



Fluidic Enterprise

Q1 Group quarterly statement
for the period ended March 31, 2024





Nagarro Group

Key figures

Three-month period ended March 31	Q1	Q1	YoY	Q4	QoQ
	2024	2023	Change	2023	Change
	kEUR	kEUR	%	kEUR	%
Revenue	238,294	229,549	3.8%	221,414	7.6%
Cost of revenues *	164,741 *	168,168	-2.0%	160,873	2.4%
Gross profit *	73,611 *	61,439	19.8%	60,735	21.2%
Adjusted EBITDA	39,162	31,411	24.7%	33,743	16.1%
Revenue by geography					
North America	85,266	86,889	-1.9%	81,811	4.2%
Central Europe	68,369	62,261	9.8%	65,304	4.7%
Rest of World	55,643	49,397	12.6%	54,449	2.2%
Rest of Europe	29,017	31,003	-6.4%	19,849	46.2%
Revenue by country					
Germany	51,881	45,691	13.5%	50,467	2.8%
US	83,964	85,084	-1.3%	81,856	2.6%
Revenue by industry					
Automotive, Manufacturing and Industrial	52,669	45,744	15.1%	50,256	4.8%
Energy, Utilities and Building Automation	17,898	17,610	1.6%	15,341	16.7%
Financial Services and Insurance	32,025	32,360	-1.0%	30,288	5.7%
Horizontal Tech	16,439	17,676	-7.0%	16,315	0.8%
Life Sciences and Healthcare	18,330	16,887	8.5%	17,979	2.0%
Management Consulting and Business Information	14,065	16,289	-13.7%	13,187	6.7%
Public, Non-profit and Education	20,700	20,534	0.8%	16,944	22.2%
Retail and CPG	32,325	29,380	10.0%	30,545	5.8%
Telecom, Media and Entertainment	13,891	12,798	8.5%	11,092	25.2%
Travel and Logistics	19,952	20,271	-1.6%	19,467	2.5%

* Cost of revenues and gross profit definitions have changed with effect from Q1 2024 (refer note in [Financial performance](#)) and accordingly current quarter's numbers are not comparable with past data. Cost of revenues and gross profit for Q1 2024 as per previous method are kEUR 174,416 and kEUR 63,937 respectively.

Gross profit, gross margin and Adjusted EBITDA are neither required by, nor presented in accordance with IFRS. Non-IFRS measures should not be considered in isolation or as a substitute for results under IFRS.

Gross profit is calculated on the basis of total performance which is sum of revenue and own work capitalized.

Rounding differences may arise when individual amounts or percentages are added together.



Three-month period ended March 31	2024	2023
	%	%
Revenue concentration (by customer)		
Top 5	14.1%	15.0%
Top 6-10	9.9%	9.3%
Outside of Top 10	76.0%	75.8%



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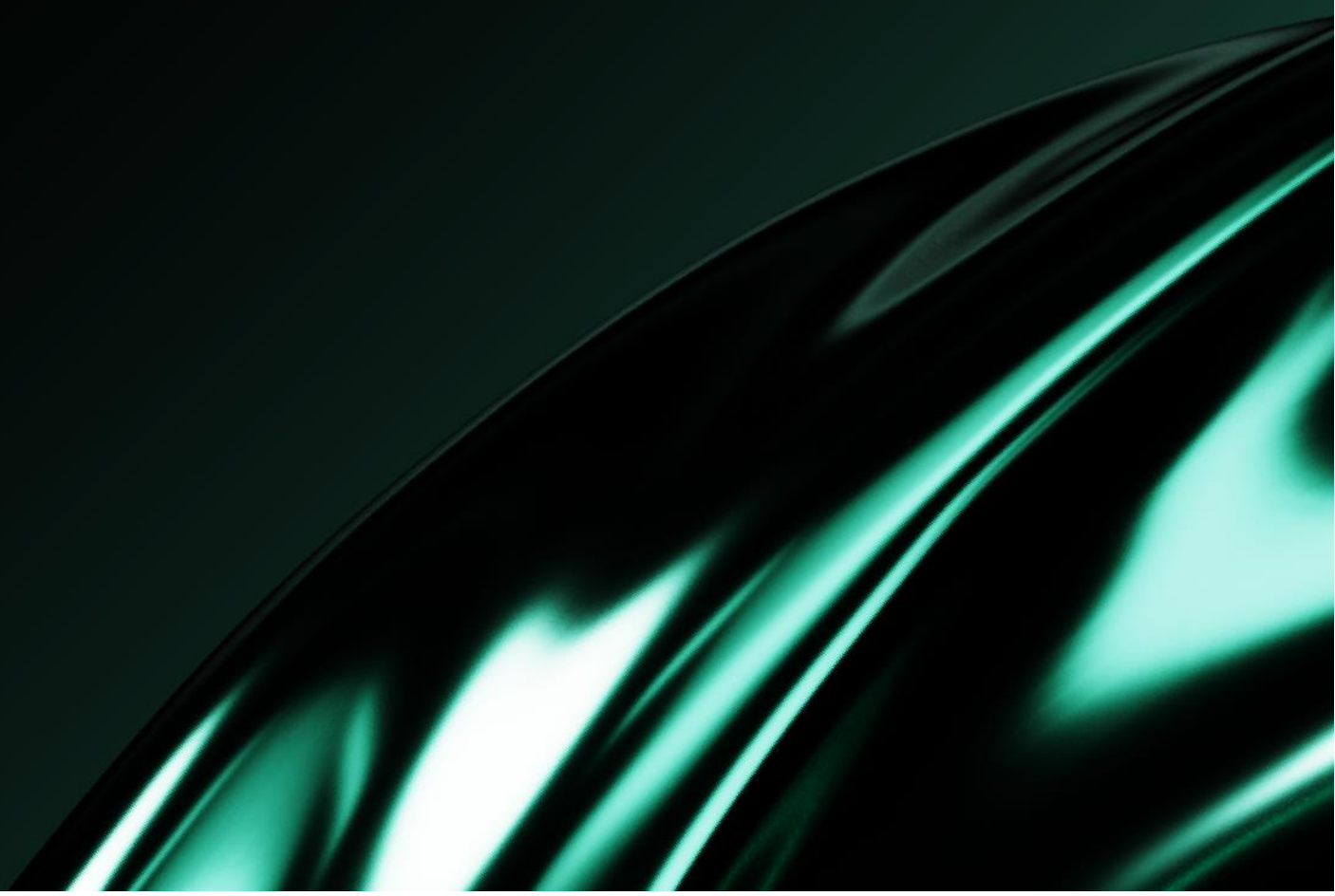
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Section A

Management Report





1. Overview

In Q1 2024, revenue grew 5.0% YoY in constant currency and 3.8% YoY in Euro terms. Organic YoY revenue for the quarter was down by 0.4% in constant currency and up by 2.9% YoY in Euro terms. Compared to Q4 2023, revenue grew 8.7% QoQ in constant currency, and 7.6% QoQ in Euro terms. Organic QoQ revenue growth for the quarter was 8.6% in constant currency and 7.4% in Euro terms. The company reduced 145 professionals (net) in Q1 2024. The number of clients doing more than €1 million in last 12-month revenue with Nagarro - an important internal indicator of growth potential - rose from 167 in Q1 2023 to 181 in Q1 2024.

2. Financial performance

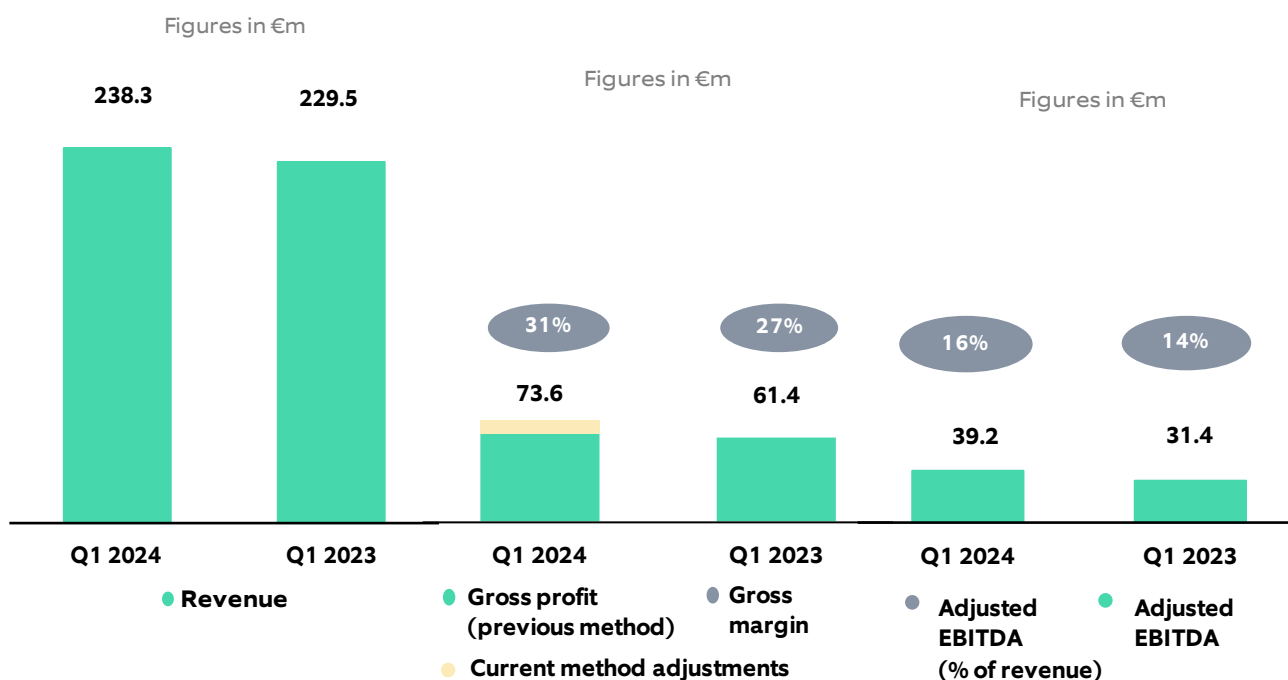
Gross profit is calculated on the basis of total performance which is sum of revenue and own work capitalized. Cost of revenues is the total direct costs needed to service the revenue. It includes direct costs related to colleagues (employees and freelancers) allocated to the performance of customer services regardless of whether the colleagues are actually performing customer services during a given period of time, costs related to travel of these colleagues, cost of licenses and other, smaller, reimbursable and non-reimbursable cost components. The gross margin is calculated as the difference between the total performance and the cost of revenues, expressed as a percentage of the revenue.

In the past, Nagarro categorized all cost incurred by Global Business Units (GBUs) and Centers of Excellence (COEs) as cost of revenues, regardless of its nature. Over time, as Nagarro's GBUs became more mature and specialized, they engaged more sales personnel to drive consultative selling. As a result, Nagarro's gross margins appeared to reduce over time, which did not convey an accurate picture of the fundamentals of the business. In 2023, Nagarro engaged a top management consulting firm to evaluate Nagarro's cost classification compared to that of other IT services companies. Taking the consulting firm's inputs into account, the company has revised the definition of cost of revenues from Q1 2024 onwards to align it better with that of other IT services companies. As per the current method, the cost of GBU management, cost of consultative sales within the GBUs, and the cost of thought leadership in COEs and in practices within the GBUs, have been reclassified from cost of revenues to sales and marketing, general and administrative cost. For our 2024 reporting, we will provide the gross profit and margin based on both the current method and the previous method to allow comparisons with the numbers delivered for 2023 via the previous method.

Nagarro's revenue grew to €238.3 million in Q1 2024 from €229.5 million in Q1 2023, a growth of 3.8%. In constant currency, Q1 2024 YoY revenue growth was 5.0%. Gross profit grew to €73.6 million (as per the current method) and €63.9 million (as per the previous method) in Q1 2024 from €61.4 million (as per the previous method) in Q1 2023. Gross margin was 30.9% in Q1 2024 (as per the current method) and remained same as Q1 2023 at 26.8% (as per the previous method). Adjusted EBITDA grew by €7.8 million from €31.4 million (13.7% of revenue) in Q1 2023 to €39.2 million (16.4% of revenue) in Q1 2024. Our most significant adjustments to EBITDA in Q1 2024 are the expense on stock options and ESPP (€1.0 million), earnout expense (€1.0 million) and retention bonus expense (€0.9 million) from past acquisitions. Please note that gross profit, gross margin and Adjusted EBITDA are non-IFRS KPIs, defined in the [Annual Report 2023](#).



EBITDA increased by €5.2 million from €30.8 million in Q1 2023 to €36.0 million in Q1 2024. EBIT increased by €3.6 million from €23.1 million in Q1 2023 to €26.6 million in Q1 2024. Net profit increased by €1.4 million to €16.6 million in Q1 2024 against €15.1 million in Q1 2023. Further, compared to Q1 2023, in Q1 2024 there was an increase in interest expense of €1.6 million and increase in depreciation and amortization expense of €1.6 million.



In the geographical revenue distribution, Nagarro generated 35.8% of its revenue from North America (Q1 2023: 37.9%), 28.7% of its revenue from Central Europe (Q1 2023: 27.1%), 23.4% of its revenue from Rest of World (Q1 2023: 21.5%) and 12.2% of its revenue from Rest of Europe (Q1 2023: 13.5%).

Revenue from Rest of World grew fastest, by 12.6% to €55.6 million in Q1 2024 from €49.4 million in Q1 2023. Revenue from Central Europe grew by 9.8% to €68.4 million in Q1 2024 from €62.3 million in Q1 2023. Revenue from North America dropped by 1.9% to €85.3 million in Q1 2024 from €86.9 million in Q1 2023. Revenue from Rest of Europe dropped by 6.4% to €29.0 million in Q1 2024 from €31.0 million in Q1 2023.

Revenue from Germany grew 13.5% to €51.9 million in Q1 2024 from €45.7 million in Q1 2023, while revenue from the USA declined by 1.3% to €84.0 million in Q1 2024 from €85.1 million in Q1 2023.

Nagarro operates across a variety of industries. The focus on consumer experience underlies the digital transformation of almost every industry, while the technology used for this also cuts across industries. Innovation occurs increasingly often at the overlaps of the traditional industry definitions. Yet, each industry also requires specialized knowledge, and we have been investing in developing such specialized knowledge industry after industry.

Industries with the most robust global growth in Q1 2024 over Q1 2023 included “Automotive, Manufacturing and Industrial” (15.1%), “Retail and CPG” (10.0%), “Life Sciences and Healthcare” (8.5%), and “Telecom, Media and Entertainment” (8.5%).

The industries with negative growth in Q1 2024 over Q1 2023 were “Management Consulting and Business Information” (-13.7%), “Horizontal Tech” (-7.0%), “Travel and Logistics” (-1.6%) and “Financial Services and Insurance” (-1.0%).



The gross profit and gross margin as per the current method and previous method are as follows:

Three-month period ended March 31	2024	2023
	kEUR	kEUR
Revenue	238,294	229,549
Own work capitalized	59	58
Total performance	238,353	229,607
Cost of revenues - previous method	(174,416)	(168,168)
Costs reclassified to Selling, General and Administrative expenses	9,675	-
Cost of revenues - current method	(164,741)	-
Gross profit - previous method	63,937	61,439
Gross profit - current method	73,611	-
Gross margin (as % of revenue) - previous method	26.8%	26.8%
Gross margin (as % of revenue) - current method	30.9%	-

The reconciliation between Adjusted EBITDA and EBITDA is as follows:

Three-month period ended March 31	2024	2023
	kEUR	kEUR
EBITDA	35,991	30,776
Exchange loss (gain) on purchase price components	10	(11)
Stock option and employee share participation program expense	1,003	496
Acquisition expense	-	151
Retention bonus expense under share purchase agreements in mergers & acquisitions	946	-
Earnout expense under share purchase agreements in mergers & acquisitions	950	-
Other expenses	262	-
Adjusted EBITDA	39,162	31,411

The top 5 currencies that contributed significantly to our revenues are listed below (in € million).

Three-month period ended March 31	2024	2023
Revenue currency	mEUR	mEUR
USD	96.1	99.6
EUR	87.8	76.6
INR	22.3	26.8
AED	6.9	4.7
ZAR	4.9	5.1

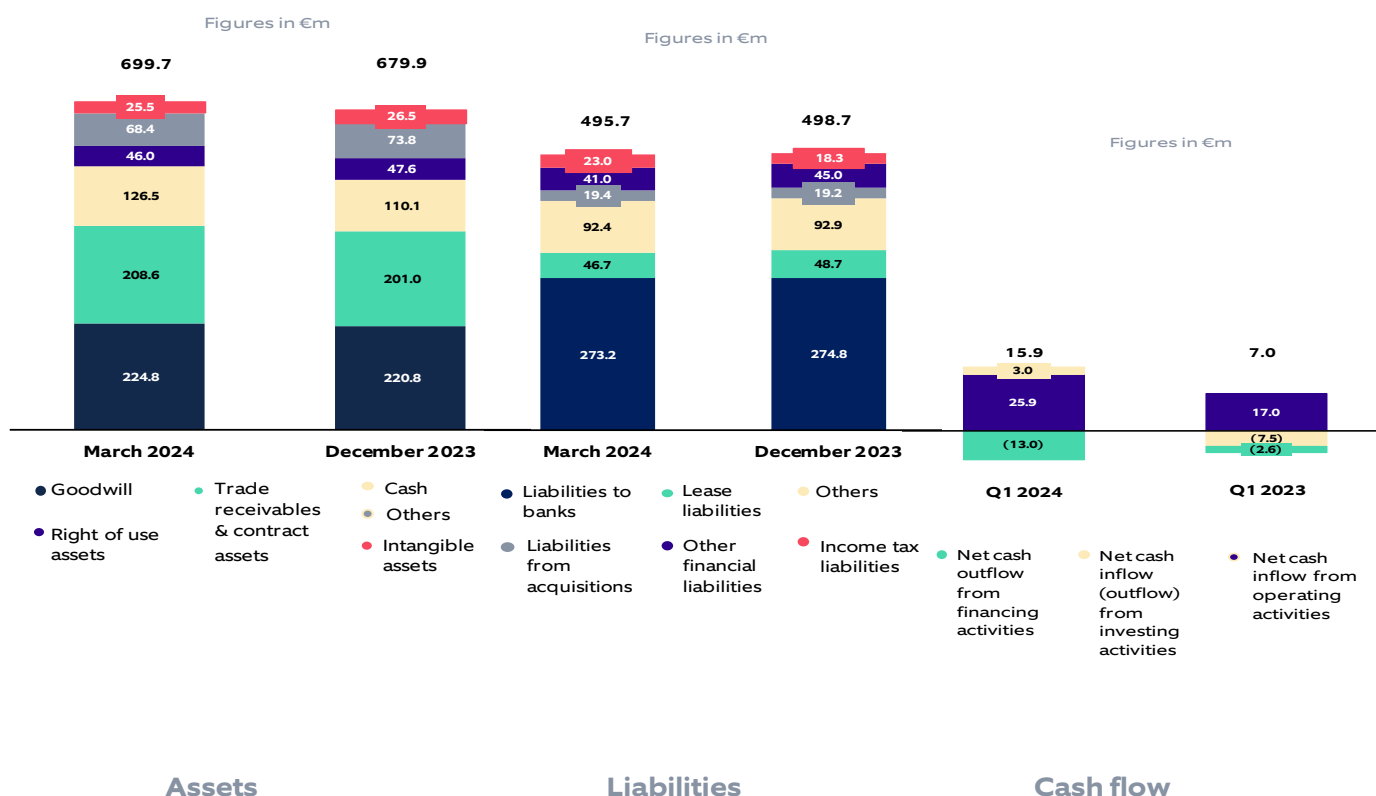


The top 5 currencies that contributed significantly to our expenses (net of operating income) including taxes but excluding foreign currency income and expenses, and expenses relating to inflationary accounting are listed below (in € million).

Three-month period ended March 31	2024	2023
Expenses currency	mEUR	mEUR
INR	89.7	90.5
EUR	59.2	49.2
USD	29.1	30.2
RON	14.6	13.6
AED	5.2	4.1



3. Financial position at the end of period



The basic principles of financial management at Nagarro are financial prudence and stability, ensuring a reasonable profitability and assuring adequate liquidity, even as the company grows via calculated entrepreneurial bets. The Finance Council works to ensure we have the right capital structure in place, that we are managing cash and liquidity carefully, and that we are managing financial risks such as currency risks with the appropriate instruments.

We target a balanced debt-to-equity ratio that preserves flexibility for the company, allowing it to react to business opportunities and to changes in macroeconomic conditions. Nagarro's syndicated loan also incorporates covenants on the ratio of net debt to Adjusted EBITDA, which the company monitors and complies with.

The company's liquidity position at the end of Q1 2024 was comfortable. The current assets were €373.8 million, of which cash was €126.5 million. The current liabilities were €156.6 million, yielding a working capital of €217.2 million.

Total assets grew by €19.8 million to €699.7 million as of March 31, 2024, as against €679.9 million as of December 31, 2023. Of these, non-current assets remained same at €325.9 million as of March 31, 2024, and December 31, 2023. Within non-current assets, right of use assets from leases reduced by €1.6 million to €46.0 million (mainly due to depreciation of assets of €5.6 million offset by net addition of assets of €4.0 million) and intangible assets reduced from €26.5 million by €1.1 million (mainly due to amortization) to €25.5 million, offset by increase in goodwill by €4.0 million on account of currency differences. Current assets increased by €19.8 million to €373.8 million as of March 31, 2024, as against €354.0 million as of December 31, 2023, within which cash balance increased by €16.4 million to €126.5 million as of March 31, 2024 from €110.1 million as of December 31, 2023. Income tax receivables increased by €4.3 million to €18.6 million as of March 31, 2024 from €14.3 million as of December 31, 2023. Contract assets, trade receivables, other current financial assets and other current assets together decreased by €0.9 million to €228.6 million as of March 31, 2024 from €229.5 million as of December 31, 2023 (primarily due to decrease in other current financial assets by €5.8 million and other current assets by €2.7 million, offset by increase in contract assets and trade receivable by €7.6 million).

Total liabilities reduced by €3.0 million to €495.7 million as of March 31, 2024, as against €498.7 million as of December 31, 2023. Non-current liabilities increased by €8.7 million to €339.1 million as of March 31, 2024, as against €330.4 million as of December 31, 2023. Within non-current liabilities, non-current acquisition liabilities increased by €6.4 million (mainly due to reclassification of €5.1 million from current liabilities and earnout expense of €0.9 million) to €11.6 million as of March 31, 2024



from €5.3 million as of December 31, 2023; non-current lease liabilities decreased by €1.0 million to €27.6 million as of March 31, 2024 from €28.6 million as of December 31, 2023. Long term post-retirement benefits' liabilities increased by €1.4 million to €16.3 million as of March 31, 2024 from €14.9 million as of December 31, 2023. Current liabilities decreased by €11.7 million to €156.6 million as of March 31, 2024, as against €168.3 million as of December 31, 2023. The decrease is mainly due to decrease in acquisition liabilities of €6.1 million (mainly due to reclassification of €5.1 million to non-current liabilities and payments of €1.1 million made during the period), other current financial liabilities by €4.7 million, trade payables by €2.7 million, liabilities to banks by €2.3 million (mainly, repayment of short term loans in India) and other current liabilities by €2.3 million. This is offset by increase in short term provisions by €5.1 million and income tax liabilities of €4.7 million.

Net assets represented by total equity grew by €22.8 million from €181.1 million as of December 31, 2023, to €204.0 million as of March 31, 2024. The increase is due to increase in total comprehensive income of €21.8 million, increase in capital reserve of €1.0 million (mainly from issuance of stock options under SOP 2020/II, SOP 2020/III and ESPP).

Our total cash inflow in Q1 2024 was €15.9 million against €7.0 million in Q1 2023. Cash flows for Q1 2023 are presented in the same format as the full year financials for financial year 2023.

Our operating cash inflow was €25.9 million in Q1 2024 as compared to €17.0 million in Q1 2023. Further, we were able to reduce the utilization of funds under the factoring program by €4.2 million during Q1 2024. Operating cash flow adjusted for changes in factoring (including interest on factored amounts) was €31.6 million in Q1 2024 as compared to €25.5 million in Q1 2023.

Days of sales outstanding, calculated based on the quarterly revenue and including both contract assets and trade receivables, has improved from 84 days on December 31, 2023 to 80 days on March 31, 2024.

The cash inflow from investing activities in Q1 2024 was €3.0 million, mainly due to maturity of long term fixed deposit of €4.5 million and interest received of €1.1 million offset by payment of acquisition obligations of €1.1 million. The cash outflow from investing activities in Q1 2023 was €7.5 million (mainly due to €5.8 million spent for the acquisition of Infocore, and €0.7 million for meeting payment obligations from older acquisitions).

The cash outflow from financing activities in Q1 2024 was €13.0 million as compared to €2.5 million in Q1 2023. Cash outflow in Q1 2024 was mainly for lease payments of €6.0 million, interest payments of €4.5 million and net repayment of bank loans of €2.6 million.

Countries with the top 5 bank balances are listed below:

Countries	March 31, 2024 mEUR	December 31, 2023 mEUR
India	45.8	38.1
Germany	21.2	16.9
United States of America	12.7	8.2
South Africa	7.9	8.6
France	5.9	3.5



4. Non-financial KPIs

Our single key non-financial KPI is our client satisfaction (CSAT) score, measured via a standardized client satisfaction (CSAT) survey. This survey is sent every quarter to the person responsible for project success on the client side. The CSAT does not cover very small engagements and at any point in time, may also not cover engagements via companies that recently became part of Nagarro. Despite these caveats, the CSAT results are very central to our management system and often form the most important basis for variable pay to project leadership. Each CSAT question asks the client's frequency of satisfaction with a particular aspect of our services. The responses collected are monitored carefully at the aggregate level, at the question level, and at the project level. While minor fluctuations are to be expected, any significant trends are discussed and addressed.

Our CSAT score was 91.8% in Q1 2024 (Q1 2023: 92.0%). We expect this KPI to remain in the region of 92% in 2024.

Further, we have the concept of Net Promoter Score (NPS) in our client satisfaction survey. The question posed in the survey is: "On a scale of 1-10, how likely are you to recommend Nagarro to a friend or colleague?" Promoters are those who give a score of 9 or 10, Passives are those who give a score of 7 or 8, and Detractors are those who respond with a score below 7. The NPS score is calculated as $(\text{number of Promoters} - \text{number of Detractors}) * 100 / (\text{total number of NPS responses})$. Nagarro's NPS score in the Q1 2024 survey was 66 (Q1 2023: 60). This is an excellent score, indicating a high level of client satisfaction with Nagarro's services.

On March 31, 2024, Nagarro had 18,268 professionals of which 16,798 were professionals in engineering. The comparable numbers for December 31, 2023 were 18,413 and 16,934, respectively. Note that even non-engineers, such as designers, contributing to our engineering efforts are included in professionals in engineering.

5. General economic and industry conditions

The economic environment remained subdued in Q1 2024. There was no significant change during the quarter in the demand environment for IT services. Attrition levels were close to historical averages.

6. Outlook

Nagarro is projecting revenue for 2024 to be in the region of €1 billion, as against €912 million in 2023. We target gross margin in the region of 31% (as per the current method) and 27% (as per the previous method), which is higher than the gross margin in 2023 (25.8%). We target Adjusted EBITDA margin to be in the region of 14% in 2024, as against 13.8% in 2023. Potential acquisitions in 2024 are not included in these projections.

Our key non-financial KPI is our client satisfaction (CSAT) score. Our CSAT score for 2023 was 92.7%. We expect the CSAT score for 2024 to continue to be in the region of 92%.

The alternative performance measures in these management projections have been consistently estimated with the accounting principles applied in the consolidated financial statements and described in the [Annual Report 2023](#). All of the above management projections are forecasts and may prove to be wrong and are especially uncertain because of the multidimensional and unpredictable effects of the global economic situation.

7. Developments after March 31, 2024

There are no significant developments between March 31, 2024, and the date of publishing of this report.



Section B

Unaudited group quarterly information

for the three-month period ended March 31, 2024
in accordance with IFRS



Interim condensed consolidated statement of financial position

	March 31,	December 31,
Assets	2024	2023
in kEUR		
Intangible assets	25,451	26,528
Goodwill	224,790	220,807
Property, plant and equipment	12,446	12,947
Right of use assets	45,987	47,632
Other non-current financial assets	3,112	3,339
Other non-current assets	715	738
Deferred tax assets	13,394	13,862
Non-current assets	325,894	325,852
Inventories	-	1
Contract assets	17,722	18,470
Trade receivables	190,873	182,488
Other current financial assets	9,493	15,296
Other current assets	10,559	13,295
Income tax receivables	18,650	14,337
Cash	126,473	110,123
Current assets	373,770	354,011
Total assets	699,663	679,864



	March 31,	December 31,
Equity and Liabilities	2024	2023
in kEUR		
Share capital	13,776	13,776
Treasury shares, at cost	(39,757)	(39,757)
Capital reserve	252,720	251,717
Profit carried forward	226,735	174,594
Net profit for the period	16,564	52,141
Changes in equity recognized directly in equity	(260,612)	(260,612)
Other comprehensive income	(5,467)	(10,743)
Total equity	203,960	181,116
Non-current loans and borrowings	269,288	268,587
Non-current lease liabilities	27,563	28,604
Long-term provisions for post-employment benefits	16,305	14,865
Other long-term provisions	411	394
Other non-current financial liabilities	5,532	4,705
Non-current liabilities from acquisitions	11,645	5,257
Deferred tax liabilities	8,342	7,997
Non-current liabilities	339,084	330,409
Current loans and borrowings	3,902	6,160
Current lease liabilities	19,122	20,089
Short-term provisions for post-employment benefits	2,290	1,940
Other short-term provisions	29,413	24,319
Current contract liabilities	12,251	15,002
Trade payables	15,271	17,936
Current liabilities from acquisitions	7,796	13,944
Other current financial liabilities	35,499	40,239
Other current liabilities	8,131	10,429
Income tax liabilities	22,945	18,282
Current liabilities	156,619	168,338
Total liabilities	495,703	498,747
Equity and liabilities	699,663	679,864



Interim condensed consolidated statement of comprehensive income

Three-month period ended March 31	2024	2023
in kEUR		
Revenue	238,294	229,549
Own work capitalized	59	58
Other operating income	6,554	5,229
Cost of freelancers and other direct cost	(17,222)	(21,811)
Staff costs	(168,162)	(158,085)
Impairment of trade receivables and contract assets	(1,141)	184
Other operating expenses	(22,390)	(24,349)
Earnings before interest, taxes, depreciation and amortization (EBITDA)	35,991	30,776
Depreciation, amortization and impairment	(9,348)	(7,720)
Earnings before interest and taxes (EBIT)	26,643	23,055
Finance income	829	323
Finance costs	(5,296)	(3,702)
Earnings before taxes (EBT)	22,176	19,677
Income taxes	(5,612)	(4,541)
Profit for the period	16,564	15,136
Other comprehensive income		
in kEUR		
Items that will not be reclassified to profit or loss		
Actuarial gains (losses)	(428)	(619)
Tax effects	116	169
	(312)	(450)
Items that may be reclassified to profit or loss		
Foreign exchange differences	4,998	(3,108)
Hyperinflation restatement of equity	788	-
Tax effects	(197)	-
	5,589	(3,108)
Other comprehensive income for the period	5,277	(3,558)
Total comprehensive income for the period	21,841	11,578



Basic earnings per share in EUR :

- based on weighted average	1.24	1.11
- based on outstanding shares	1.24	1.11

Diluted earnings per share in EUR :

- based on weighted average	1.24	1.10
- based on outstanding shares	1.24	1.10



Interim condensed consolidated statement of changes in equity

	Share capital	Treasury shares	Capital reserve	Profit carried forward	Net profit for the period	Changes in equity recognized directly in equity	Other comprehensive income			Total equity
							Foreign exchange differences	Actuarial gain or loss on pension provisions	Hyperinflation restatement	
in kEUR										
Balance at January 1, 2024	13,776	(39,757)	251,717	174,594	52,141	(260,612)	(11,338)	(3,325)	3,920	181,116
Profit for the period	-	-	-	-	16,564	-	-	-	-	16,564
Other comprehensive income for the period	-	-	-	-	-	-	4,998	(312)	591	5,277
Total comprehensive income for the period	-	-	-	-	16,564	-	4,998	(312)	591	21,841
Transfer of profit or loss for the previous year to profit carried forward	-	-	-	52,141	(52,141)	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
Share capital issued	-	-	-	-	-	-	-	-	-	-
Transfer of capital reserve	-	-	-	-	-	-	-	-	-	-
Stock option and employee share participation program expense	-	-	1,003	-	-	-	-	-	-	1,003
Balance at March 31, 2024	13,776	(39,757)	252,720	226,735	16,564	(260,612)	(6,340)	(3,637)	4,511	203,960



	Share capital	Treasury shares	Capital reserve	Profit carried forward	Net profit for the period	Changes in equity recognized directly in equity	Other comprehensive income			Total equity
							Foreign exchange differences	Actuarial gain or loss on pension provisions	Hyperinflation restatement	
in kEUR										
Balance at January 1, 2023	13,776	(10,018)	247,901	97,213	77,382	(260,612)	2,974	(3,038)	-	165,578
Profit for the period	-	-	-	-	15,136	-	-	-	-	15,136
Other comprehensive income for the period	-	-	-	-	-	-	(3,108)	(450)	-	(3,558)
Total comprehensive income for the period	-	-	-	-	15,136	-	(3,108)	(450)	-	11,578
Transfer of profit or loss for the previous year to profit carried forward	-	-	-	77,382	(77,382)	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
Share capital issued	-	-	-	-	-	-	-	-	-	-
Transfer of capital reserve	-	-	-	-	-	-	-	-	-	-
Stock option and employee share participation program expense	-	-	496	-	-	-	-	-	-	496
Balance at March 31, 2023	13,776	(10,018)	248,397	174,594	15,136	(260,612)	(133)	(3,488)	-	177,652



Interim condensed consolidated statement of cash flows

Cash flows

Three-month period ended March 31

2024

2023

in kEUR

Cash flows from operating activities

EBIT	26,643	23,055
Depreciation, amortization and impairments of non-current assets	9,348	7,720
Change in long-term provisions	464	479
Other non-cash income and expenses	1,458	(1,708)
Income taxes paid	(4,542)	(4,052)
Cash flows from changes in net working capital	(1,736)	(21)
Net cash inflow (outflow) from factoring	(5,704)	(8,435)
Net cash inflow from operating activities	25,931	17,039

Cash flows from investing activities

Payments for property, plant and equipment and intangible assets	(1,502)	(1,318)
Proceeds from sale of property, plant and equipment and intangible assets	1	2
Redemption of / (Investment in) fixed deposits	4,475	-
Interest received	1,107	323
Acquisition of subsidiaries, net of cash acquired	(1,119)	(6,461)
Net cash inflow (outflow) from investing activities	2,962	(7,453)

Cash flows from financing activities

Proceeds from bank loans	1,039	10,250
Repayment of bank loans	(3,589)	(4,524)
Principal elements of lease payments	(5,951)	(5,647)
Interest paid	(4,505)	(2,626)
Net cash (outflow) inflow from financing activities	(13,006)	(2,547)

Total cash flow	15,887	7,039
Effects of exchange rate changes on cash and cash equivalents	(458)	(176)
Total changes in cash and cash equivalents	15,430	6,864

Cash and cash equivalents at the beginning of period	107,777	103,147
Cash and cash equivalents at the end of period	123,207	110,011

Other notes

Accounting policies

The accounting policies have not changed compared to the consolidated financial statements for the year 2023. The quarterly statement of Nagarro SE for the quarter ended March 31, 2024 has not been reviewed by an auditor or has not been audited according to section 115(5) WpHG (German Securities Trading Act).

Treasury shares

Nagarro SE did not acquire any treasury shares in the first quarter of 2024 and held 453,867 units of treasury shares as at March 31, 2024 and December 31, 2023.

Factoring

The below table shows the net factoring amounts which are offset against trade receivables: -

Region	March 31, 2024			December 31, 2023		
	of which:			of which:		
	Net	Factoring utilization	Factoring liability	Net	Factoring utilization	Factoring liability
	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR
United States of America	18,717	21,983	(3,266)	20,338	22,684	(2,346)
Austria	-	-	-	3,504	3,504	-
	18,717	21,983	(3,266)	23,842	26,188	(2,346)

Significant transactions with related parties in accordance with section 115 (4) sentence 2 WpHG and IAS 34.15B (j)

Business relationships between all companies included in the consolidated financial statements were fully eliminated in the consolidated financial statements.

Basis of consolidation

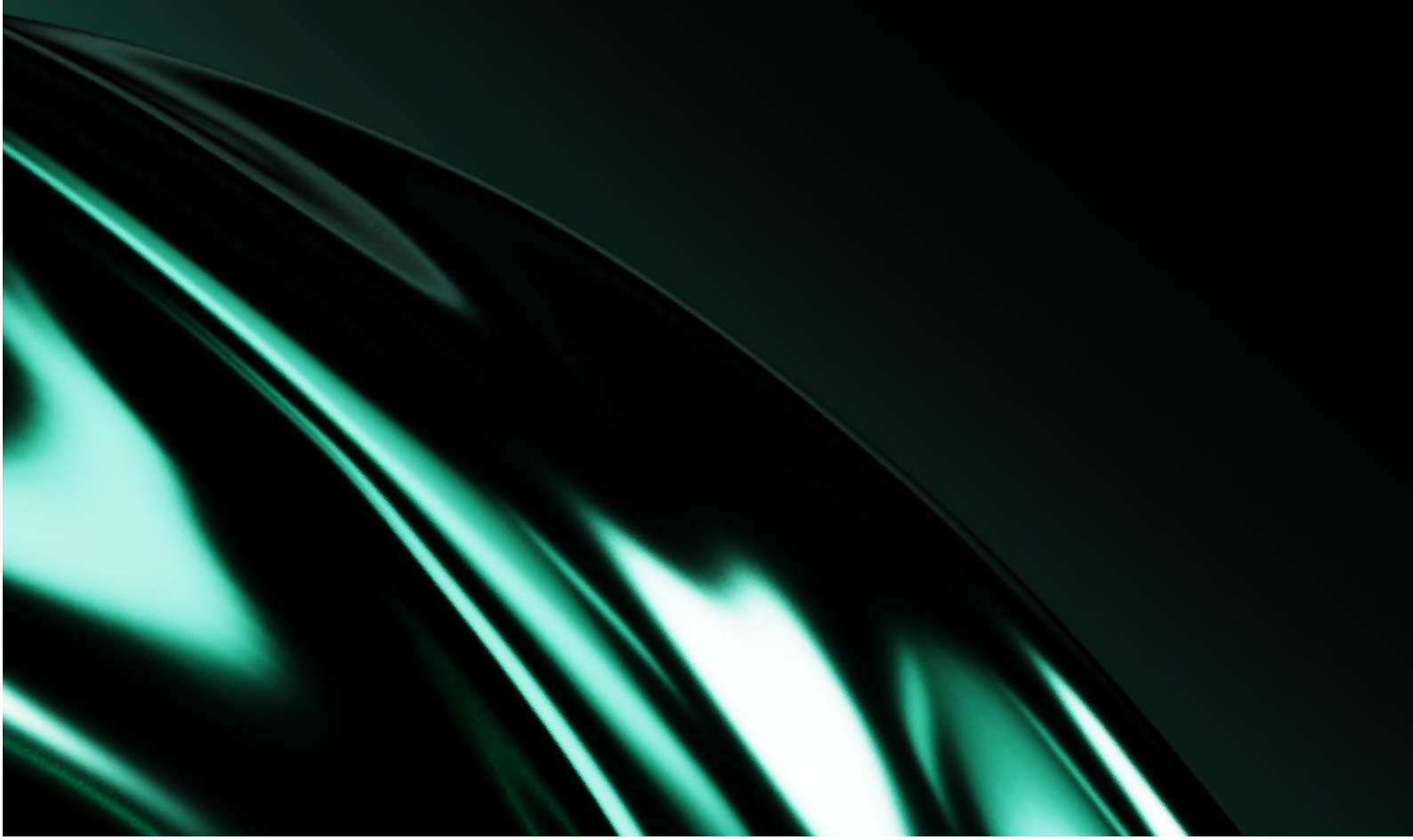
The interim condensed consolidated financial statements as at March 31, 2024 include all the subsidiaries of the Group as mentioned in the consolidated financial statements as at December 31, 2023.

Events after the balance sheet date

There are no significant events after March 31, 2024.

Section C

Important Information





Financial calendar

For details, refer our IR website:

[Financial calendar](#)

Legal notice

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