



Q1 2023

Earnings Call

Disclaimer



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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 Q1 '23 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 document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures to which they refer.

Q1 2023, described



Highlights

- Constant currency **growth continued**, although the pace moderated
- **FX impacted** reported revenue numbers
- Inorganic growth continued with the **acquisition** of Infocore and MBIS
- New subsidiary opened in **Taiwan**
- Near-term **demand softening** predicted due to the banking crisis and general economic conditions
- Medium-term sentiment bullish as digital transformation segues into **Big Data- and AI-transformation**
- Low **wage inflation and attrition** in certain job markets, including in our largest service region, India

Milestones

- **2.6% QoQ** revenue growth in constant currency
- **22.9% YoY** revenue growth in constant currency
- **Net Promoter Score** 65
- **18,946 Nagarrians** 696 net new additions

Q1 2023, by the numbers



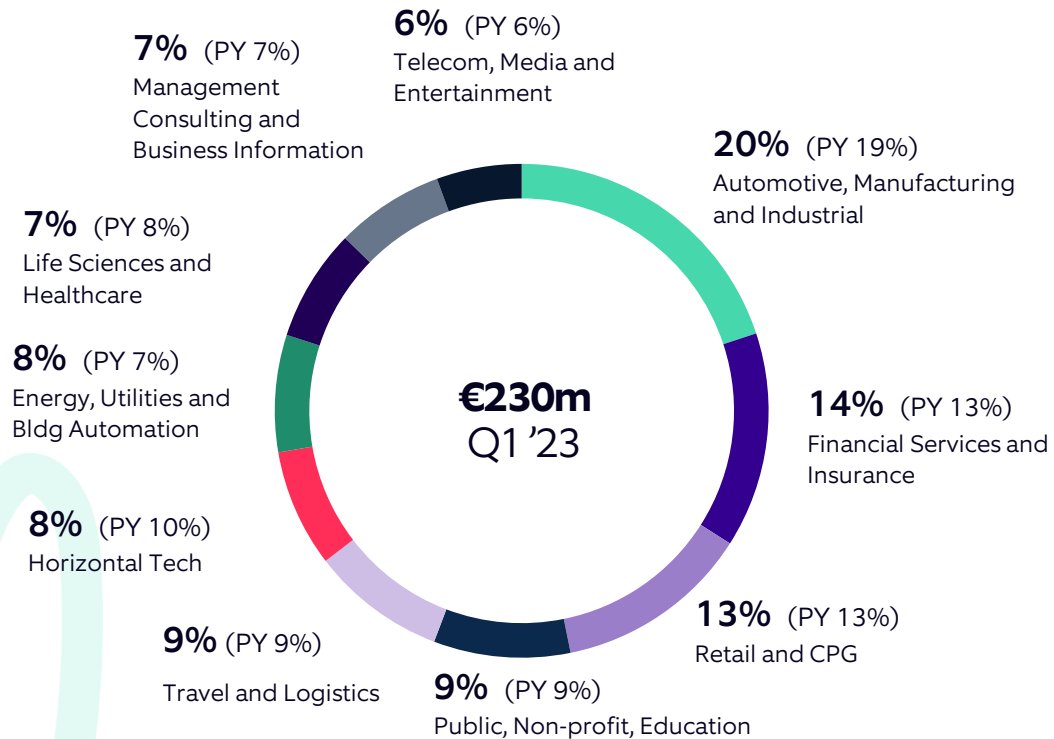
€230m revenue	23.7% YoY revenue growth	22.9% YoY revenue growth (constant currency)	26.8% gross margin	€31.4m adjusted EBITDA
INDUSTRIES' YoY GROWTH RANGE		SEGMENTS' YoY GROWTH RANGE		
39% financial services & insurance	-6% horizontal tech	33% rest of world	17% central europe	15% top 5 clients' revenue
€114m cash balance	696 professionals added	92.0% CSAT score	GUIDANCE	
			~€940 2023 revenue	~15.0% 2023 adjusted EBITDA margin

CSAT scores for Q1 2023 reported under revised survey format;
 Q2 2022 and subsequent CSAT scores not comparable with Q1 2022 and previous scores
 Guidance per announcement on May 12, 2023, excludes revenue from acquisitions made or to be made in 2023

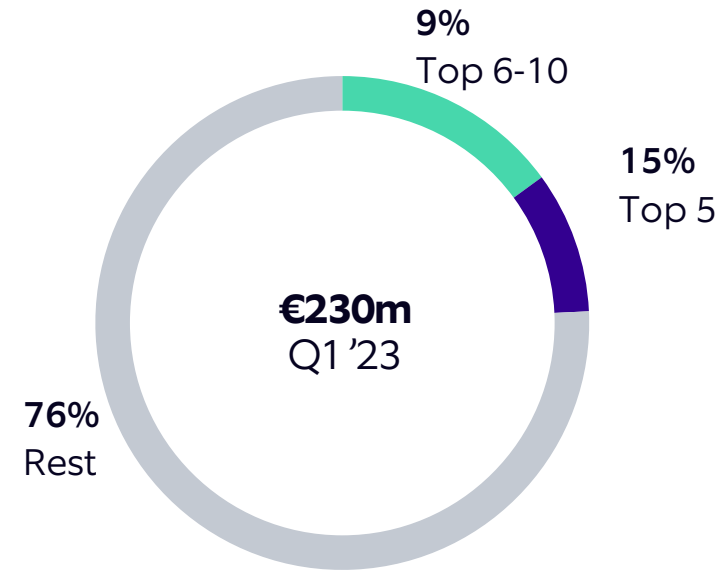
Broad-based growth across industries and clients



Revenue by industry



Revenue by customers

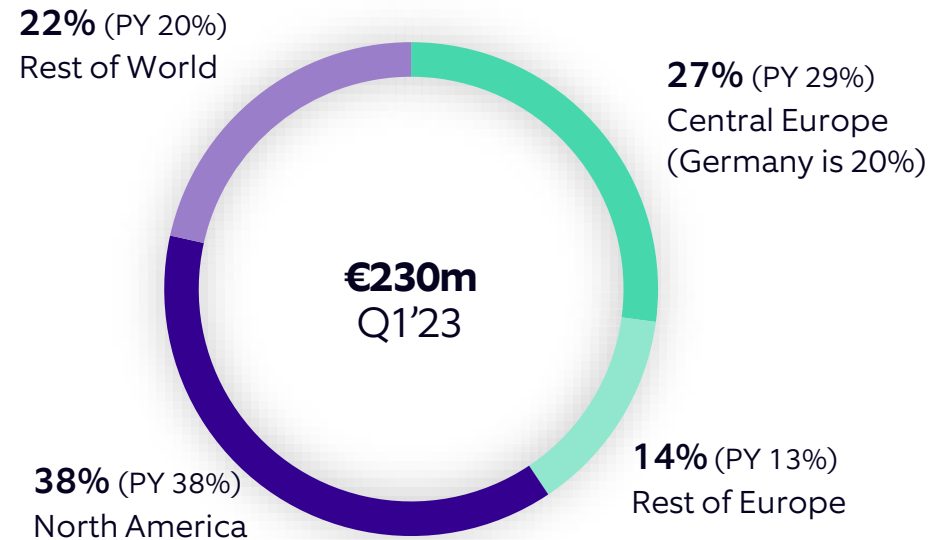


Revenue by industry is based on the company's own classification of each client (or its corporate group) by industry. Each corporate group is counted as a single customer. Numbers in brackets represent previous year (PY) data, i.e. for Q1 '22. Percentages are individually rounded and may not add up to 100%.

Rest of World leads growth



Revenue by client region



Personnel worldwide

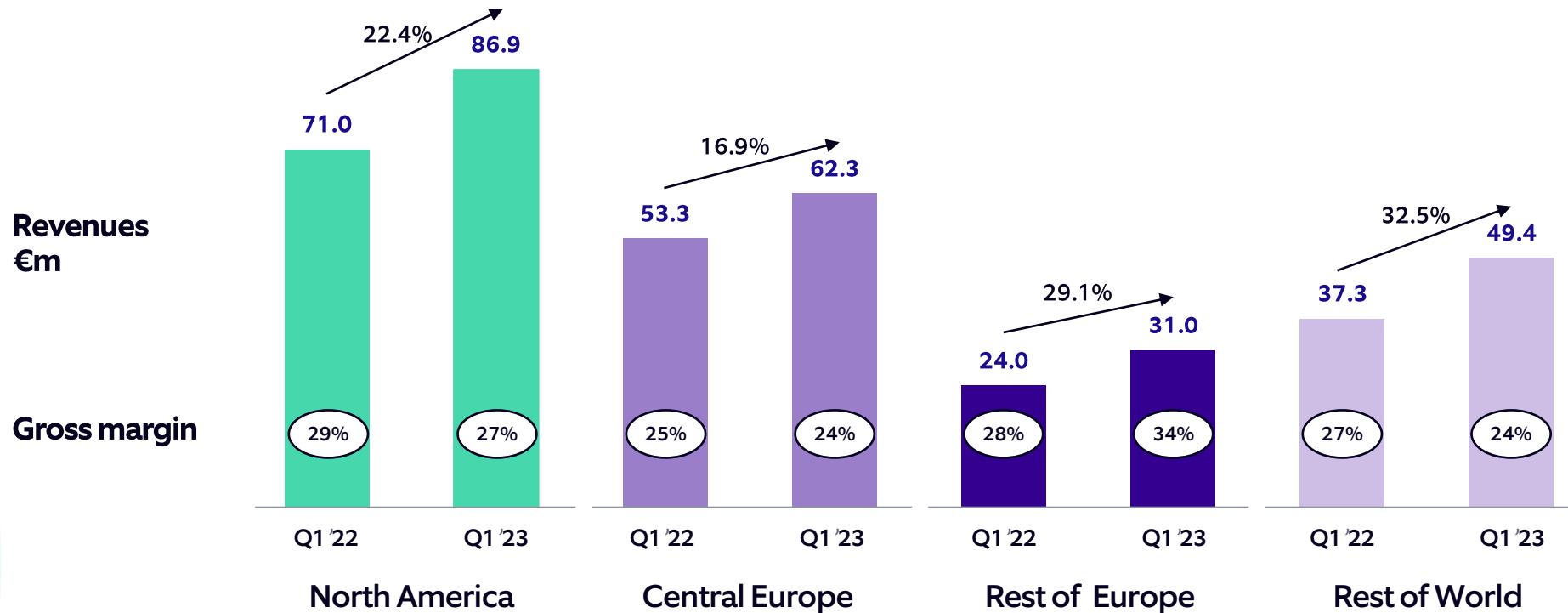
18,946
total professionals, of which...

17,674
professionals in engineering

Central Europe comprises Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia and Switzerland.
A number of the new hires for Q1 2023 are college graduates, to be trained further, and not likely to be immediately deployed on client projects.
Number of personnel as of March 31, 2023



Segment revenues and gross margins



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

Revenue ~€940m

Gross Margin ~28%

Adjusted EBITDA ~15%

Guidance per announcement on May 12, 2023, excludes revenue from acquisitions made or to be made in 2023

Nagarro investment highlights, reiterated



- 1. Positioning** “Engineering DNA” digital leader with a special “Enterprise Agile” approach
- 2. Clients** Large, global, blue-chip customer base
- 3. Organization** Agile, entrepreneurial and global org design and culture
- 4. Financials** Strong revenue growth, attractive margins and upside potential
- 5. Growth** Sustainable organic growth capabilities, plus synergistic M&A





Q&A