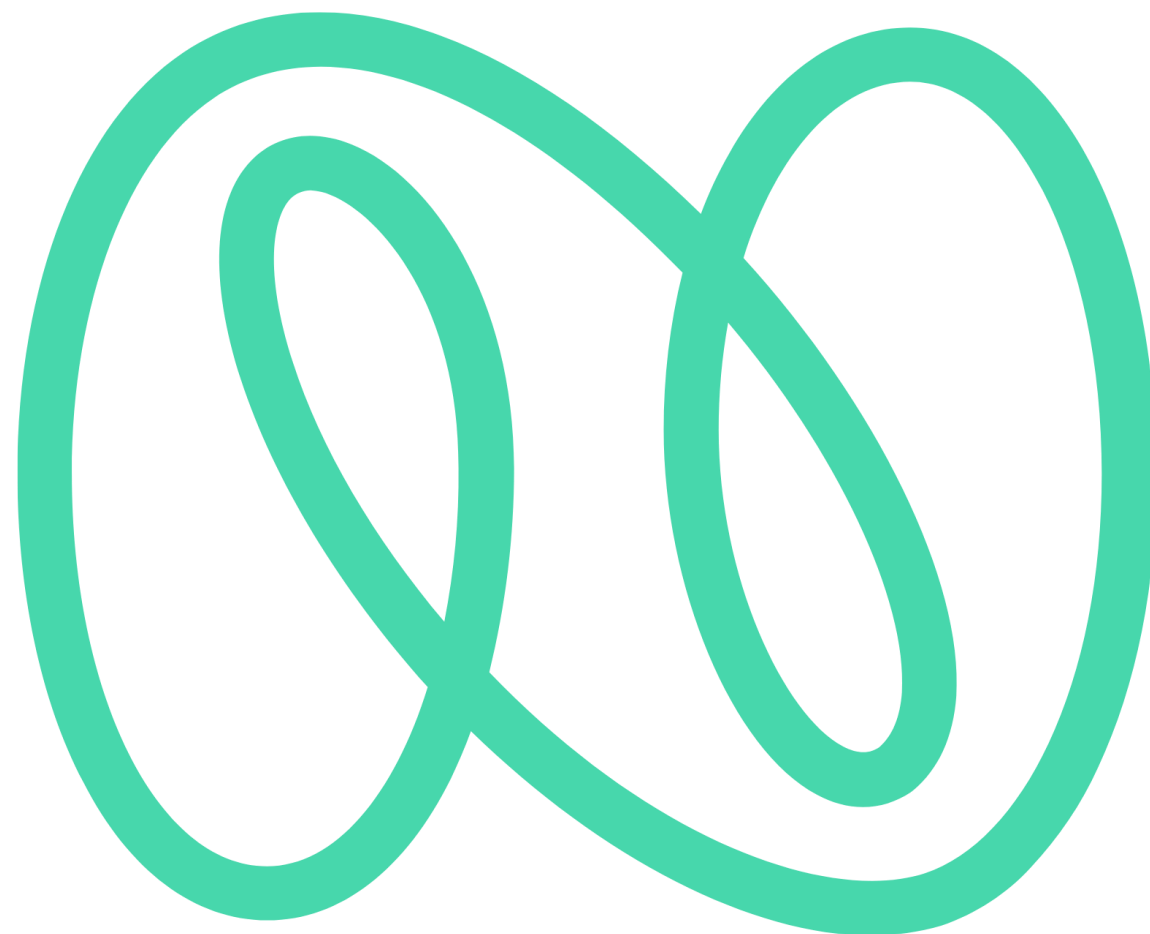
The information contained in this document is provided as of the date of its publication and is subject to change without notice.

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.

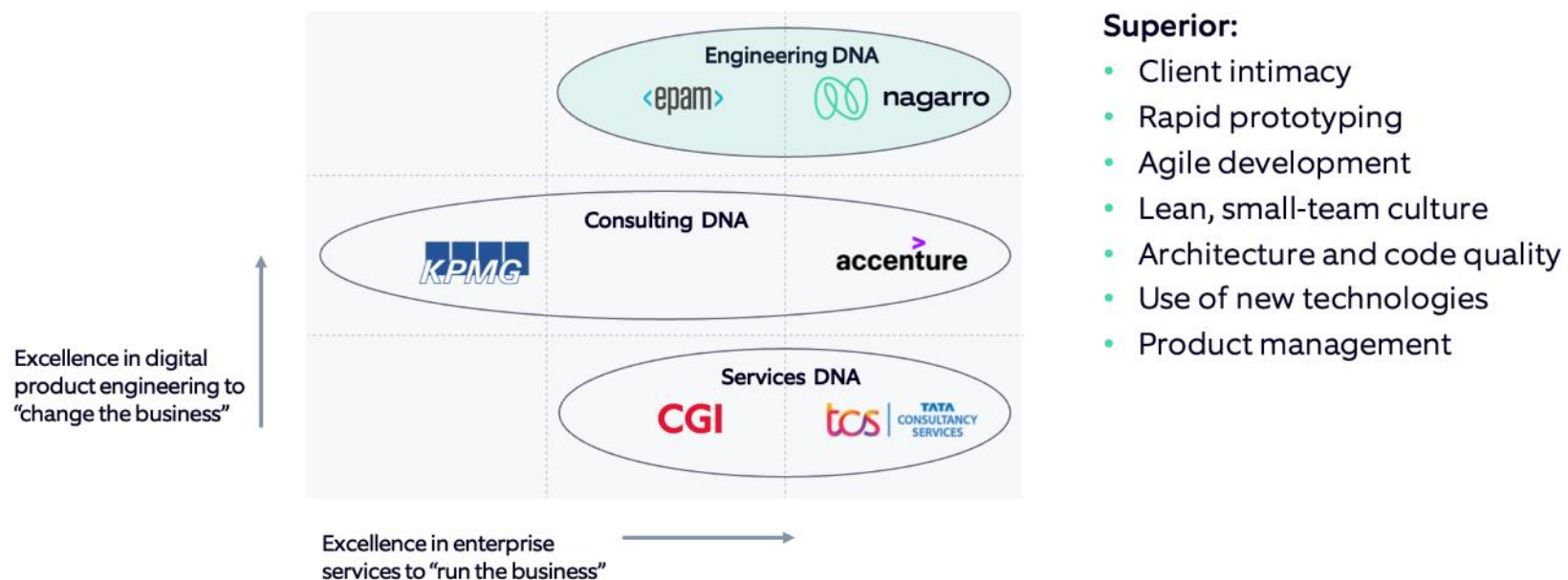
The figures presented for H1 2023 are unaudited.

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 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.

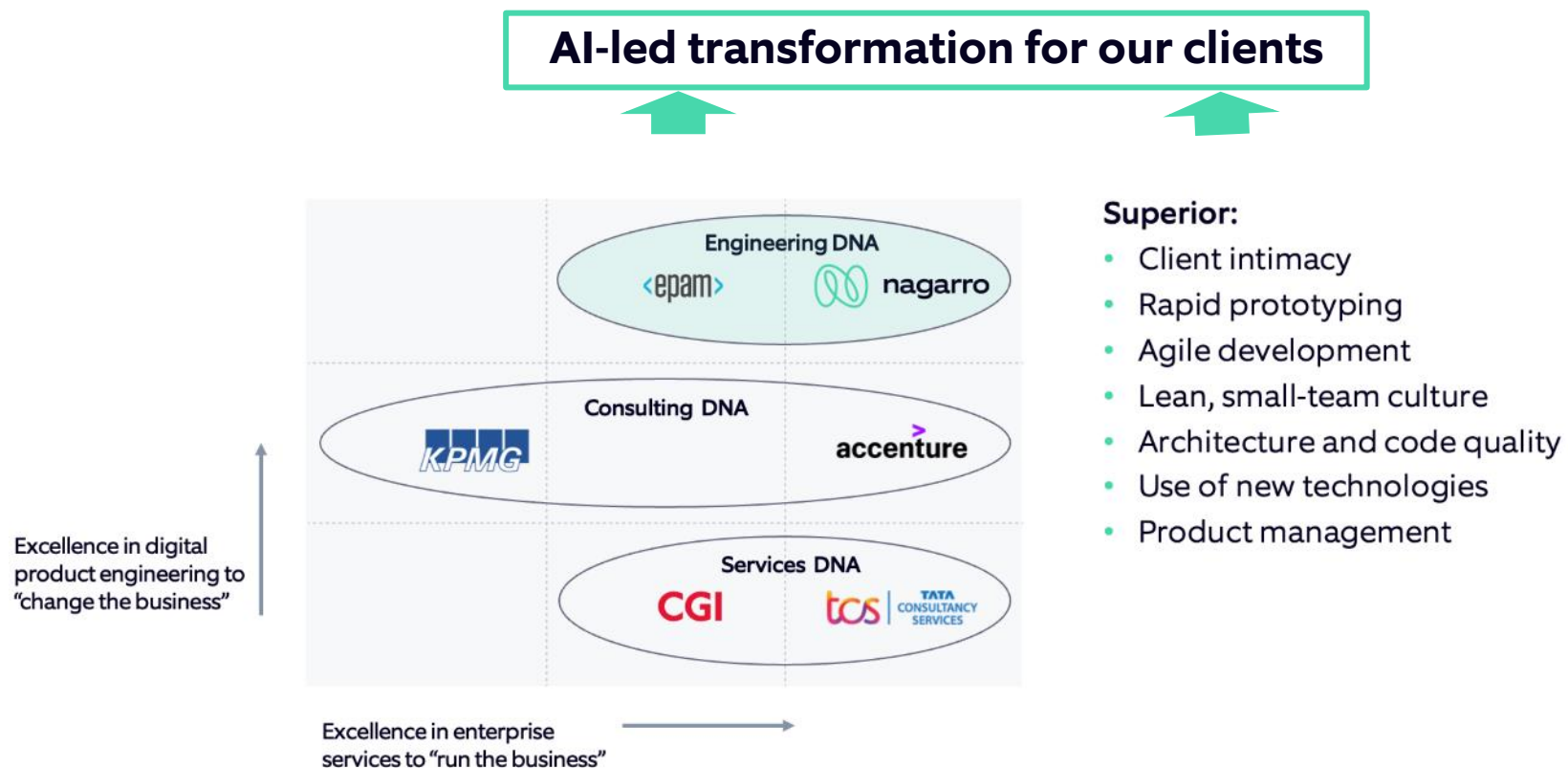


Flashback to the first Capital Markets Day – September 2020



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

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Q2 2023, described



Highlights

- 10.7% YoY constant currency revenue growth, 8.7% YoY organic CC
- Broad positive account development, offset by the occasional shrinkage - 168 accounts > € 1million TTM, up from 131 a year ago, NPS at a high 63
- Select Horizontal Tech and banking clients lead to revenue expectation recalibration – a single inherited BOT responsible for 2 million QoQ and 8 million HoH revenue drop
- FX impact on reported revenue numbers
- Excess capacity estimated to cost over 4% of revenue in H1
- Cost reduction steps taken, benefits to accrue in H2, low wage pressure environment
- Launch of Fluidic Enterprise AI initiative
- ESG efforts and communication upgraded
- Infocore consolidated April 1, MBIS and APSL June 1

Q2 2023, by the numbers



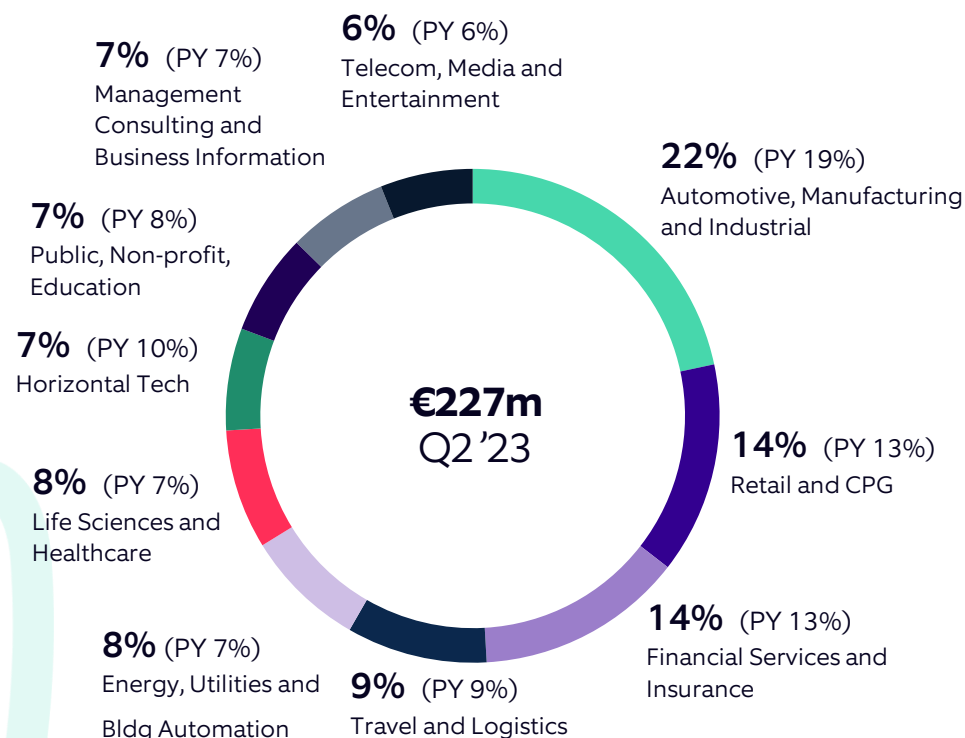
€227m revenue	-0.3% QoQ revenue growth in constant currency	10.7% YoY revenue growth in constant currency	25.3% gross margin	€28.9m adjusted EBITDA
INDUSTRIES' YoY GROWTH RANGE		SEGMENTS' YoY GROWTH RANGE		
28% energy, utility & bldg automation	-28% horizontal tech	33% rest of europe	-5% north america	14% top 5 clients' revenue
€99m cash balance	168 > € 1m accounts TTM	63 NPS	GUIDANCE	
			~€915 2023 revenue ~13.0% 2023 adjusted EBITDA margin	

Guidance per announcement on Aug 11, 2023, excludes future acquisitions

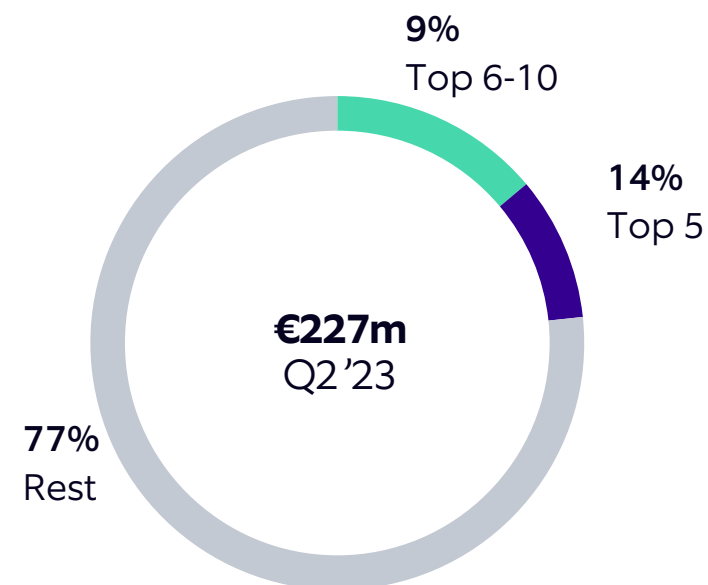
Broad-based growth across industries and clients



Revenue by industry



Revenue by customers

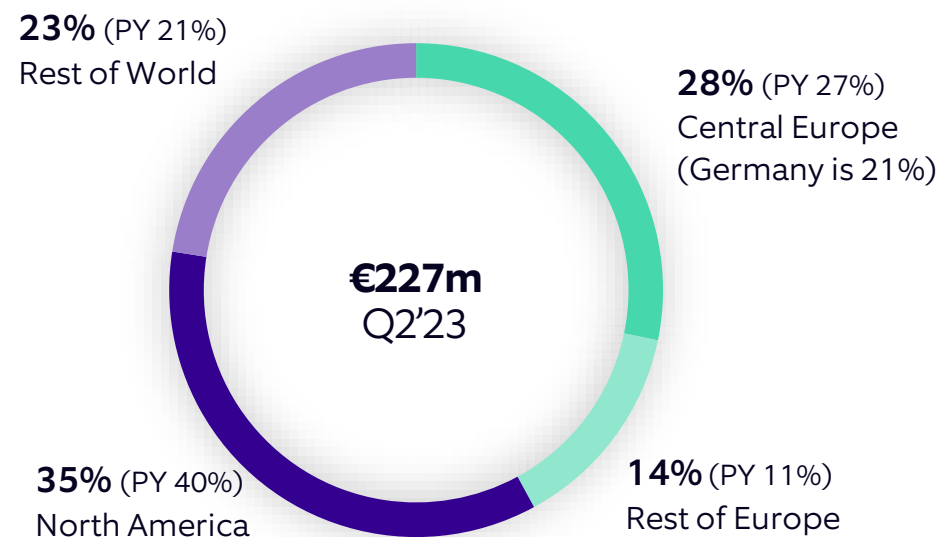


Revenue by industry is based on the company's own classification of each client (or its corporate group) by industry. Each corporate group is counted as a single customer. Numbers in brackets represent previous year (PY) data, i.e. for Q2 '22. Percentages are individually rounded and may not add up to 100%.

Rest of Europe leads growth



Revenue by client region



Personnel worldwide

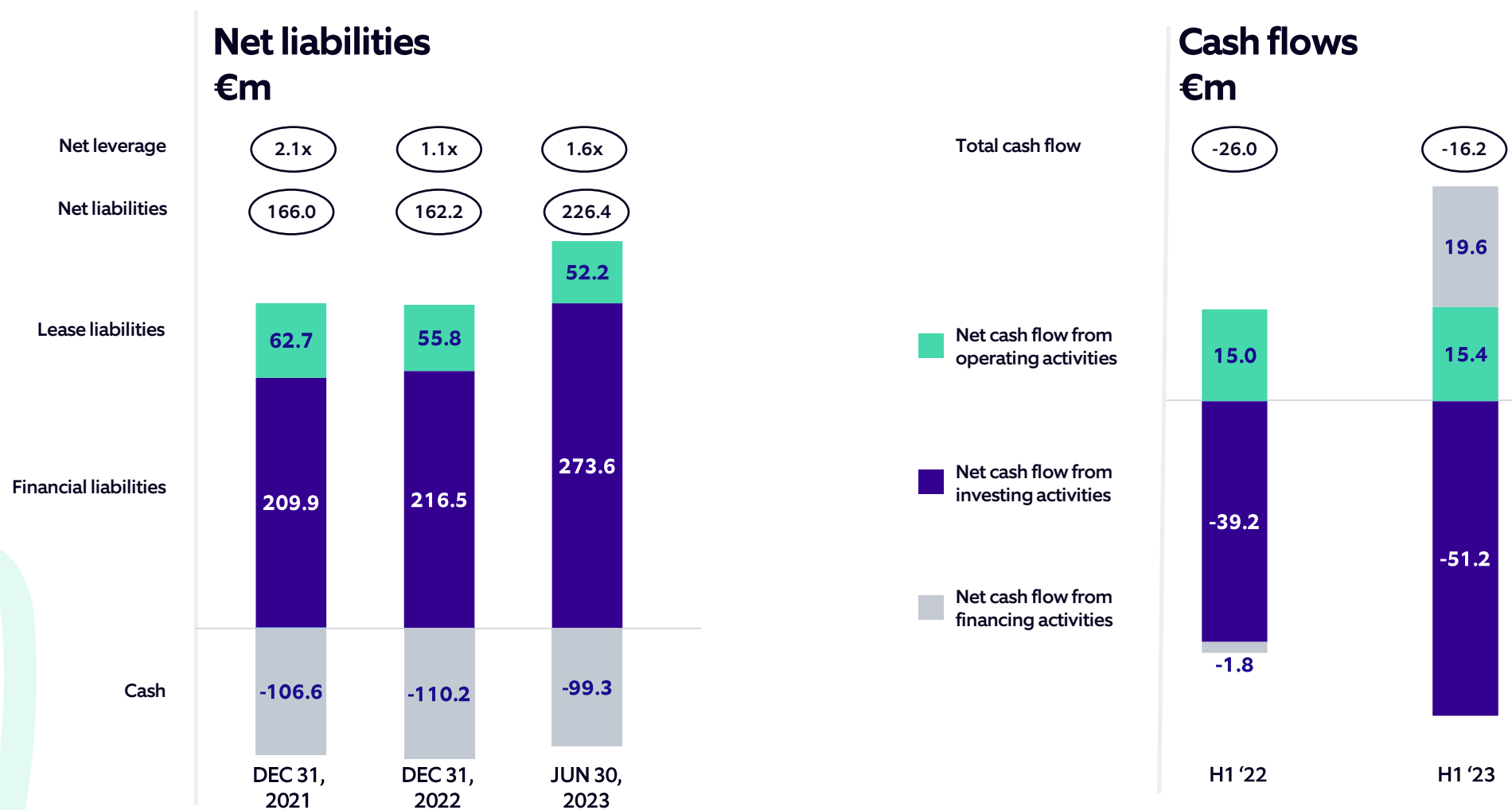
19,682
total professionals, of which...

18,200
professionals in engineering

Central Europe comprises Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia and Switzerland. Numbers in brackets represent previous year (PY) data, i.e. for Q2 '22; percentages are individually rounded and may not add up to 100%. Number of personnel as of June 30, 2023; Increase in headcount in Q2 2023 mostly via acquired entities.



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	Medium-term target
Revenue	~€915m	~20% YoY organic growth
Gross Margin	~26%	-
Adjusted EBITDA	~13%	rising to 18% in 2026

Guidance per announcement on August 11, 2023, excludes future acquisitions



Q&A