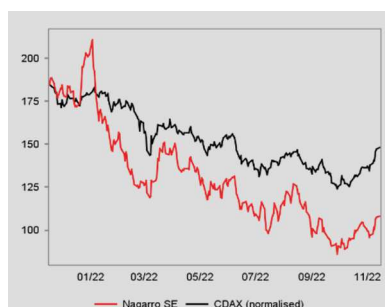


Buy EUR 220.00 Price EUR 108.20 Upside 103.3 %	Value Indicators: EUR DCF: 219.00	Warburg ESG Risk Score: 3.0 ESG Score (MSCI based): 3.0 Balance Sheet Score: 4.0 Market Liquidity Score: 2.0	Description: Custom software and digital engineering
	Market Snapshot: EUR m Market cap: 1,501.1 No. of shares (m): 13.9 EV: 1,637.8 Freefloat MC: 1,055.3 Ø Trad. Vol. (30d): 3.45 m	Shareholders: Freefloat 70.30 % Carl G. Duerschmidt 20.00 % Detlef Dinsel 9.70 %	Key Figures (WRE): 2022e Beta: 1.1 Price / Book: 9.2 x Equity Ratio: 27 % Net Fin. Debt / EBITDA: 1.0 x Net Debt / EBITDA: 1.0 x

Q3 figures and guidance increase underpin strong momentum

- Nagarro's business continued to demonstrate high momentum. The results published yesterday (see table on the next page) were ahead of our estimates. Revenues increased from EUR 141m to EUR 230m (+ 63%, + 51% acc.). Most of this growth was of organic origin. With this pace of expansion, the company continued to outperform the overall IT services sector. Revenues in North America, Nagarro's largest region, jumped 86%. The client region segment Rest of World grew the fastest (+ 97%). Management Consulting & Business Information was the fastest growing vertical (+116%), while Telecom, Media and Entertainment grew by "only" 22%.
- While the previous quarters reflected the impact of wage inflation, price negotiations with clients supported the gross margin and adj. EBITDA development in Q3. As employee attrition and wage inflation normalised to pre-pandemic levels, we expect higher employee retention to contribute to higher billable utilisation and consequently profitability improvements.
- Along with the figures release, the guidance was raised once again. Management now anticipates revenues of EUR 850m (was EUR 830m). The guidance for gross margin was raised from 27% to 28%, while the adj. EBITDA margin guidance was raised from 15% to 16%.
- Hiring accelerated again. Nagarro added 1,268 professionals in Q3 (Q2: 872 employees). We believe Nagarro will continue to be able to attract IT talent as the company continues to invest in building a digital experience for its employees to further enhance its work-from-anywhere model. This digital model is supported by regular face-to-face presence at one of Nagarro's hubs around the world, allowing developers to work flexibly. While Nagarro is further enhancing its service delivery platform, the company is also continuing to internationalise its business activities, adding Portugal and Spain in Q3.
- For 2023, management expects a slowdown in growth due to macroeconomic conditions. Nevertheless, management is confident that the strong fundamentals will enable Nagarro to continue to grow its market share in a highly dynamic and opportunity-rich industry. Slower growth is already reflected in our 2023 estimates. However, given the recent growth pace, the estimates may still prove too cautious.
- Our estimates have been raised, the Buy rating is confirmed.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -	
Sales	812.0	5.3 %	998.8	5.3 %	1,198.5	5.3 %	<ul style="list-style-type: none"> Higher estimates reflect strong 9M performance as well as the expectation of a continuation of the high momentum. The EUR 855m revenue estimate does not reflect sequential revenue growth (was 9% in Q3).
EBITDA adj.	133.7	1.5 %	157.2	4.9 %	191.6	4.9 %	
EBITDA	127.7	3.2 %	149.2	5.1 %	182.6	5.1 %	
EBIT	89.5	2.0 %	104.6	4.6 %	131.1	4.6 %	
EPS	4.29	2.3 %	5.08	4.9 %	6.45	4.8 %	



Rel. Performance vs CDAX:	
1 month:	-1.7 %
6 months:	-14.6 %
Year to date:	-29.2 %
Trailing 12 months:	-23.4 %

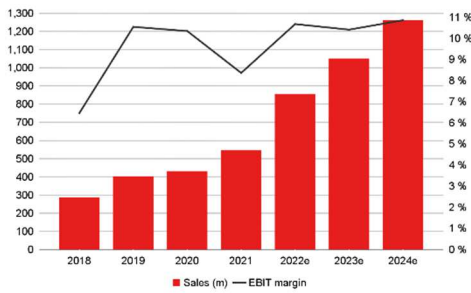
Company events:

FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	32.2 %	287.3	402.4	430.4	546.0	855.0	1,051.7	1,262.0
Change Sales yoy		36.5 %	40.1 %	6.9 %	26.9 %	56.6 %	23.0 %	20.0 %
gross margin (company reporting)		31.3 %	32.1 %	32.6 %	28.3 %	29.5 %	28.6 %	30.2 %
EBITDA adj.		34.3	55.0	76.2	79.7	135.8	164.9	201.0
Margin		12.0 %	13.7 %	17.7 %	14.6 %	15.9 %	15.7 %	15.9 %
EBITDA	39.8 %	32.3	61.6	66.2	70.3	131.8	156.9	192.0
Margin		11.2 %	15.3 %	15.4 %	12.9 %	15.4 %	14.9 %	15.2 %
EBIT	44.2 %	18.6	42.4	44.5	45.7	91.3	109.5	137.1
Margin		6.5 %	10.5 %	10.3 %	8.4 %	10.7 %	10.4 %	10.9 %
Net income before minorities		8.2	30.4	24.4	30.0	60.8	73.9	93.8
Net income	46.2 %	6.9	25.5	18.4	30.0	60.8	73.9	93.8
EPS	39.1 %	n.a.	n.a.	n.a.	2.51	4.39	5.33	6.76
FCFPS		n.a.	n.a.	n.a.	1.81	3.59	4.00	4.70
FCF / Market cap		n.a.	n.a.	n.a.	1.5 %	3.3 %	3.7 %	4.3 %
EV / Sales		n.a.	n.a.	n.a.	3.0 x	1.9 x	1.5 x	1.2 x
EV / EBIT adj.		n.a.	n.a.	n.a.	33.8 x	16.8 x	13.8 x	10.8 x
EV / EBIT		n.a.	n.a.	n.a.	35.4 x	17.9 x	14.5 x	11.1 x
P / E		n.a.	n.a.	n.a.	48.9 x	24.6 x	20.3 x	16.0 x
Net Debt		67.4	86.0	87.8	149.7	136.7	84.3	20.0
ROCE (NOPAT)		8.9 %	23.0 %	20.5 %	18.8 %	23.9 %	25.1 %	29.1 %
Guidance:		2022: revenue: EUR 850m; adj. EBITDA margin: approx. 16%						

Nagarro - Q3 2022

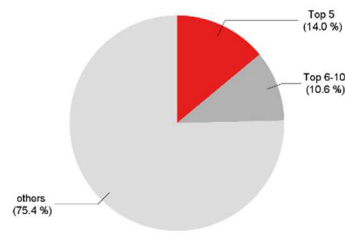
in EUR m	Q3/22	Q3/21	yoy	9M/22	9M/21	yoy
Sales	230	141	63%	625	384	63%
EBITDA adjusted	48	22	123%	118	59	99%
<i>margin</i>	<i>21%</i>	<i>15%</i>		<i>19%</i>	<i>15%</i>	
EBITDA	48	19	148%	115	52	121%
<i>margin</i>	<i>21%</i>	<i>14%</i>		<i>18%</i>	<i>14%</i>	
EBIT	39	13	192%	91	35	161%
<i>margin</i>	<i>17%</i>	<i>10%</i>		<i>15%</i>	<i>09%</i>	

Sales development in EUR m



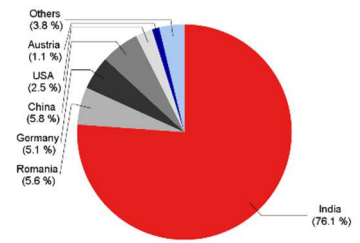
Source: Warburg Research

Customer split 2021



Source: Company

IT engineers by region 2021



Source: Warburg Research

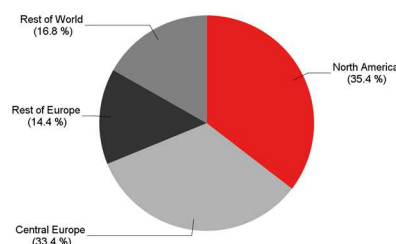
Company Background

- Nagarro provides technology and custom software development services for digital transformation,...
- ...with a focus on disruptive technologies such as artificial intelligence, big data, and internet of things.
- Complementary business fields such as managed services, e-commerce solutions or ERP consulting complete the offering.
- While the majority of revenue is generated in higher price countries, Nagarro is able to serve this demand with access to experts in regions associated with lower costs.

Competitive Quality

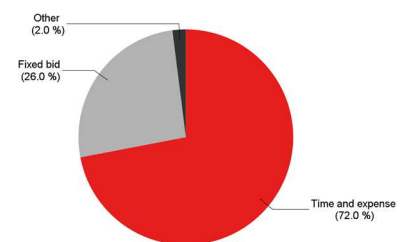
- Nagarro is a trusted and valued digitalisation partner developing tailor-made software to achieve competitive differentiation for its clients.
- Technological focus and expertise position the company as an IT engineering expert rather than a consulting or services company.
- Proprietary software Ginger supports collaboration, a decentralised organisational structure which provides access to IT talent and enables Nagarro to serve both, small and large companies around the globe.
- Organizational design and processes allow Nagarro to cross-fertilize knowledge across the global organisation and adapt quickly to new technologies and client needs with lean and agile teams and short time-to-market.
- Access to scarce IT specialists: Nagarro's approx. 8,000 IT experts e.g. in India, China or Romania have a strong footprint in future-oriented technologies such as cloud, AI, IoT, deep learning or big data.

Sales by segments 2021; in %



Source: Warburg Research

Revenue by contract type 2021



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	855.0	1,051.7	1,262.0	1,514.4	1,799.1	2,117.0	2,468.7	2,854.2	3,273.1	3,724.7	4,207.8	4,720.8	4,815.2	
Sales change	56.6 %	23.0 %	20.0 %	20.0 %	18.8 %	17.7 %	16.6 %	15.6 %	14.7 %	13.8 %	13.0 %	12.2 %	2.0 %	2.0 %
EBIT	91.3	109.5	137.1	159.0	188.9	222.3	259.2	299.7	343.7	391.1	441.8	495.7	505.6	
EBIT-margin	10.7 %	10.4 %	10.9 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	
Tax rate (EBT)	28.0 %	28.0 %	28.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	
NOPAT	65.7	78.8	98.7	108.1	128.5	151.2	176.3	203.8	233.7	265.9	300.4	337.1	343.8	
Depreciation	40.5	47.4	54.9	16.7	18.0	21.2	24.7	28.5	32.7	37.2	42.1	47.2	53.0	
in % of Sales	4.7 %	4.5 %	4.3 %	1.1 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.1 %	
Changes in provisions	-3.1	1.0	1.0	1.8	2.0	2.3	2.5	2.7	3.0	3.2	3.4	3.7	0.7	
Change in Liquidity from														
- Working Capital	13.2	26.3	29.9	21.4	31.3	35.0	38.7	42.4	46.1	49.7	53.1	56.4	10.4	
- Capex	6.4	7.8	9.2	16.7	19.8	23.3	27.2	31.4	36.0	41.0	46.3	51.9	53.0	
Capex in % of Sales	0.8 %	0.7 %	0.7 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	
- Other	30.8	37.9	45.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	52.7	55.3	70.0	88.5	97.4	116.3	137.6	161.3	187.3	215.8	246.5	279.6	334.1	341
PV of FCF	52.7	51.1	59.8	69.8	70.9	78.3	85.5	92.6	99.4	105.7	111.6	116.9	129.1	2,107
share of PVs	5.06 %			29.71 %										65.23 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	7.00 %	Financial Strength	1.00
Cost of debt (after tax)	2.4 %	Liquidity (share)	1.10
Market return	8.25 %	Cyclicality	1.10
Risk free rate	2.75 %	Transparency	1.10
		Others	1.10
WACC	8.25 %	Beta	1.08

Valuation (m)

Present values 2034e	1,123		
Terminal Value	2,107		
Financial liabilities	246		
Pension liabilities	10		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	67	No. of shares (m)	13.9
Equity Value	3,041	Value per share (EUR)	219.17

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.28	9.2 %	168.51	171.93	175.59	179.50	183.69	188.19	193.03	1.28	9.2 %	148.81	159.04	169.27	179.50	189.73	199.96	210.19
1.18	8.7 %	184.47	188.60	193.02	197.77	202.89	208.42	214.41	1.18	8.7 %	164.34	175.48	186.63	197.77	208.92	220.07	231.21
1.13	8.5 %	193.34	197.89	202.77	208.03	213.72	219.88	226.57	1.13	8.5 %	173.06	184.72	196.38	208.03	219.69	231.35	243.01
1.08	8.2 %	202.89	207.91	213.32	219.17	225.50	232.38	239.88	1.08	8.2 %	182.52	194.74	206.95	219.17	231.38	243.60	255.81
1.03	8.0 %	213.20	218.77	224.77	231.28	238.35	246.07	254.52	1.03	8.0 %	192.82	205.64	218.46	231.28	244.10	256.92	269.74
0.98	7.7 %	224.36	230.54	237.23	244.50	252.44	261.13	270.69	0.98	7.7 %	204.07	217.55	231.03	244.50	257.98	271.46	284.94
0.88	7.2 %	249.65	257.35	265.74	274.93	285.03	296.21	308.62	0.88	7.2 %	229.95	244.94	259.93	274.93	289.92	304.91	319.91

- Slight EBIT margin expansion anticipated
- Other: IFRS 16 impact in the detailed forecast. Depreciation and capex at same levels thereafter.

Valuation	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	n.a.	n.a.	n.a.	15.2 x	9.2 x	6.4 x	4.6 x
Book value per share ex intangibles	n.a.	n.a.	n.a.	-5.90	-4.07	1.16	7.94
EV / Sales	n.a.	n.a.	n.a.	3.0 x	1.9 x	1.5 x	1.2 x
EV / EBITDA	n.a.	n.a.	n.a.	23.0 x	12.4 x	10.1 x	7.9 x
EV / EBIT	n.a.	n.a.	n.a.	35.4 x	17.9 x	14.5 x	11.1 x
EV / EBIT adj.*	n.a.	n.a.	n.a.	33.8 x	16.8 x	13.8 x	10.8 x
P / FCF	n.a.	n.a.	n.a.	67.9 x	30.1 x	27.1 x	23.0 x
P / E	n.a.	n.a.	n.a.	48.9 x	24.6 x	20.3 x	16.0 x
P / E adj.*	n.a.	n.a.	n.a.	48.9 x	24.6 x	20.3 x	16.0 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	n.a.	n.a.	n.a.	2.5 %	4.3 %	5.2 %	6.6 %

*Adjustments made for: -

Company Specific Items	2018	2019	2020	2021	2022e	2023e	2024e
gross profit (company reporting)	89.9	129.1	140.2	154.4	252.4	300.6	380.8
gross margin (company reporting)	31.3 %	32.1 %	32.6 %	28.3 %	29.5 %	28.6 %	30.2 %

Consolidated profit & loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	287.3	402.4	430.4	546.0	855.0	1,051.7	1,262.0
Change Sales yoy	36.5 %	40.1 %	6.9 %	26.9 %	56.6 %	23.0 %	20.0 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.5	0.9	0.3	0.2	1.5	1.9	2.2
Material expenses	39.9	49.1	49.2	59.1	81.2	118.8	147.7
Personnel expenses	179.8	254.7	271.7	373.0	581.4	669.9	788.7
Other operating income	2.4	12.7	11.6	14.8	25.0	8.0	9.0
Other operating expenses	37.4	49.8	53.3	55.5	82.1	110.4	138.8
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	32.3	61.6	66.2	70.3	131.8	156.9	192.0
<i>Margin</i>	<i>11.2 %</i>	<i>15.3 %</i>	<i>15.4 %</i>	<i>12.9 %</i>	<i>15.4 %</i>	<i>14.9 %</i>	<i>15.2 %</i>
Depreciation of fixed assets	10.4	15.7	16.9	19.9	34.0	41.8	50.2
EBITA	21.9	45.9	49.3	50.3	97.8	115.1	141.8
Amortisation of intangible assets	3.3	3.5	4.7	4.7	6.5	5.6	4.7
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	18.6	42.4	44.5	45.7	91.3	109.5	137.1
<i>Margin</i>	<i>6.5 %</i>	<i>10.5 %</i>	<i>10.3 %</i>	<i>8.4 %</i>	<i>10.7 %</i>	<i>10.4 %</i>	<i>10.9 %</i>
EBIT adj.	20.8	45.4	48.0	47.8	97.3	114.5	141.1
Interest income	0.5	0.2	0.5	0.4	0.2	0.2	0.2
Interest expenses	4.6	5.5	7.3	7.8	7.0	7.0	7.0
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	14.4	37.2	37.7	38.2	84.5	102.7	130.3
<i>Margin</i>	<i>5.0 %</i>	<i>9.2 %</i>	<i>8.8 %</i>	<i>7.0 %</i>	<i>9.9 %</i>	<i>9.8 %</i>	<i>10.3 %</i>
Total taxes	6.2	6.8	13.4	8.2	23.7	28.7	36.5
Net income from continuing operations	8.2	30.4	24.4	30.0	60.8	73.9	93.8
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	8.2	30.4	24.4	30.0	60.8	73.9	93.8
Minority interest	1.3	4.9	5.9	0.0	0.0	0.0	0.0
Net income	6.9	25.5	18.4	30.0	60.8	73.9	93.8
<i>Margin</i>	<i>2.4 %</i>	<i>6.3 %</i>	<i>4.3 %</i>	<i>5.5 %</i>	<i>7.1 %</i>	<i>7.0 %</i>	<i>7.4 %</i>
Number of shares, average	n.a.	n.a.	n.a.	12.0	13.9	13.9	13.9
EPS	n.a.	n.a.	n.a.	2.51	4.39	5.33	6.76
EPS adj.	n.a.	n.a.	n.a.	2.51	4.39	5.33	6.76

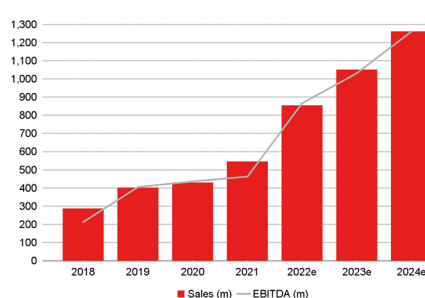
*Adjustments made for:

Guidance: 2022: revenue: EUR 850m; adj. EBITDA margin: approx. 16%

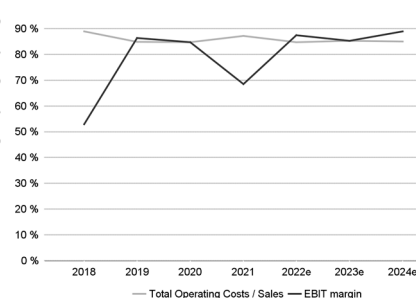
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	88.9 %	84.9 %	84.7 %	87.2 %	84.8 %	85.3 %	85.0 %
Operating Leverage	1.8 x	3.2 x	0.7 x	0.1 x	1.8 x	0.9 x	1.3 x
EBITDA / Interest expenses	7.0 x	11.2 x	9.1 x	9.0 x	18.8 x	22.4 x	27.4 x
Tax rate (EBT)	43.3 %	18.2 %	35.5 %	21.5 %	28.0 %	28.0 %	28.0 %
Dividend Payout Ratio	n.a.	n.a.	n.a.	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

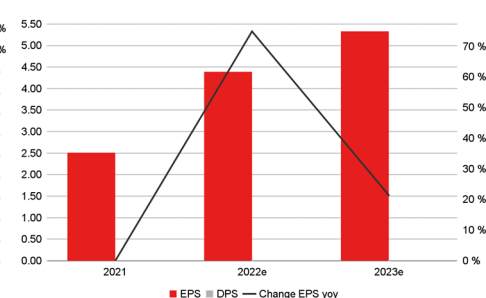
Sales, EBITDA in EUR m



Operating Performance in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

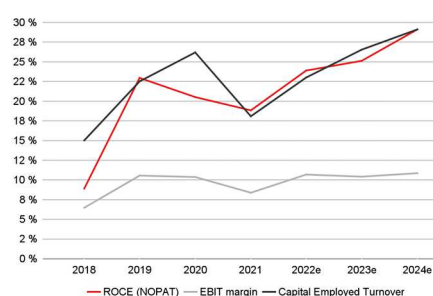
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	107.7	111.4	106.9	178.7	220.2	219.5	218.9
thereof other intangible assets	10.2	9.0	11.0	14.0	13.1	12.4	11.9
thereof Goodwill	97.5	102.4	95.9	163.4	207.1	207.1	207.1
Property, plant and equipment	6.7	7.2	6.4	11.1	13.1	15.4	18.3
Financial assets	3.4	2.7	3.0	3.7	3.7	3.7	3.7
Other long-term assets	47.3	54.9	51.7	59.3	94.2	116.8	141.0
Fixed assets	165.0	176.2	168.0	253.0	331.2	355.5	381.9
Inventories	0.1	0.0	0.1	0.3	0.2	0.3	0.4
Accounts receivable	75.0	80.3	73.9	103.3	154.6	195.9	242.0
Liquid assets	27.9	43.8	107.7	106.6	80.1	133.6	198.8
Other short-term assets	29.1	41.7	37.1	61.7	61.5	66.0	77.0
Current assets	132.1	165.8	218.8	271.9	296.4	395.8	518.2
Total Assets	297.1	342.0	386.8	524.9	627.7	751.3	900.1
Liabilities and shareholders' equity							
Shareholders' equity	74.5	50.2	43.8	96.8	163.8	235.6	329.0
Minority interest	14.4	9.7	2.7	0.0	3.0	4.0	5.0
Total equity	88.9	59.9	46.5	96.8	166.8	239.6	334.0
Provisions	20.9	25.5	33.2	45.3	37.0	40.0	43.0
thereof provisions for pensions and similar obligations	3.2	4.4	6.0	10.1	7.0	8.0	9.0
Financial liabilities (total)	92.1	125.3	189.5	246.1	209.9	209.9	209.9
Short-term financial liabilities	5.7	5.3	14.4	23.8	23.8	23.8	23.8
Accounts payable	17.4	16.1	22.2	18.5	44.5	54.7	65.7
Other liabilities	77.8	115.1	95.4	118.2	169.6	207.1	247.5
Liabilities	208.2	282.0	340.3	428.0	461.0	511.7	566.1
Total liabilities and shareholders' equity	297.1	342.0	386.8	524.9	627.7	751.3	900.1

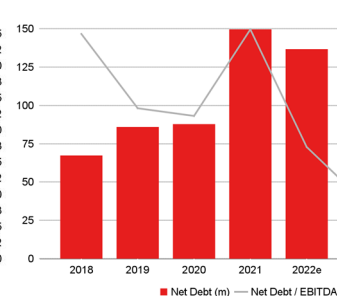
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	4.8 x	6.3 x	8.8 x	6.3 x	8.4 x	8.1 x	7.7 x
Capital Employed Turnover	1.8 x	2.8 x	3.2 x	2.2 x	2.8 x	3.2 x	3.6 x
ROA	4.2 %	14.5 %	11.0 %	11.9 %	18.4 %	20.8 %	24.6 %
Return on Capital							
ROCE (NOPAT)	8.9 %	23.0 %	20.5 %	18.8 %	23.9 %	25.1 %	29.1 %
ROE	13.4 %	40.8 %	39.2 %	42.7 %	46.7 %	37.0 %	33.2 %
Adj. ROE	13.4 %	40.8 %	39.2 %	42.7 %	46.7 %	37.0 %	33.2 %
Balance sheet quality							
Net Debt	67.4	86.0	87.8	149.7	136.7	84.3	20.0
Net Financial Debt	64.2	81.6	81.8	139.5	129.7	76.3	11.0
Net Gearing	75.8 %	143.4 %	188.7 %	154.6 %	82.0 %	35.2 %	6.0 %
Net Fin. Debt / EBITDA	198.8 %	132.4 %	123.6 %	198.6 %	98.4 %	48.6 %	5.8 %
Book Value / Share	n.a.	n.a.	n.a.	7.0	11.8	17.0	23.7
Book value per share ex intangibles	n.a.	n.a.	n.a.	-5.9	-4.1	1.2	7.9

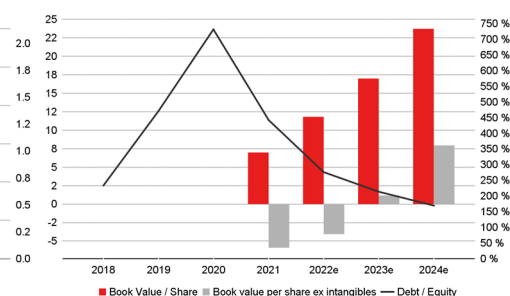
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

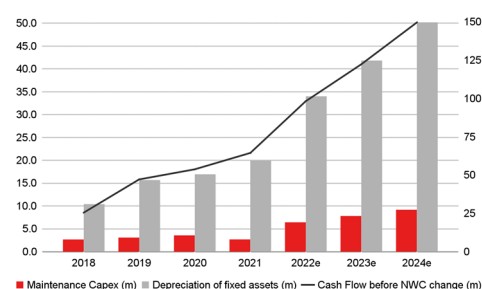
Consolidated cash flow statement

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	8.2	30.4	24.4	30.0	60.8	73.9	93.8
Depreciation of fixed assets	10.4	15.7	16.9	19.9	34.0	41.8	50.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	3.3	3.5	4.7	4.7	6.5	5.6	4.7
Increase/decrease in long-term provisions	0.6	0.4	1.2	1.3	-3.1	1.0	1.0
Other non-cash income and expenses	3.1	-2.9	6.6	8.7	0.0	0.0	0.0
Cash Flow before NWC change	25.6	47.1	53.8	64.5	98.2	122.3	149.7
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts payable	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in other working capital positions	-17.0	-6.3	18.4	-20.6	-11.2	-21.2	-29.8
Increase / decrease in working capital (total)	-17.0	-6.3	18.4	-20.6	-11.2	-21.2	-29.8
Net cash provided by operating activities [1]	8.6	40.9	72.2	44.0	87.0	101.2	119.9
Investments in intangible assets	0.0	-1.3	-1.0	-0.8	-1.3	-1.5	-1.6
Investments in property, plant and equipment	-2.7	-1.8	-2.6	-1.9	-5.1	-6.3	-7.6
Payments for acquisitions	5.0	-2.9	-7.8	-50.1	-40.0	-2.0	0.0
Financial investments	0.4	-2.5	1.2	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.4	0.1	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	2.7	-8.0	-10.1	-52.8	-46.4	-9.8	-9.2
Change in financial liabilities	4.3	-3.3	23.9	18.2	-36.3	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.1	6.1	0.0	0.0	0.0
Other	-8.1	-13.8	-17.5	-24.2	-30.8	-37.9	-45.4
Net cash provided by financing activities [3]	-3.9	-17.1	6.5	0.0	-67.1	-37.9	-45.4
Change in liquid funds [1]+[2]+[3]	7.5	15.7	68.6	-8.8	-26.5	53.5	65.2
Effects of exchange-rate changes on cash	0.4	0.4	-1.4	0.6	0.0	0.0	0.0
Cash and cash equivalent at end of period	24.4	44.0	110.9	99.6	80.1	133.6	198.8

Financial Ratios

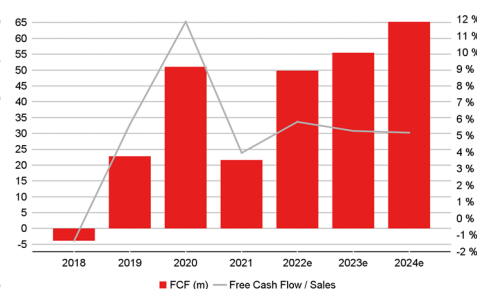
	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	-3.9	22.8	51.0	21.6	49.8	55.5	65.2
Free Cash Flow / Sales	-1.3 %	5.7 %	11.9 %	4.0 %	5.8 %	5.3 %	5.2 %
Free Cash Flow Potential	23.4	36.8	31.6	39.7	70.9	82.5	100.9
Free Cash Flow / Net Profit	-56.5 %	89.4 %	276.6 %	72.1 %	81.9 %	75.0 %	69.5 %
Interest Received / Avg. Cash	2.1 %	0.6 %	0.7 %	0.4 %	0.2 %	0.2 %	0.1 %
Interest Paid / Avg. Debt	6.0 %	5.0 %	4.6 %	3.6 %	3.1 %	3.3 %	3.3 %
Management of Funds							
Investment ratio	0.9 %	0.8 %	0.8 %	0.5 %	0.8 %	0.7 %	0.7 %
Maint. Capex / Sales	0.9 %	0.8 %	0.8 %	0.5 %	0.8 %	0.7 %	0.7 %
Capex / Dep	19.4 %	16.1 %	16.5 %	10.9 %	15.9 %	16.5 %	16.7 %
Avg. Working Capital / Sales	15.5 %	13.6 %	11.5 %	10.8 %	9.6 %	9.7 %	10.3 %
Trade Debtors / Trade Creditors	431.9 %	500.3 %	332.8 %	559.6 %	347.4 %	358.1 %	368.3 %
Inventory Turnover	398.7 x	5452.4 x	387.1 x	219.6 x	406.1 x	396.1 x	369.1 x
Receivables collection period (days)	95	73	63	69	66	68	70
Payables payment period (days)	159	119	165	114	200	168	162
Cash conversion cycle (Days)	-106	-103	-172	-102	-229	-180	-169

CAPEX and Cash Flow in EUR m



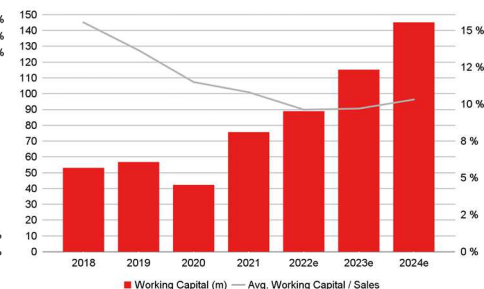
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Nagarro	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A3H2200.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	162	75
Hold	43	20
Sell	6	3
Rating suspended	4	2
Total	215	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	45	82
Hold	7	13
Sell	1	2
Rating suspended	2	4
Total	55	100

PRICE AND RATING HISTORY NAGARRO AS OF 15.11.2022



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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