

# Earnings Call

# Q2/H1 '24





# 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 Q2 and H1 2024 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 2023 of the Company and in “Section A – 2. Financial Performance” in the Q1 2024 statement 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.





Our Mission Statement:

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



## Q2 2024, described

Demand holding steady amidst tough macro environment

High client satisfaction driven by superior client experience

Clients generating revenue > €1 mn continued to increase

Interest in data- and AI-led transformation continues to be strong

Attrition levels close to historical averages

Strong operating cash flows and healthy cash balance



# Q2 2024, by the numbers

|                                                 |                                                           |                                                           |                                                      |                                              |
|-------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------|----------------------------------------------|
| <b>€244m</b><br>revenue                         | <b>2.1%</b><br>QoQ revenue growth<br>in constant currency | <b>7.6%</b><br>YoY revenue growth<br>in constant currency | <b>30%</b><br>gross margin <sup>(1)</sup>            | <b>€35m</b><br>adjusted EBITDA               |
| <b>Industries' YoY growth range</b>             |                                                           | <b>Segments YoY growth range</b>                          |                                                      |                                              |
| <b>40%</b><br>public, non-profit &<br>education | <b>-3%</b><br>mgmt consulting<br>and business info        | <b>11%</b><br>rest of world                               | <b>-2.5%</b><br>rest of europe                       | <b>14%</b><br>Top 5 client<br>revenue        |
| <b>€121m</b><br>Cash balance                    | <b>184</b><br>> € 1m accounts TTM                         | <b>62</b><br>NPS                                          | <b>Guidance issued on Feb 20, 2024<sup>(2)</sup></b> |                                              |
|                                                 |                                                           |                                                           | <b>~€1bn</b><br>2024 revenue                         | <b>~14.0%</b><br>2024 adjusted EBITDA margin |

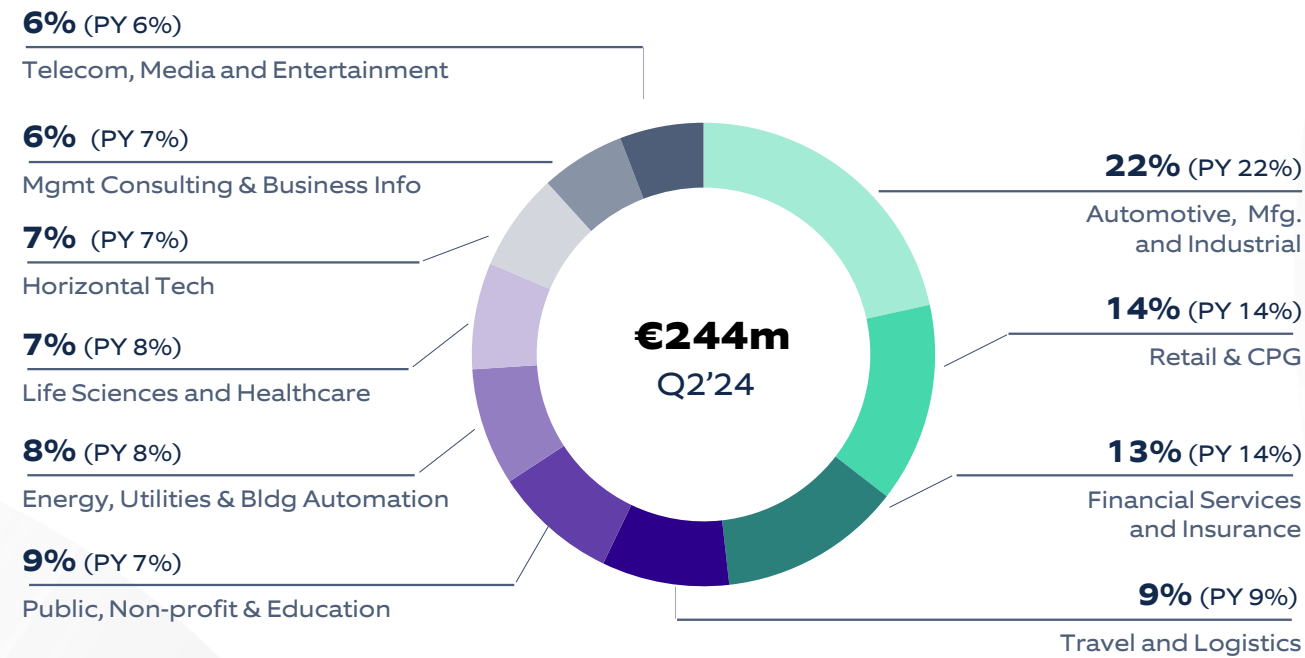
(1) Gross margin for Q2 2024 per current method; comparable number per previous method is 25.6%

(2) Based on constant currency terms

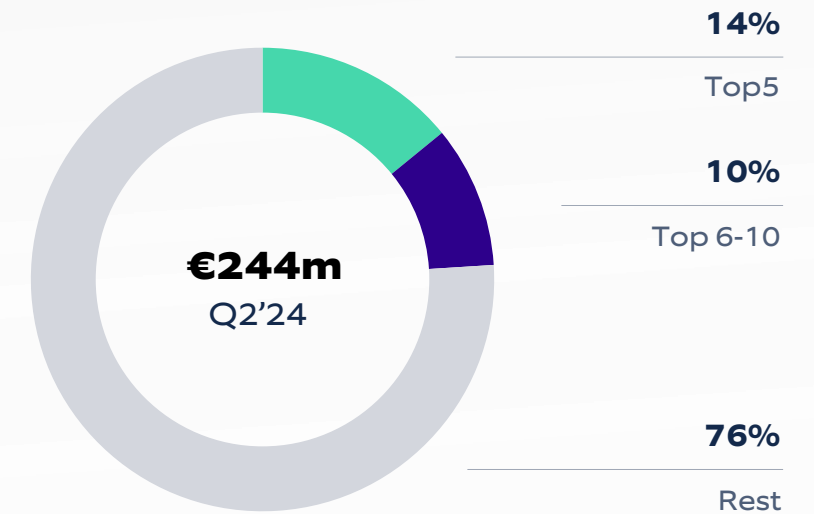


# Diversification is our shield

## Revenue by industry



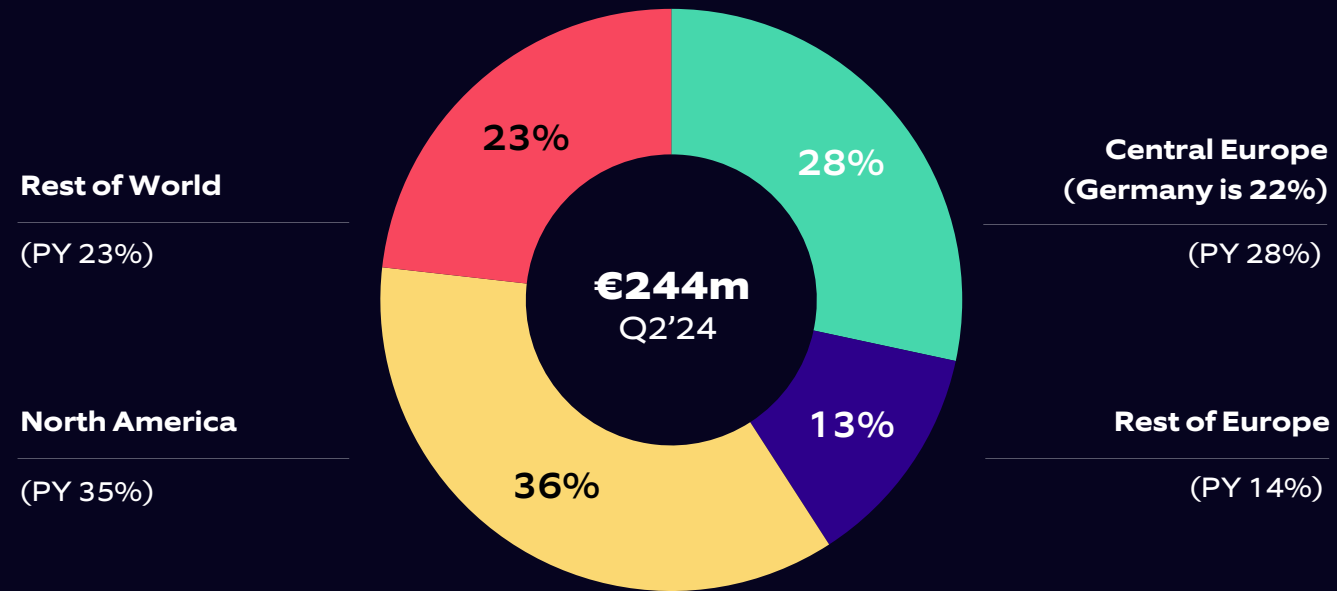
## Revenue by customers



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 '23  
Percentages are individually rounded and may not add up to 100%

# Rest of World continues to gain

## Revenue by geography



## Personnel worldwide

 **18,301**  
Total professionals, of which...

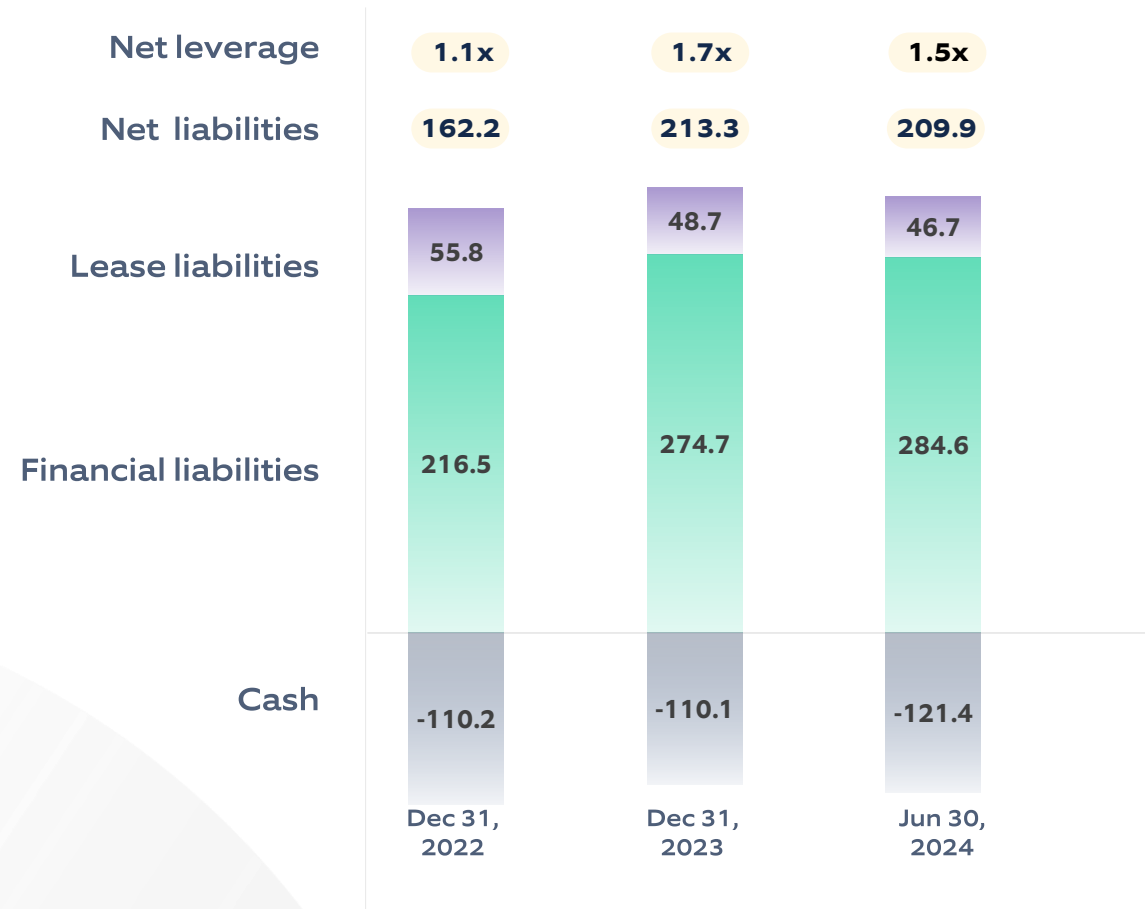
 **16,772**  
Professionals in engineering

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 '23; percentages are individually rounded and may not add up to 100%  
Number of personnel as of June 30, 2024

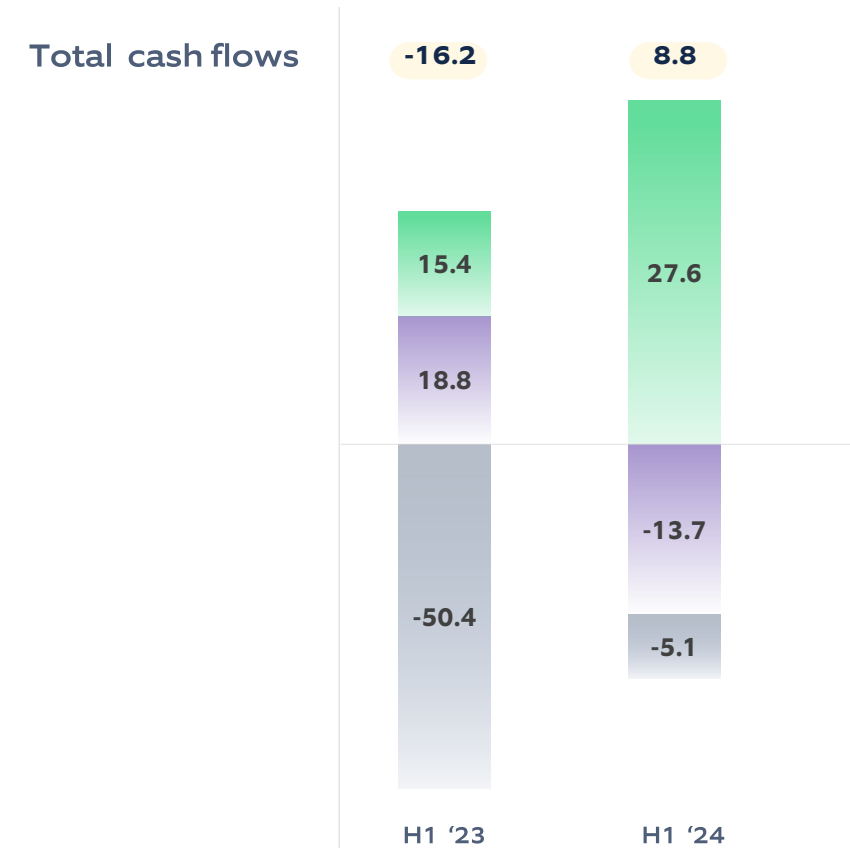


# Net liabilities and cash flows healthy

### Net liability €m



### Cash flow €m

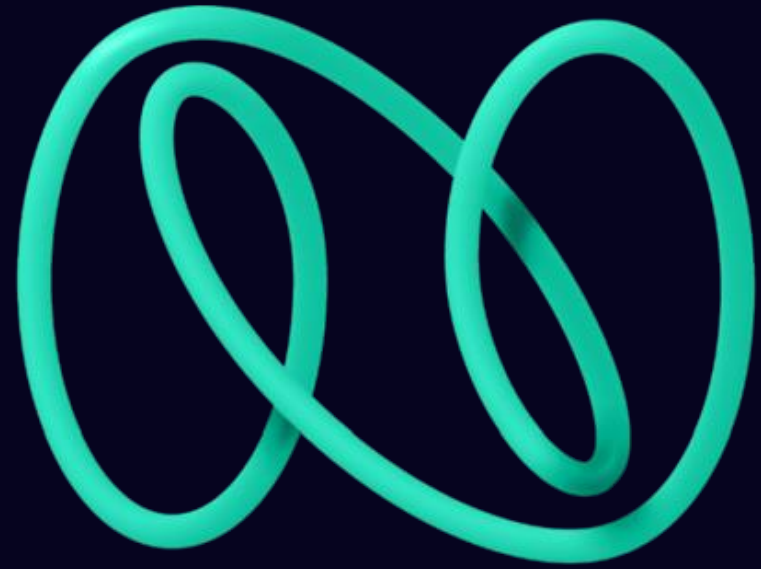


Financial liabilities include drawdown on syndicated credit facility, working capital facilities, bank loans, and liabilities from factoring.

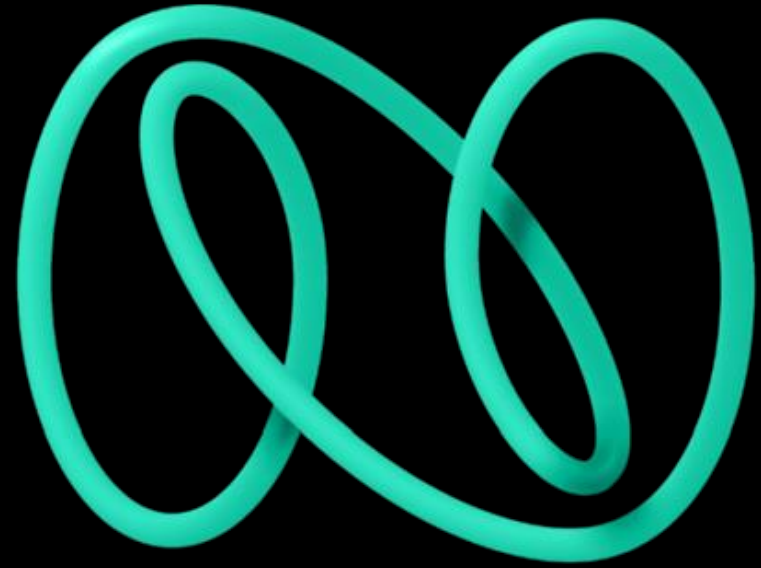
Net leverage is calculated as net liabilities divided by LTM Adjusted EBITDA

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





**Q&A**



**Thank you**