



# Fluidic Enterprise

Nagarro SE



# 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 Q3 and 9M 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.





# Nagarro at a glance



Fast-growing, scaled, diversified, digital engineering leader with a full-service portfolio



19,000+ Nagarrians across 36 countries



Differentiated organization design based on entrepreneurship and global teams



Diverse and loyal blue-chip customer base, 1,000+ customers across 63 countries



A global company domiciled in Germany



Strong results through “CARING” core values

Employee data as of Sep 30, 2023

\*FY23 guidance issued on Aug 11, 2023; based on that day’s currency exchange rates and not including later acquisitions

\*FY24 guidance issued on Feb 20, 2024; based on constant currency terms

## 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\*

- €915 million revenue not including future M&A
- 26% gross margin
- 13% adj. EBITDA margin

## FY 2024 Guidance\*

- ~€1 billion revenue, constant currency terms
- 27% gross margin
- 14% adj. EBITDA margin



Our Mission Statement:

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





# Our core values: a magnet for talent

Caring is our superpower...



Client-centric



Agile



Responsible



Intelligent



Non-hierarchical



Global



Caring



# A global company with no single HQ



**36 countries**  
with registered offices

**Over a dozen nationalities**  
in senior management

## Americas

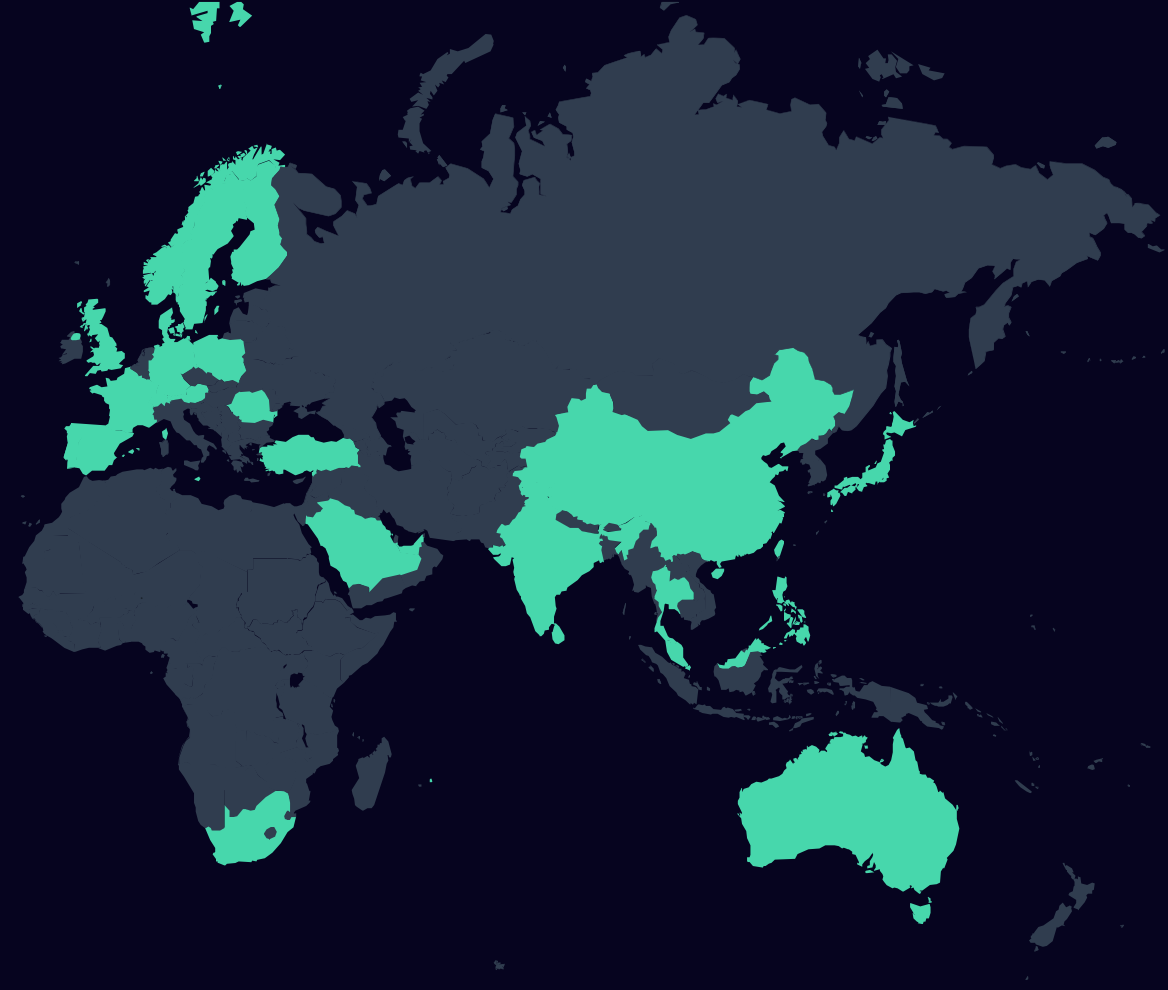
Canada  
Columbia  
Ecuador  
Mexico  
US

## EMEA Region

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

## Asia

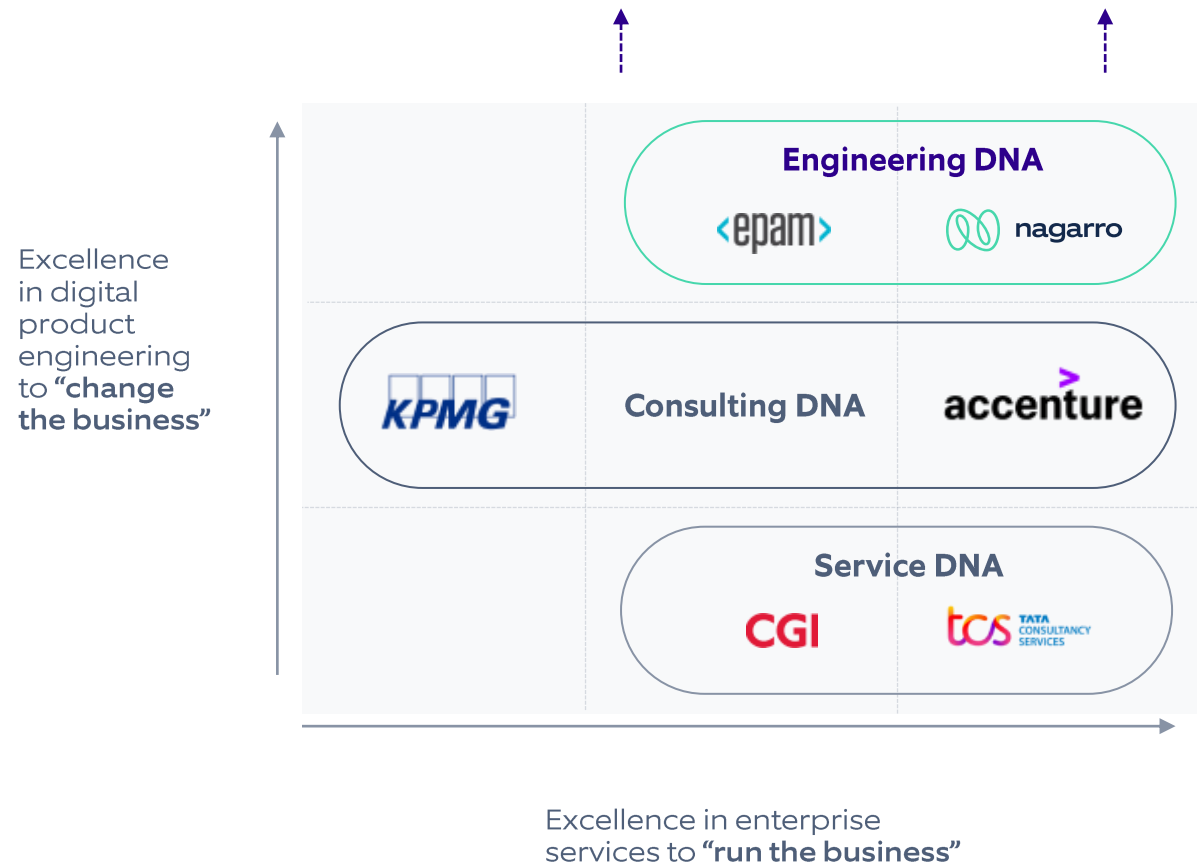
Australia  
China  
India  
Japan  
Malaysia  
Philippines  
Singapore  
Sri Lanka  
Thailand  
Taiwan  
Turkey



Data as of Q4, 2023

# Differentiated market positioning

## AI-led transformation for our clients



### Superior:

- Client intimacy
- Rapid prototyping
- Agile development
- Lean, small-team culture
- Architecture and code quality
- Use of new technologies
- Product management

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



# Ginger AI

Meet **Ginger**, the conversational AI solution for organizational performance and alignment

## About

Ginger AI is an all-in-one workplace companion that revolutionizes the way employees consume information and perform day-to-day tasks by harnessing powerful nudge patterns, Generative AI, and NLP-based analytics, thereby enhancing efficiency and agility.

- Eliminates silos with easy access to information
- Enables org alignment with proactive communication
- Boosts productivity using actionable insights
- Reduces overheads through intuitive workflows
- Amplifies agility through streamlined integrations

**Ginger AI builds upon the vision of the Fluidic Enterprise**



Hello, I am Ginger!  
Nice to meet you! Woof!





# Nagarro's **Genome AI** designed keeping in mind micro-data signals, next-gen AI and enterprise needs

Gen-AI, LLMs, Knowledge Graphs and Foundational-AI models to drive playbook-based automation across the ecosystem!

Available toolkits like customer-experience 360, supply-chain 360 etc.





# Nagarro's AI partnership with Abdul Latif Jameel Group

Our AI-driven automotive lead management solution developed for ALJ Motors awarded the best AI use-case in World AI show in Dubai (May 2023)

*"...Thank you for pushing boundaries with us. #Nagarro ...Looking forward for more success"*

Hesham Saad Al Ghamdi  
Group Chief Data & Analytics Officer  
ALJ Group

*"...many thanks to Hesham for saluting Nagarro's role in the win..."*

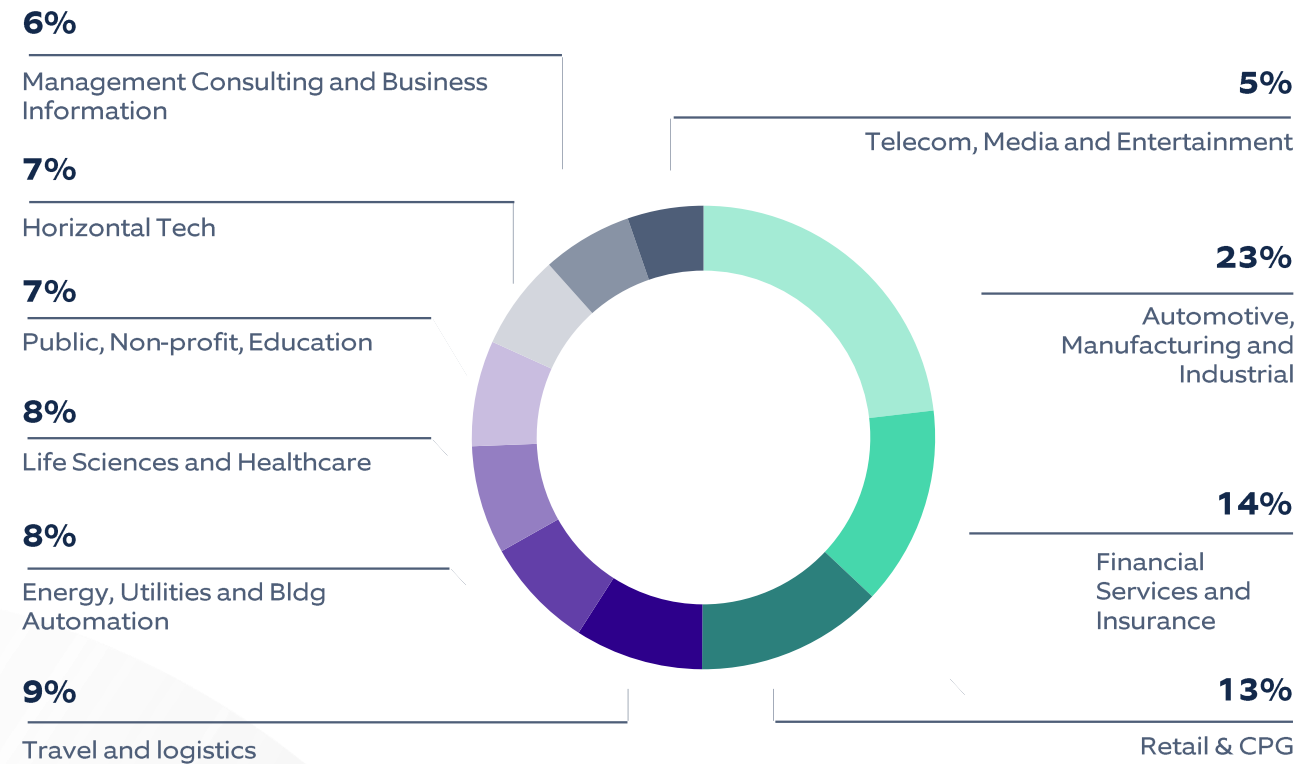
Manas Human  
Co-founder, Nagarro



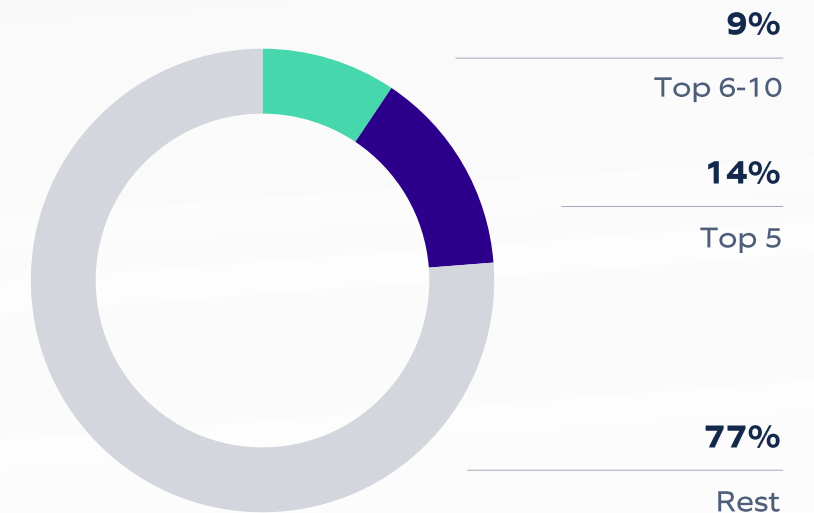
# Diversified across industries and clients



## Revenue by industry



## Revenue by customers

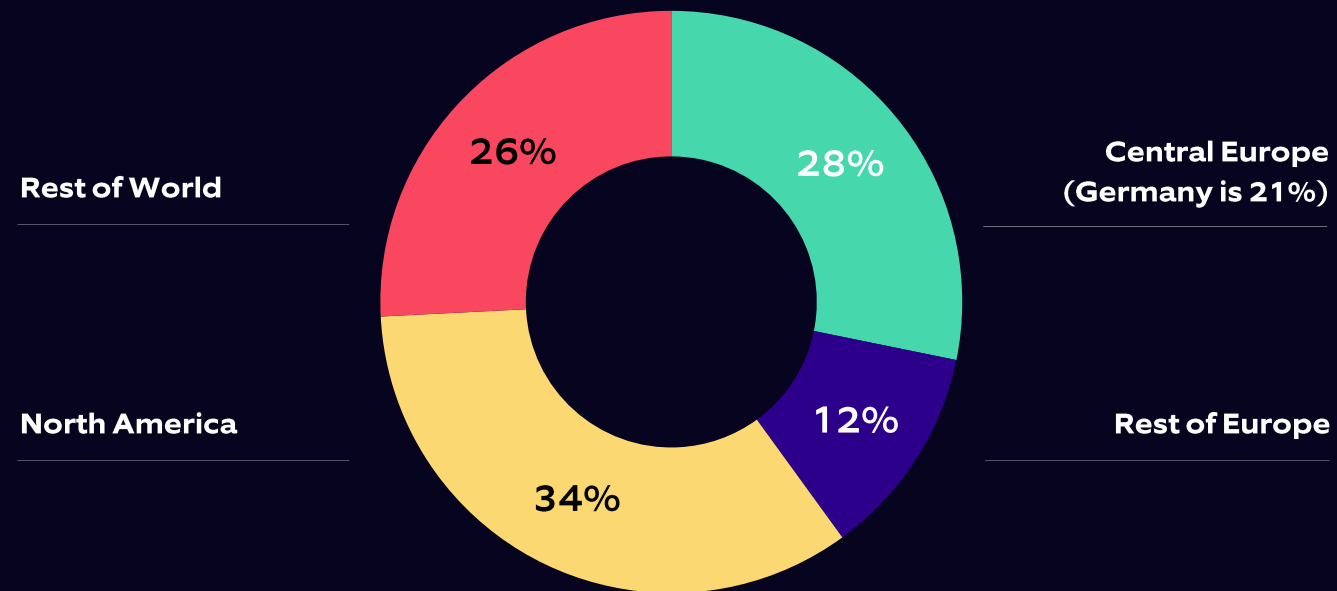


Revenue by industry is based on the company's own classification of each client (or its corporate group) by industry  
 Each corporate group is counted as a single customer  
 Percentages are individually rounded and may not add up to 100%

# Global opportunities served with global talent



## Revenue by client region



## Personnel worldwide



**19,182**

Total professionals, of which...



**17,728**

Professionals in engineering

Central Europe comprises Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia and Switzerland percentages are individually rounded and may not add up to 100% Number of personnel as of Sep 30, 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



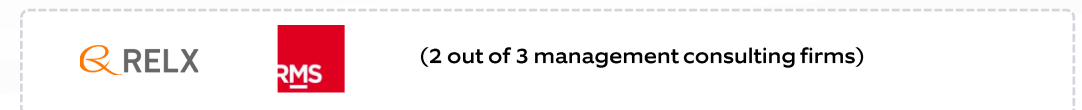
## Life Sciences and Healthcare



## Horizontal Tech

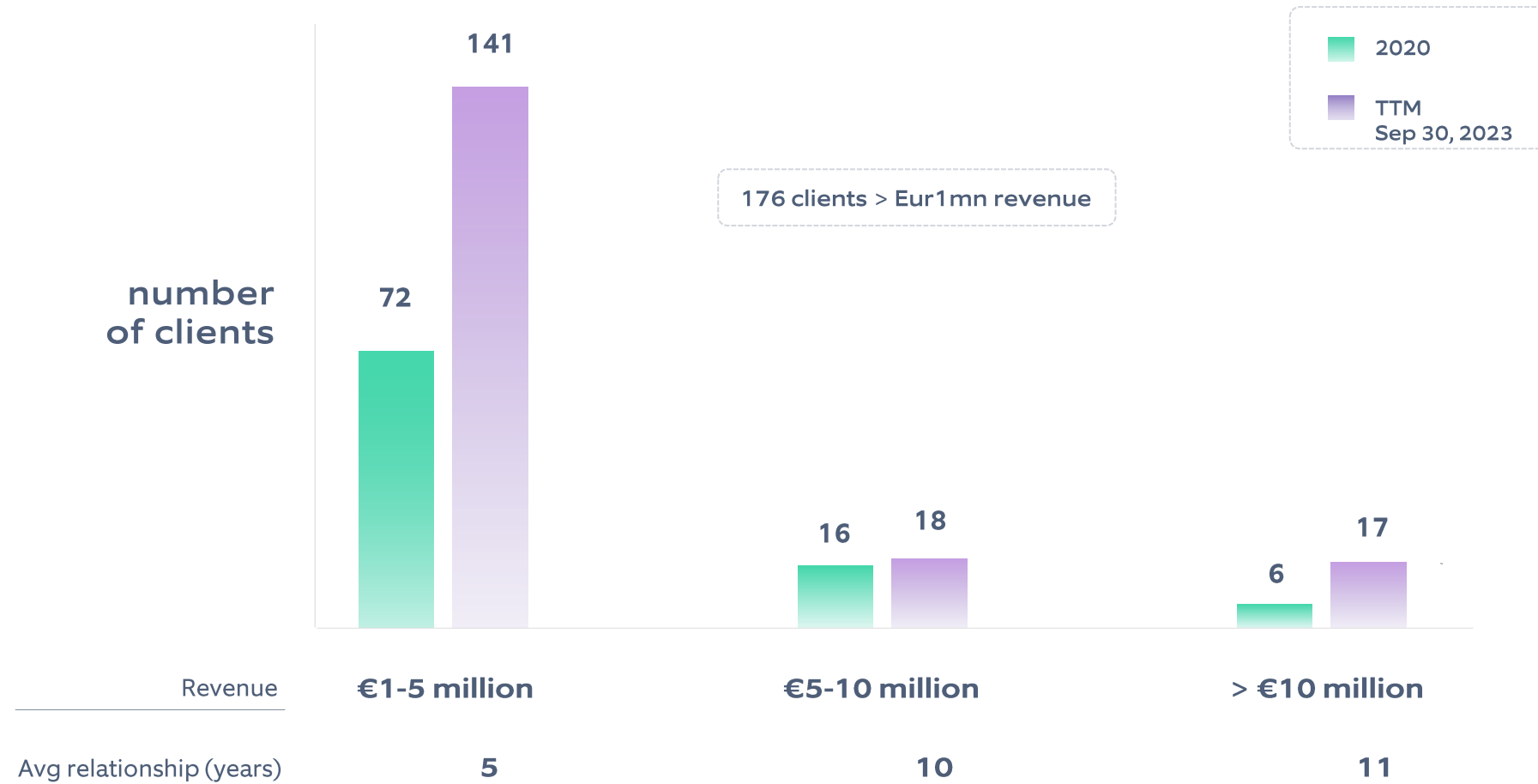


## Management Consulting and Business Information



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 from date of acquisition; 2023 data is TTM as of Sep 30, 2023





# 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 numbers are from the CSAT survey for Q3, 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 (Number of Promoters – number of Detractors) \* 100 / (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 the culture







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




Bringing the target's capabilities to the world,  
bringing global capabilities to the target's clients



# ESG@Nagarro

## Key ESG focus areas



### Environment

- Climate action
- Sustainable digital engineering
- Zero waste to landfill
- Responsible water management
- Responsible sustainability awareness



### Social

- Diversity, equity and inclusion
- Talent development
- Health and well-being
- Local welfare initiatives



### Governance

- Information security and data privacy
- Business integrity and ethics
- Sustainability governance
- Sustainable procurement

We are centered on cultivating an authentic and organic culture of thinking and doing good through our **CARING** value system

## Alignment with Global Guiding Principles

WOMEN'S  
EMPOWERMENT  
PRINCIPLES



## Our Sustainability Assessment Performance



Reporting



Net Zero Commitment



Bronze Medal

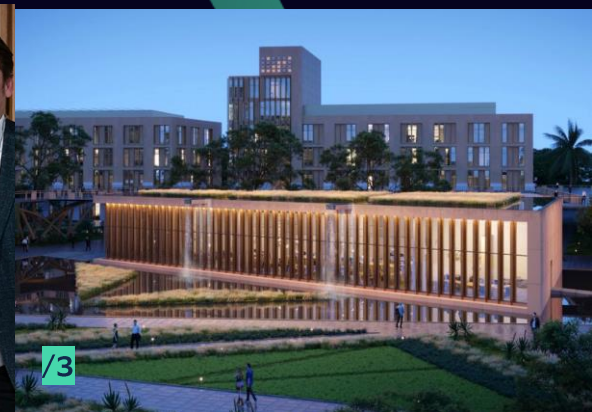


Rated As C-  
\*Within Top 32% of Top IT Companies



# Socially responsible around the globe

1. With **WWF** against single-use plastic
2. **Testing Pro** for people with autism
3. Incubating a **university**
4. Making **art accessible**
5. **Saving lives** via road safety (India Vision Zero - Safer Streets. Safer Cities.)
6. Organizing **car-free days**



**Q3 + 9M**

2023

# Q3 2023, described



## Highlights

**6.6% YoY constant currency revenue growth, 2.3% YoY organic CC**

**Clients remain very engaged, high levels of client satisfaction**

**Expansion of offerings, including next-gen AI tools**

**Improved cash conversion**

**Cost streamlining efforts continue**

**Improved ESG standing, Bronze Medal rating by EcoVadis**

# Q3 2023, by the numbers



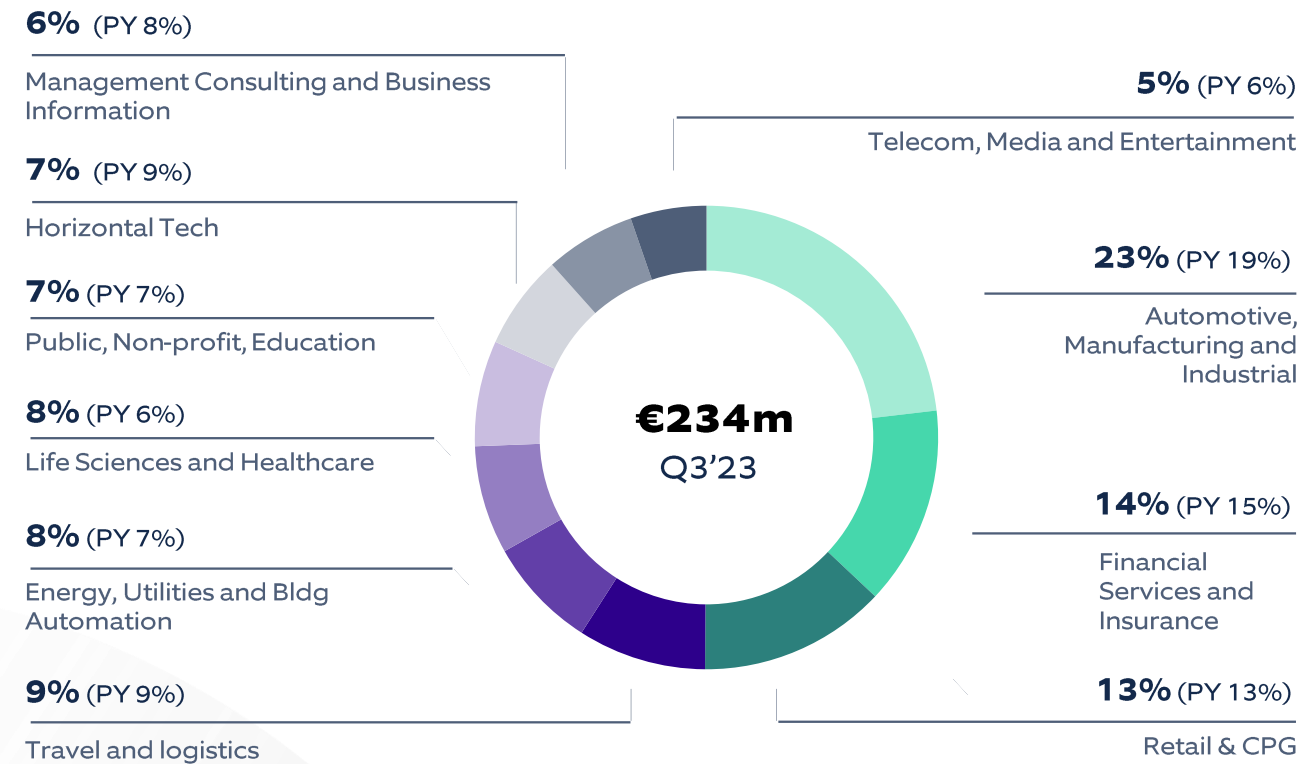
<b>€234m</b> revenue	<b>2.8%</b> QoQ revenue growth in constant currency	<b>6.6%</b> YoY revenue growth in constant currency	<b>23.9%</b> gross margin	<b>€32.0m</b> adjusted EBITDA
<b>Industries' YoY growth range</b>		<b>Segments' YoY growth range</b>		<b>14%</b> Top 5 client revenue
<b>29%</b> life sciences and healthcare	<b>-26%</b> horizontal tech	<b>21%</b> rest of world	<b>-15%</b> North America	
<b>€92m</b> Cash balance	<b>176</b> > € 1m accounts TTM	<b>67</b> NPS	<b>FY 23 Guidance</b>	
			<b>~€915</b> 2023 revenue*	<b>~13.0%</b> 2023 adjusted EBITDA margin

\* Guidance issued on Aug 11, 2023; based on that day's currency exchange rates and not including later acquisitions

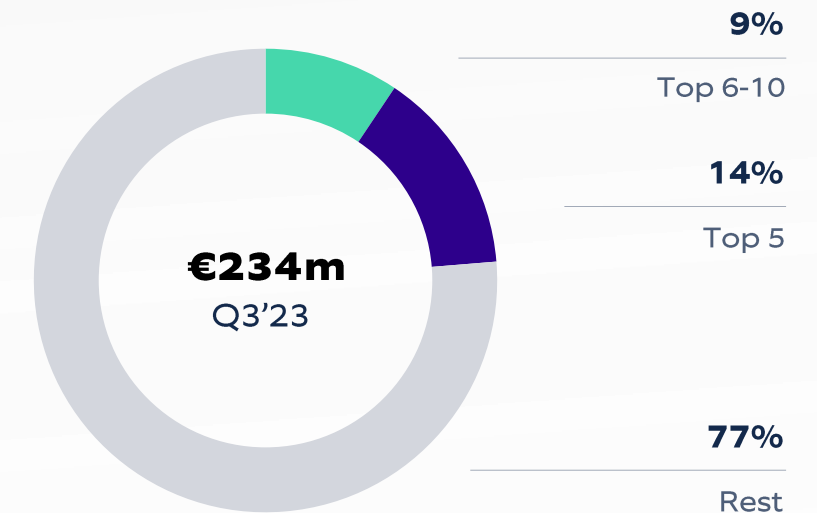
# Diversification across industries and clients



## Revenue by industry



## Revenue by customers

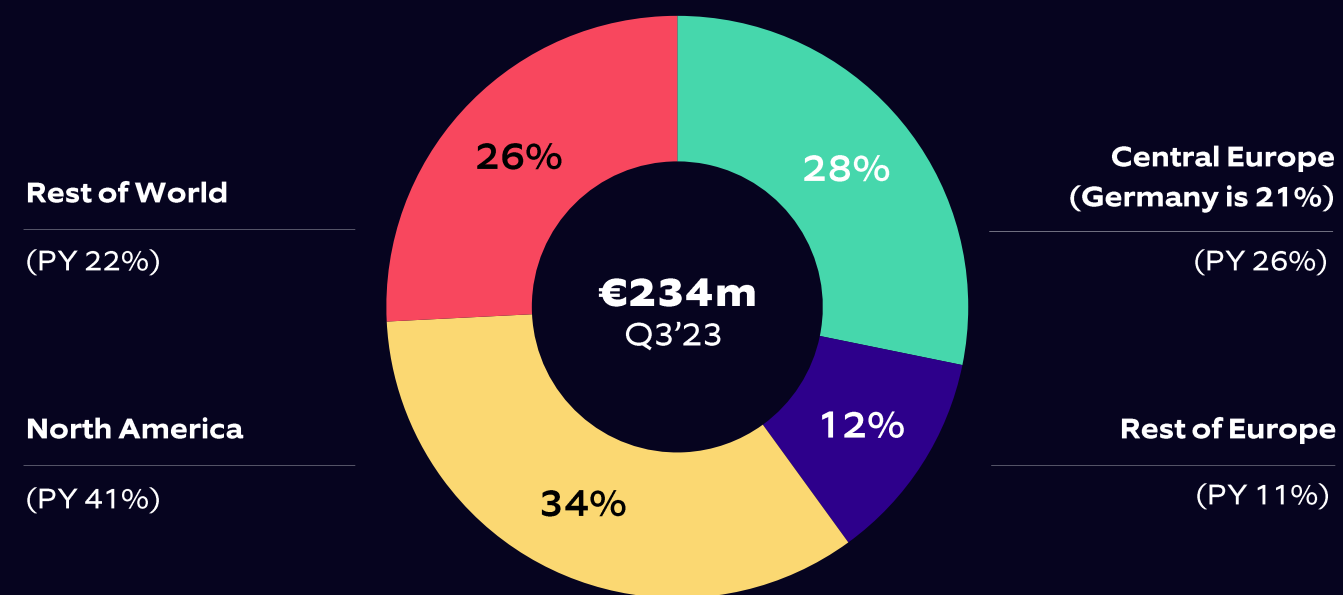


Revenue by industry is based on the company's own classification of each client (or its corporate group) by industry  
 Each corporate group is counted as a single customer  
 Numbers in brackets represent previous year (PY) data, i.e. for Q3'22  
 Percentages are individually rounded and may not add up to 100%

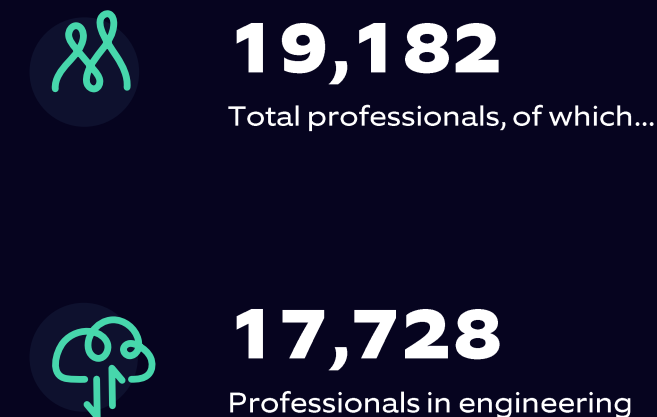
# Rest of World leads growth



## Revenue by client region



## Personnel worldwide



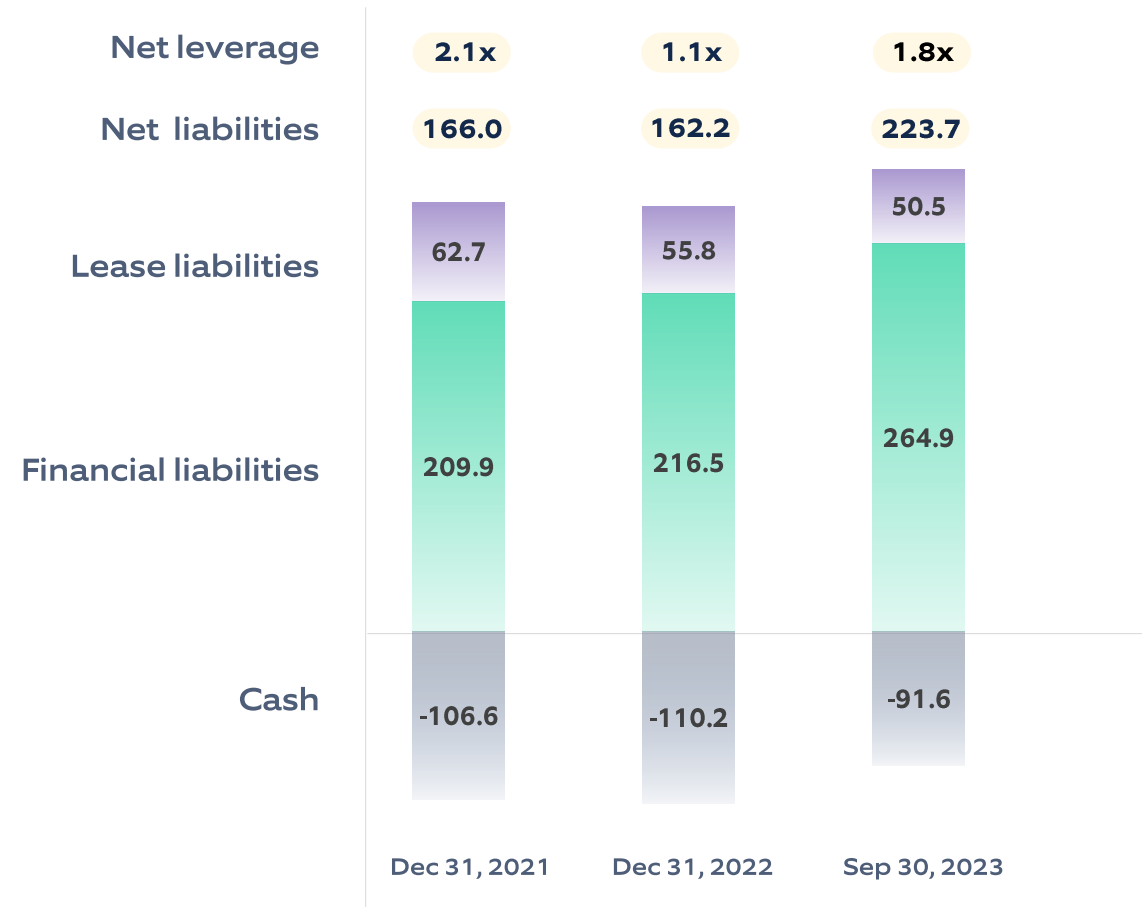
Central Europe comprises Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia and Switzerland  
Numbers in brackets represent previous year (PY) data, i.e. for Q3 '22; percentages are individually rounded and may not add up to 100%  
Number of personnel as of Sep 30, 2023





# Net liabilities and cash flows

## Net liability €m



## Cash flow €m






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 LTM Adjusted EBITDA

Net cash flow from operating activities    Net cash flow from investing activities    Net cash flow from financing activities

# Outlook

	2023 target	2024 target	Medium-term target
 <b>Revenue</b>	~€915m	~€1b	~20% YoY organic growth
 <b>Gross Margin</b>	~26%	~27%	---
 <b>Adjusted EBITDA</b>	~13%	~14%	Rising to 18% in 2026

FY23 guidance per announcement on Aug 11, 2023, excludes future acquisitions  
FY24 guidance per announcement on Feb 20, 2024, in constant currency terms





# Nagarro investment highlights, reiterated

## Positioning

“Engineering DNA” digital leader with a special “Enterprise Agile” Approach

## Organization

Agile, entrepreneurial and global org design and culture

## Growth

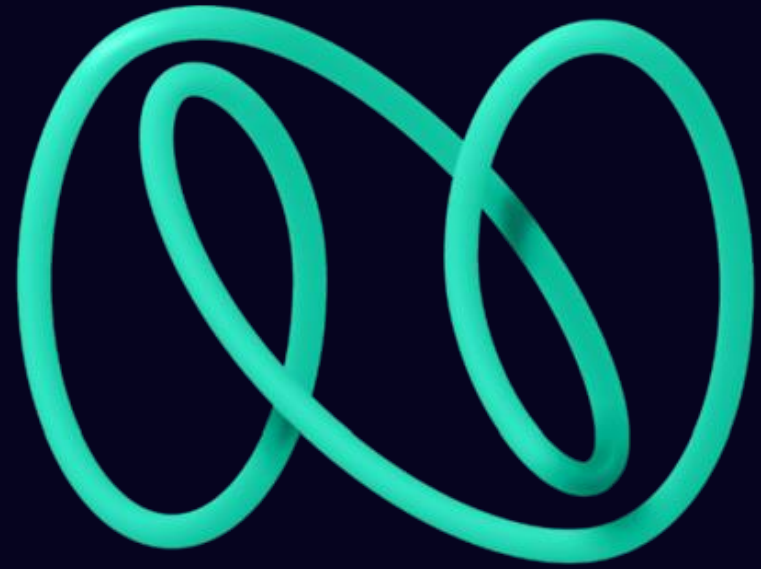
Sustainable organic growth capabilities, plus synergistic M&A

## Clients

Large, global blue-chip customer base

## Financials

Strong revenue growth, attractive margins and upside potential



**Thank you**