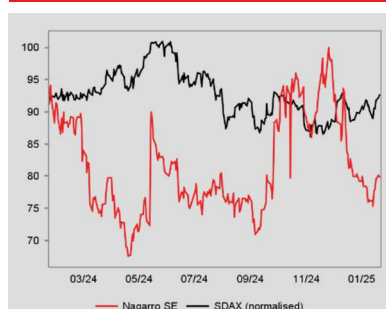


Buy EUR 135.00	Value Indicators: EUR DCF: 135.00	Warburg Risk Score: 3.5 Balance Sheet Score: 4.0 Market Liquidity Score: 3.0	Description: Custom software and digital engineering
	Market Snapshot: EUR m Market cap: 1,063.8 No. of shares (m): 13.3 EV: 1,097.7 Freefloat MC: 747.8 Ø Trad. Vol. (30d): 1.43 m	Shareholders: Freefloat 70.30 % Carl G. Duerschmidt 20.00 % Detlef Dinsel 9.70 %	Key Figures (WRE): 2024e Beta: 1.1 Price / Book: 4.4 x Equity Ratio: 33 % Net Fin. Debt / EBITDA: 0.7 x Net Debt / EBITDA: 0.7 x
Price EUR 79.85 Upside 69.1 %			

Cross-reads continue to signal stabilisation and improvement

- Following our recent publication on the IT services sector (dated 10.01.25), further participants in the IT services market have reported their results and indicated some green shoots in the IT services industry.
- In the context of its Q3/25, **Tata** highlighted that the priority areas, in which its clients are strongly investing, continue to be technological modernisation, SAP S/4 HANA transformations, cloud engagements, building data foundations for AI and cybersecurity. While there have been deferrals of some projects in the last few quarters due to reprioritization, there are early signs of revival which are leading to improving deal-wins due to better conversion rates, which supports confidence in the upcoming financial year. Along with retail, there are early signs of revival in discretionary spending in the financial-services industry.
- HCL** highlighted its observation of an overall improvement in discretionary spending. Management expects companies to increase their IT investments in 2025 and it has already seen improvements over the last two quarters. Clients are investing to drive innovation and efficiency. GenAI and data are at the centre of such initiatives. At the same time, there is faster conversion of smaller deals, while larger deals are taking time to convert. Customer investment focus is on strategic transformation with AI, GenAI in high-impact use-cases. In this context, HCL is continuing to invest in repeatable horizontal and vertical solutions to accelerate high-impact use-cases.
- Infosys** reported results, that were about 1% ahead of market expectations, and raised its guidance. Management expects revenue growth of 4-5% in constant currency in 2025. While utilisation was slightly above management's comfort level at 86%, it is expected to normalise at around 83-85%. Volume growth in the company's FY 2026 will be clearer after customer budget visibility in February and March. At the same time, the pricing environment is stable.
- Wipro** cited a robust large-deal pipeline across geographies, with a strong pipeline in financial services and a focus on cost reduction and efficiency gains. At the same time, discretionary spending in the Americas is showing positive signs. The large-deal pipeline remains robust, with a focus on cost reduction and efficiency deals. Wipro's hiring is expected to remain robust with plans for significant hiring in the next financial year.
- While **IT employment** was anaemic throughout 2024 there are 'green shoots', warranting increased optimism for 2025, according to TechServe Alliance, an association for the IT & engineering staffing and solutions industry. With the US election decided and dissipation of much of the near-term economic uncertainty, industry firms are highlighting that many IT projects, which were side-lined, are expected to come back.
- Conclusion:** While Nagarro lowered its targets last year because of subdued demand, the spending environment appears to have bottomed out. An increase in discretionary spending supports our expectation of higher growth in 2025. Last year, Nagarro announced that the company is exploring a potential take-private transaction, including a public-tender offer. So far, there has not been an update on this process. The Buy rating is confirmed given upside to our PT.

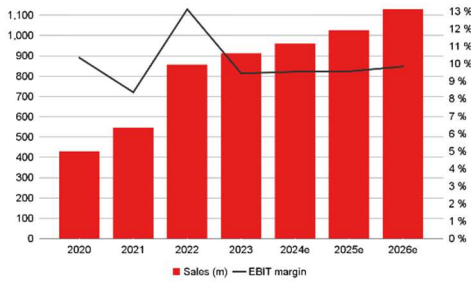


Rel. Performance vs SDAX:	
1 month:	-7.9 %
6 months:	3.1 %
Year to date:	-2.3 %
Trailing 12 months:	-14.1 %

Company events:	

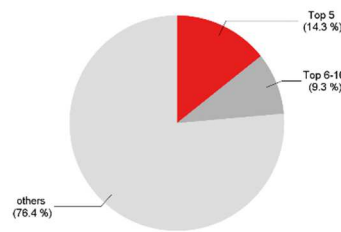
FY End: 31.12. in EUR m	CAGR (23-26e)	2020	2021	2022	2023	2024e	2025e	2026e
Sales	7.4 %	430.4	546.0	856.3	912.1	960.0	1,027.2	1,129.9
Change Sales yoy		6.9 %	26.9 %	56.8 %	6.5 %	5.3 %	7.0 %	10.0 %
EBITDA adj.		76.2	79.7	148.5	126.1	136.4	146.4	162.8
Margin		17.7 %	14.6 %	17.3 %	13.8 %	14.2 %	14.3 %	14.4 %
EBITDA	8.0 %	66.2	70.3	145.6	121.3	127.4	136.4	152.8
Margin		15.4 %	12.9 %	17.0 %	13.3 %	13.3 %	13.3 %	13.5 %
EBIT	8.9 %	44.5	45.7	112.4	86.2	91.6	98.3	111.3
Margin		10.3 %	8.4 %	13.1 %	9.5 %	9.5 %	9.6 %	9.9 %
Net income before minorities		24.4	30.0	77.3	52.1	61.1	66.5	75.8
Net income	13.3 %	18.4	30.0	77.3	52.1	61.1	66.5	75.8
EPS	13.7 %	n.a.	2.51	5.58	3.87	4.58	4.99	5.69
FCFPS		4.48	1.81	4.09	3.39	7.44	4.56	4.95
FCF / Market cap		n.a.	1.5 %	3.4 %	3.8 %	9.3 %	5.7 %	6.2 %
EV / Sales		n.a.	3.0 x	2.1 x	1.5 x	1.2 x	1.1 x	0.9 x
EV / EBIT adj.		n.a.	33.8 x	15.6 x	15.4 x	12.1 x	10.7 x	8.9 x
EV / EBIT		n.a.	35.4 x	16.4 x	16.2 x	12.6 x	11.2 x	9.3 x
P / E		n.a.	48.9 x	21.8 x	23.0 x	17.4 x	16.0 x	14.0 x
Net Debt		87.8	149.7	155.8	200.6	93.7	33.9	-32.0
ROCE (NOPAT)		20.5 %	18.8 %	30.1 %	18.3 %	18.2 %	20.4 %	22.4 %
Guidance:		2024: revenue: approx. EUR 960mn; adj. EBITDA margin: > 14%						

Sales development
in EUR m



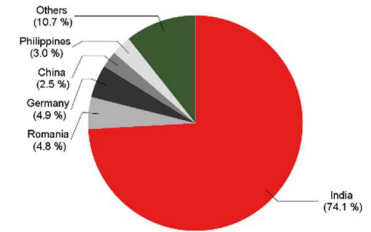
Source: Warburg Research

Customer split
2023



Source: Company

IT engineers by region
2023



Source: Warburg Research

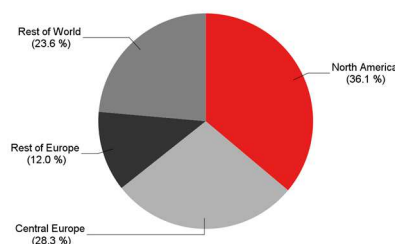
Company Background

- 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

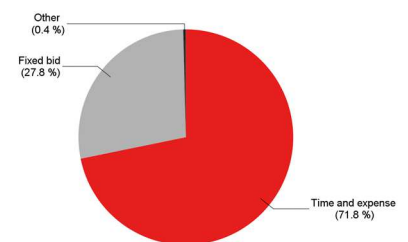
- Nagarro is a trusted and valued digitalisation partner developing tailor-made software to achieve competitive differentiation for its clients.
- Technological focus and expertise position the company as an IT engineering expert rather than a consulting or services company.
- Proprietary software Ginger 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. 17,000 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 region
2023; in %



Source: Warburg Research

Revenue by contract type
2023



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	
Sales	960.0	1,027.2	1,129.9	1,265.5	1,408.3	1,557.6	1,712.8	1,873.3	2,038.3	2,207.0	2,378.8	2,552.8	2,603.8	
Sales change	5.3 %	7.0 %	10.0 %	12.0 %	11.3 %	10.6 %	10.0 %	9.4 %	8.8 %	8.3 %	7.8 %	7.3 %	2.0 %	2.0 %
EBIT	91.6	98.3	111.3	139.2	147.9	163.5	179.8	196.7	214.0	231.7	249.8	268.0	273.4	
EBIT-margin	9.5 %	9.6 %	9.9 %	11.0 %	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	65.9	70.8	80.1	94.7	100.5	111.2	122.3	133.8	145.5	157.6	169.8	182.3	185.9	
Depreciation	35.8	38.1	41.5	13.9	14.1	15.6	17.1	18.7	20.4	22.1	23.8	25.5	28.6	
in % of Sales	3.7 %	3.7 %	3.7 %	1.1 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.1 %	
Changes in provisions	-7.8	1.0	0.0	1.2	1.3	1.3	1.4	1.4	1.5	1.5	1.5	1.5	0.5	
Change in Liquidity from														
- Working Capital	-39.1	7.8	11.8	59.7	21.4	22.4	23.3	24.1	24.7	25.3	25.8	26.1	7.7	
- Capex	7.4	7.9	8.5	13.9	15.5	17.1	18.8	20.6	22.4	24.3	26.2	28.1	28.6	
Capex in % of Sales	0.8 %	0.8 %	0.8 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	1.1 %	
- Other	26.4	28.2	31.1	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)	99.3	66.0	70.2	36.2	79.0	88.6	98.7	109.2	120.2	131.6	143.2	155.2	178.7	182
PV of FCF	99.3	61.1	60.3	28.8	58.2	60.4	62.3	63.9	65.1	66.0	66.6	66.8	71.3	1,221
share of PVs	10.76 %			29.72 %										59.52 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	16.00 %	Financial Strength	1.14
Cost of debt (after tax)	2.4 %	Liquidity (share)	1.14
Market return	8.25 %	Cyclicality	1.14
Risk free rate	2.75 %	Transparency	1.14
		Others	1.14
WACC	7.96 %	Beta	1.14

Valuation (m)

Present values 2036e	830		
Terminal Value	1,221		
Financial liabilities	294		
Pension liabilities	17		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	60	No. of shares (m)	13.3
Equity Value	1,800	Value per share (EUR)	135.13

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
1.36	9.0 %	103.59	105.71	107.98	110.42	113.04	115.86	118.91	1.36	9.0 %	89.99	96.80	103.61	110.42	117.23	124.04	130.85
1.25	8.5 %	113.46	116.03	118.80	121.78	125.00	128.49	132.29	1.25	8.5 %	99.63	107.01	114.40	121.78	129.17	136.55	143.93
1.19	8.2 %	118.96	121.80	124.87	128.18	131.77	135.67	139.93	1.19	8.2 %	105.06	112.76	120.47	128.18	135.89	143.59	151.30
1.14	8.0 %	124.89	128.04	131.44	135.13	139.15	143.53	148.33	1.14	8.0 %	110.96	119.02	127.08	135.13	143.19	151.25	159.31
1.09	7.7 %	131.30	134.80	138.60	142.73	147.23	152.17	157.60	1.09	7.7 %	117.40	125.84	134.28	142.73	151.17	159.61	168.05
1.03	7.5 %	138.26	142.16	146.40	151.04	156.11	161.70	167.89	1.03	7.5 %	124.46	133.32	142.18	151.04	159.90	168.76	177.62
0.92	7.0 %	154.08	158.98	164.35	170.26	176.80	184.07	192.21	0.92	7.0 %	140.78	150.61	160.44	170.26	180.09	189.92	199.74

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

Valuation	2020	2021	2022	2023	2024e	2025e	2026e
Price / Book	n.a.	15.2 x	10.2 x	6.6 x	4.4 x	3.6 x	2.8 x
Book value per share ex intangibles	n.a.	-5.90	-3.79	-4.97	-0.22	3.73	9.66
EV / Sales	n.a.	3.0 x	2.1 x	1.5 x	1.2 x	1.1 x	0.9 x
EV / EBITDA	n.a.	23.0 x	12.6 x	11.5 x	9.1 x	8.0 x	6.8 x
EV / EBIT	n.a.	35.4 x	16.4 x	16.2 x	12.6 x	11.2 x	9.3 x
EV / EBIT adj.*	n.a.	33.8 x	15.6 x	15.4 x	12.1 x	10.7 x	8.9 x
P / FCF	n.a.	67.9 x	29.7 x	26.2 x	10.7 x	17.5 x	16.1 x
P / E	n.a.	48.9 x	21.8 x	23.0 x	17.4 x	16.0 x	14.0 x
P / E adj.*	n.a.	48.9 x	21.8 x	23.0 x	17.4 x	16.0 x	14.0 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.	2.5 %	5.2 %	5.1 %	6.0 %	7.5 %	8.9 %

*Adjustments made for: -

Company Specific Items	2020	2021	2022	2023	2024e	2025e	2026e
gross profit (company reporting)	140.2	154.4	247.1	235.7	333.4	352.8	393.5
gross margin (company reporting)	32.6 %	28.3 %	28.9 %	25.8 %	34.7 %	34.3 %	34.8 %

Consolidated profit & loss

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Sales	430.4	546.0	856.3	912.1	960.0	1,027.2	1,129.9
Change Sales yoy	6.9 %	26.9 %	56.8 %	6.5 %	5.3 %	7.0 %	10.0 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.3	0.2	0.3	0.3	2.2	2.5	2.5
Material expenses	49.2	59.1	77.0	73.1	69.1	78.1	80.2
Personnel expenses	271.7	373.0	571.1	654.7	693.1	732.4	802.2
Other operating income	11.6	14.8	28.2	32.2	17.0	10.0	10.0
Other operating expenses	53.3	55.5	89.0	91.3	83.5	87.3	101.7
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	66.2	70.3	145.6	121.3	127.4	136.4	152.8
<i>Margin</i>	<i>15.4 %</i>	<i>12.9 %</i>	<i>17.0 %</i>	<i>13.3 %</i>	<i>13.3 %</i>	<i>13.3 %</i>	<i>13.5 %</i>
Depreciation of fixed assets	16.9	19.9	25.5	29.6	31.1	33.3	36.7
EBITA	49.3	50.3	120.1	91.7	96.3	103.1	116.1
Amortisation of intangible assets	4.7	4.7	7.6	5.5	4.7	4.8	4.8
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	44.5	45.7	112.4	86.2	91.6	98.3	111.3
<i>Margin</i>	<i>10.3 %</i>	<i>8.4 %</i>	<i>13.1 %</i>	<i>9.5 %</i>	<i>9.5 %</i>	<i>9.6 %</i>	<i>9.9 %</i>
EBIT adj.	48.0	47.8	117.8	91.1	95.6	102.3	115.3
Interest income	0.5	0.4	0.5	1.8	0.2	0.0	0.0
Interest expenses	7.3	7.8	11.2	18.2	7.0	6.0	6.0
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	37.7	38.2	101.7	69.8	84.8	92.3	105.3
<i>Margin</i>	<i>8.8 %</i>	<i>7.0 %</i>	<i>11.9 %</i>	<i>7.7 %</i>	<i>8.8 %</i>	<i>9.0 %</i>	<i>9.3 %</i>
Total taxes	13.4	8.2	24.4	17.7	23.7	25.8	29.5
Net income from continuing operations	24.4	30.0	77.3	52.1	61.1	66.5	75.8
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	24.4	30.0	77.3	52.1	61.1	66.5	75.8
Minority interest	5.9	0.0	0.0	0.0	0.0	0.0	0.0
Net income	18.4	30.0	77.3	52.1	61.1	66.5	75.8
<i>Margin</i>	<i>4.3 %</i>	<i>5.5 %</i>	<i>9.0 %</i>	<i>5.7 %</i>	<i>6.4 %</i>	<i>6.5 %</i>	<i>6.7 %</i>
Number of shares, average	n.a.	12.0	13.8	13.5	13.3	13.3	13.3
EPS	n.a.	2.51	5.58	3.87	4.58	4.99	5.69
EPS adj.	n.a.	2.51	5.58	3.87	4.58	4.99	5.69

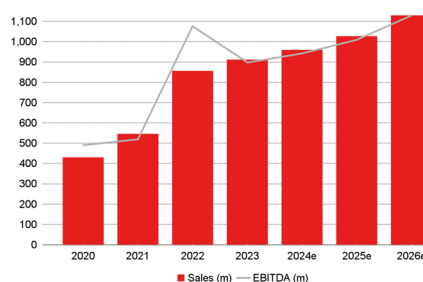
*Adjustments made for:

Guidance: 2024: revenue: approx. EUR 960mn; adj. EBITDA margin: > 14%

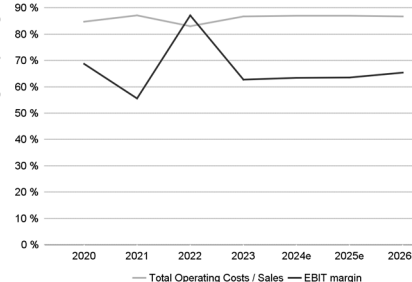
Financial Ratios

	2020	2021	2022	2023	2024e	2025e	2026e
Total Operating Costs / Sales	84.7 %	87.2 %	83.0 %	86.7 %	87.0 %	87.0 %	86.7 %
Operating Leverage	0.7 x	0.1 x	2.6 x	-3.6 x	1.2 x	1.0 x	1.3 x
EBITDA / Interest expenses	9.1 x	9.0 x	13.0 x	6.7 x	18.2 x	22.7 x	25.5 x
Tax rate (EBT)	35.5 %	21.5 %	24.0 %	25.3 %	28.0 %	28.0 %	28.0 %
Dividend Payout Ratio	n.a.	0.0 %	0.0 %	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.

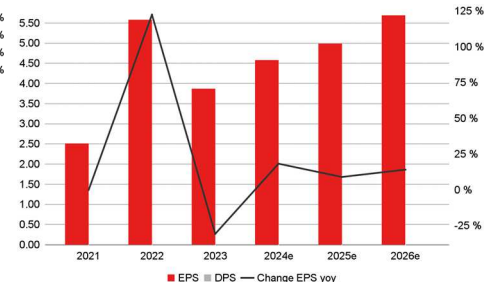
Sales, EBITDA
in EUR m



Operating Performance
in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

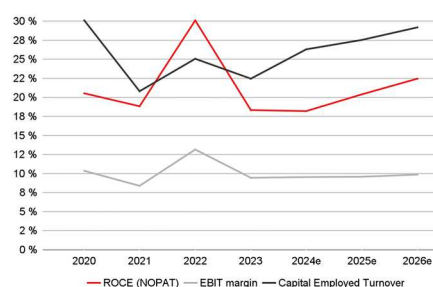
Consolidated balance sheet

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Assets							
Goodwill and other intangible assets	106.9	178.7	217.4	247.3	247.2	247.1	247.0
thereof other intangible assets	11.0	14.0	13.6	26.5	26.4	26.3	26.2
thereof Goodwill	95.9	163.4	202.6	220.8	220.8	220.8	220.8
Property, plant and equipment	6.4	11.1	11.4	12.9	13.9	15.0	16.2
Financial assets	3.0	3.7	4.0	3.3	3.3	3.3	3.3
Other long-term assets	51.7	59.3	52.3	47.6	47.3	50.8	56.3
Fixed assets	168.0	253.0	285.1	311.3	311.7	316.3	322.9
Inventories	0.1	0.3	0.3	0.0	0.4	0.5	0.5
Accounts receivable	73.9	103.3	156.8	182.5	184.1	197.0	216.7
Liquid assets	107.7	106.6	110.2	110.1	190.1	250.9	316.8
Other short-term assets	37.1	61.7	66.7	76.0	77.0	84.0	84.0
Current assets	218.8	271.9	333.9	368.6	451.6	532.4	618.0
Total Assets	386.8	524.9	619.0	679.9	763.3	848.6	940.9
Liabilities and shareholders' equity							
Shareholders' equity	43.8	96.8	165.5	181.1	244.3	296.8	375.7
Minority interest	2.7	0.0	0.0	0.0	5.0	20.0	20.0
Total equity	46.5	96.8	165.5	181.1	249.3	316.8	395.7
Provisions	33.2	45.3	55.8	59.4	43.0	46.0	46.0
thereof provisions for pensions and similar obligations	6.0	10.1	12.9	16.8	9.0	10.0	10.0
Financial liabilities (total)	189.5	246.1	253.1	293.9	274.7	274.7	274.7
Short-term financial liabilities	14.4	23.8	11.5	6.2	6.2	6.2	6.2
Accounts payable	22.2	18.5	15.3	17.9	50.0	53.5	58.8
Other liabilities	95.4	118.2	129.4	127.5	146.3	157.5	165.6
Liabilities	340.3	428.0	453.5	498.8	514.0	531.8	545.1
Total liabilities and shareholders' equity	386.8	524.9	619.0	679.9	763.3	848.6	940.9

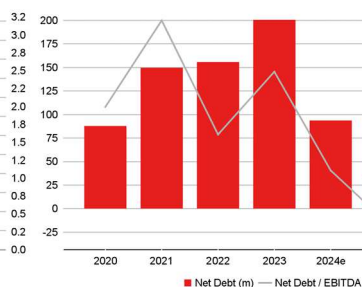
Financial Ratios

	2020	2021	2022	2023	2024e	2025e	2026e
Efficiency of Capital Employment							
Operating Assets Turnover	8.8 x	6.3 x	6.1 x	5.6 x	7.7 x	7.7 x	7.7 x
Capital Employed Turnover	3.2 x	2.2 x	2.7 x	2.4 x	2.8 x	2.9 x	3.1 x
ROA	11.0 %	11.9 %	27.1 %	16.8 %	19.6 %	21.0 %	23.5 %
Return on Capital							
ROCE (NOPAT)	20.5 %	18.8 %	30.1 %	18.3 %	18.2 %	20.4 %	22.4 %
ROE	39.2 %	42.7 %	58.9 %	30.1 %	28.7 %	24.6 %	22.5 %
Adj. ROE	39.2 %	42.7 %	58.9 %	30.1 %	28.7 %	24.6 %	22.5 %
Balance sheet quality							
Net Debt	87.8	149.7	155.8	200.6	93.7	33.9	-32.0
Net Financial Debt	81.8	139.5	142.9	183.8	84.7	23.9	-42.0
Net Gearing	188.7 %	154.6 %	94.1 %	110.8 %	37.6 %	10.7 %	-8.1 %
Net Fin. Debt / EBITDA	123.6 %	198.6 %	98.2 %	151.6 %	66.4 %	17.5 %	n.a.
Book Value / Share	n.a.	7.0	12.1	13.6	18.3	22.3	28.2
Book value per share ex intangibles	n.a.	-5.9	-3.8	-5.0	-0.2	3.7	9.7

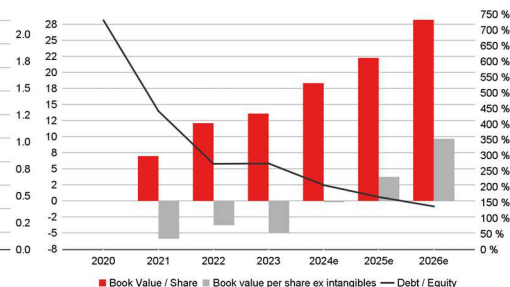
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

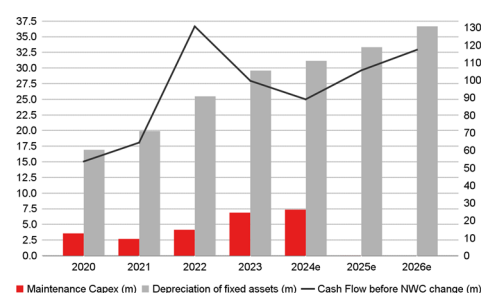
Consolidated cash flow statement

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Net income	24.4	30.0	77.3	52.1	61.1	66.5	75.8
Depreciation of fixed assets	16.9	19.9	25.5	29.6	31.1	33.3	36.7
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	4.7	4.7	7.6	5.5	4.7	4.8	4.8
Increase/decrease in long-term provisions	1.2	1.3	1.9	2.7	-7.8	1.0	0.0
Other non-cash income and expenses	6.6	8.7	18.4	9.7	0.0	0.0	0.0
Cash Flow before NWC change	53.8	64.5	130.7	99.6	89.1	105.6	117.3
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	18.4	-20.6	-48.4	-21.9	43.8	-8.7	-11.8
Increase / decrease in working capital (total)	18.4	-20.6	-48.4	-21.9	43.8	-8.7	-11.8
Net cash provided by operating activities [1]	72.2	44.0	82.3	77.7	132.9	96.9	105.4
Investments in intangible assets	-1.0	-0.8	-0.6	-1.5	-1.6	-1.7	-1.7
Investments in property, plant and equipment	-2.6	-1.9	-3.5	-5.4	-5.8	-6.2	-6.8
Payments for acquisitions	-7.8	-50.1	-40.4	-54.3	0.0	0.0	0.0
Financial investments	1.2	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.1	0.0	0.1	-2.5	0.0	0.0	0.0
Net cash provided by investing activities [2]	-10.1	-52.8	-44.5	-63.7	-7.4	-7.9	-8.5
Change in financial liabilities	23.9	18.2	11.4	62.3	-19.2	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	-10.0	-29.7	0.0	0.0	0.0
Capital measures	0.1	6.1	0.0	0.0	0.0	0.0	0.0
Other	-17.5	-24.2	-30.2	-39.3	-26.4	-28.2	-31.1
Net cash provided by financing activities [3]	6.5	0.0	-28.8	-6.7	-45.6	-28.2	-31.1
Change in liquid funds [1]+[2]+[3]	68.6	-8.8	9.0	7.3	80.0	60.8	65.9
Effects of exchange-rate changes on cash	-1.4	0.6	-1.3	-2.6	0.0	0.0	0.0
Cash and cash equivalent at end of period	110.9	99.6	114.3	114.8	190.1	250.9	316.8

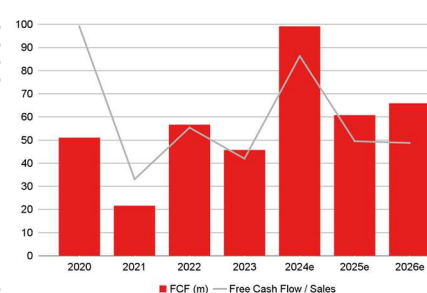
Financial Ratios

	2020	2021	2022	2023	2024e	2025e	2026e
Cash Flow							
FCF	51.0	21.6	56.6	45.7	99.2	60.8	65.9
Free Cash Flow / Sales	11.9 %	4.0 %	6.6 %	5.0 %	10.3 %	5.9 %	5.8 %
Free Cash Flow Potential	49.2	39.7	95.5	71.6	70.0	82.3	92.2
Free Cash Flow / Net Profit	276.6 %	72.1 %	73.3 %	87.7 %	162.4 %	91.4 %	86.9 %
Interest Received / Avg. Cash	0.7 %	0.4 %	0.5 %	1.6 %	0.1 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	4.6 %	3.6 %	4.5 %	6.6 %	2.5 %	2.2 %	2.2 %
Management of Funds							
Investment ratio	0.8 %	0.5 %	0.5 %	0.8 %	0.8 %	0.8 %	0.8 %
Maint. Capex / Sales	0.8 %	0.5 %	0.5 %	0.8 %	0.8 %	0.0 %	0.0 %
Capex / Dep	16.5 %	10.9 %	12.5 %	19.6 %	20.5 %	20.6 %	20.5 %
Avg. Working Capital / Sales	11.5 %	10.8 %	11.9 %	15.2 %	13.5 %	11.1 %	11.0 %
Trade Debtors / Trade Creditors	332.8 %	559.6 %	1028.2 %	1017.4 %	368.2 %	368.2 %	368.5 %
Inventory Turnover	387.1 x	219.6 x	291.6 x	73124.0 x	172.8 x	156.1 x	160.4 x
Receivables collection period (days)	63	69	67	73	70	70	70
Payables payment period (days)	165	114	72	90	264	250	268
Cash conversion cycle (Days)	-172	-102	-70	-91	-319	-298	-324

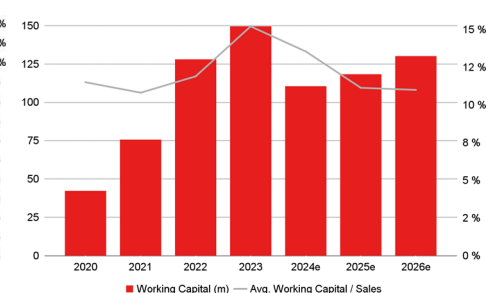
CAPEX and Cash Flow
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Nagarro	3, 5	https://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A3H2200.htm

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-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	142	71
Hold	42	21
Sell	11	5
Rating suspended	6	3
Total	201	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	43	78
Hold	7	13
Sell	2	4
Rating suspended	3	5
Total	55	100

PRICE AND RATING HISTORY NAGARRO AS OF 22.01.2025



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.

EQUITIES

Matthias Rode +49 40 3282-2678
Head of Equities mrode@mmwarburg.com

RESEARCH

Michael Heider +49 40 309537-280
Head of Research mheider@warburg-research.com

Henner Rüschemeyer +49 40 309537-270
Head of Research hrueschmeier@warburg-research.com

Stefan Augustin +49 40 309537-168
Cap. Goods, Engineering saugustin@warburg-research.com

Jan Bauer +49 40 309537-155
Renewables jbauer@warburg-research.com

Christian Cohrs +49 40 309537-175
Industrials & Transportation ccohrs@warburg-research.com

Dr. Christian Ehmann +49 40 309537-167
BioTech, Life Science cehmann@warburg-research.com

Felix Ellmann +49 40 309537-120
Software, IT fellmann@warburg-research.com

Jörg Philipp Frey +49 40 309537-258
Retail, Consumer Goods jfrey@warburg-research.com

Marius Fuhrberg +49 40 309537-185
Financial Services mfuhrberg@warburg-research.com

Fabio Hölscher +49 40 309537-240
Automobiles, Car Suppliers fhoelscher@warburg-research.com

Philipp Kaiser +49 40 309537-260
Real Estate, Construction pkaiser@warburg-research.com

Thilo Kleibauer +49 40 309537-257
Retail, Consumer Goods tkleibauer@warburg-research.com

Hannes Müller +49 40 309537-255
Software, IT hmueller@warburg-research.com

Andreas Pläsier +49 40 309537-246
Banks, Financial Services aplaesier@warburg-research.com

Malte Schaumann +49 40 309537-170
Technology mschaumann@warburg-research.com

Oliver Schwarz +49 40 309537-250
Chemicals, Agriculture oschwarz@warburg-research.com

Simon Stippig +49 40 309537-265
Real Estate, Telco sstippig@warburg-research.com

Marc-René Tonn +49 40 309537-259
Automobiles, Car Suppliers mtonn@warburg-research.com

Robert-Jan van der Horst +49 40 309537-290
Technology rvanderhorst@warburg-research.com

Andreas Wolf +49 40 309537-140
Software, IT awolf@warburg-research.com

INSTITUTIONAL EQUITY SALES

Klaus Schilling +49 69 5050-7400
Head of Equity Sales, Germany kschilling@mmwarburg.com

Tim Beckmann +49 40 3282-2665
United Kingdom tbeckmann@mmwarburg.com

Jens Buchmüller +49 69 5050-7415
Scandinavia, Austria jbuchmueller@mmwarburg.com

Matthias Fritsch +49 40 3282-2696
United Kingdom, Ireland mfritsch@mmwarburg.com

Rudolf Alexander Michaelis +49 40 3282-2649
Germany rmichaelis@mmwarburg.com

Roman Alexander Niklas +49 69 5050-7412
Switzerland, Poland, Italy rniklas@mmwarburg.com

Sascha Propp +49 40 3282-2656
France spropp@mmwarburg.com

Leyan Ilkbahar +49 40 3282-2695
Roadshow/Marketing liikbahar@mmwarburg.com

Antonia Möller +49 69 5050-7417
Roadshow/Marketing amoeller@mmwarburg.com

Juliane Niemann +49 40 3282-2694
Roadshow/Marketing jniemann@mmwarburg.com

SALES TRADING

Oliver Merckel +49 40 3282-2634
Head of Sales Trading omerckel@mmwarburg.com

Rico Müller +49 40 3282-2685
Sales Trading rmueller@mmwarburg.com

Bastian Quast +49 40 3282-2701
Sales Trading bquast@mmwarburg.com

DESIGNATED SPONSORING

Marcel Magiera +49 40 3282-2662
Designated Sponsoring mmagiera@mmwarburg.com

Sebastian Schulz +49 40 3282-2631
Designated Sponsoring sschulz@mmwarburg.com

Jörg Treptow +49 40 3282-2658
Designated Sponsoring jtreptow@mmwarburg.com

MACRO RESEARCH

Carsten Klude +49 40 3282-2572
Macro Research cklude@mmwarburg.com

Dr. Christian Jasperneite +49 40 3282-2439
Investment Strategy cjasperneite@mmwarburg.com

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LSEG www.lseg.com
Capital IQ www.capitaliq.com

For access please contact:

Andrea Schaper +49 40 3282-2632
Sales Assistance aschaper@mmwarburg.com

Kerstin Muthig +49 40 3282-2703
Sales Assistance kmuthig@mmwarburg.com