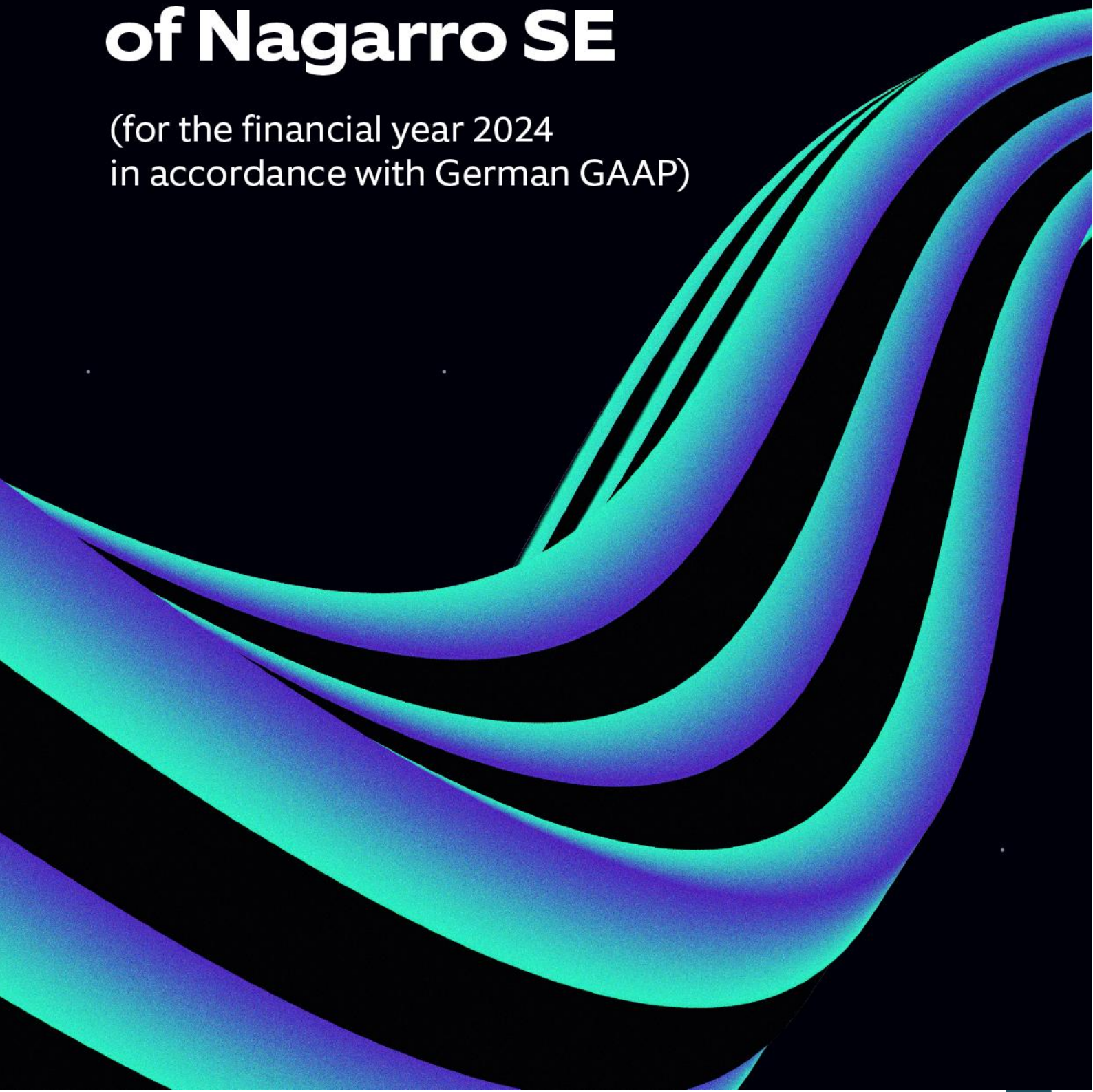


Section B

Standalone *Financial Statements* of Nagarro SE

(for the financial year 2024
in accordance with German GAAP)



I. Balance sheet

ASSETS	2024	2024	2023
in EUR			
A. Fixed assets			
I. Intangibles		7,333.32	8,000.00
1. Purchased rights	7,333.32		
II. Financial assets			
1. Shares in affiliated companies		415,356,454.97	415,306,454.97
2. Loans to affiliated companies		165,879,163.95	65,706,596.92
		581,235,618.92	481,013,051.89
		581,242,952.24	481,021,051.89
B. Current assets			
I. Receivables and other assets			
1. Accounts receivables from affiliated companies		15,495,024.82	16,319,682.25
2. Other assets		508,063.26	1,176,251.52
		16,003,088.08	17,495,933.77
II. Cash in hand, deposits with banks, bank balances and cheques		75,703,787.77	1,268,309.80
		91,706,875.85	18,764,243.57
C. Prepaid expenses		925,934.08	999,788.53
D. Deferred tax assets		909,794.11	1,808,720.96
Total assets		674,785,556.28	502,593,804.95

Equity and liabilities	2024	2024	2023
in EUR			
A. Equity			
I. Subscribed capital			
Share capital	13,775,985.00		13,775,985.00
Treasury shares	(453,867.00)		(453,867.00)
		13,322,118.00	13,322,118.00
II. Capital reserve		233,178,015.00	233,178,015.00
III. Accumulated profit (prior year: accumulated loss)		22,052,520.19	(34,832,291.40)
		268,552,653.19	211,667,841.60
B. Provisions			
I. Income tax provisions	187,343.48	-	644,704.58
II. Other provisions	19,304,830.05	19,492,173.53	1,432,027.66
		19,492,173.53	2,076,732.24
C. Liabilities			
I. Liabilities to banks		319,500,000.00	267,050,000.00
II. Trade payables		2,317,832.94	381,098.97
III. Liabilities to affiliated companies		63,567,163.44	17,544,643.50
IV. Other liabilities		1,355,733.18	3,873,488.64
- there of from taxes EUR 578,838.15 (December 31, 2023: 46,431.63)			
- of which under social security EUR 0.00 (December 31, 2023: EUR 0.00)			
		386,740,729.56	288,849,231.11
Total equity and liabilities		674,785,556.28	502,593,804.95

II. Income statement

Profit or Loss	2024	2024	2023
in EUR			
1. Revenue		25,000.00	17,000.00
- of which from affiliated companies EUR 25,000.00 (2023: EUR 17,000.00)			
2. Other operating income		6,184,108.66	8,425,293.16
- of which from affiliated companies EUR 617,852.96 (2023: EUR 3,684,672.14)			
- of which income from currency translation EUR 3,630,812.26 (2023: EUR 4,735,480.19)			
3. Personnel expenses		(1,274,599.29)	(3,259,678.02)
a) Wages and salaries	(1,215,398.31)		(3,212,352.10)
b) Social security and other pension costs	(59,200.98)		(47,325.92)
4. Depreciation / amortization			
a) of intangible assets and property, plant and equipment		(666.68)	(666.67)
5. Other operating expenses		(26,839,122.14)	(33,045,114.41)
- of which from affiliated companies EUR 579,764.40 (2023: EUR 3,306.38)			
- of which from expenses from currency translation EUR 3,109,124.17 (2023: EUR 422,380.67)			
- of which from prior years EUR 12,095,868.00 (2023: EUR Nil)			
6. Income from investments		79,568,872.76	997,827.96
- of which from affiliated companies EUR 79,568,872.76 (2023: EUR 997,827.96)			
7. Income from profit transfer agreements		13,013,473.19	11,489,787.50
8. Income from other investments and long-term loans		4,428,600.88	3,894,514.66
- of which from affiliated companies EUR 4,428,600.88 (2023: EUR 3,894,514.66)			
9. Other interest and similar income		180,327.76	-
10. Interest and similar expenses		(17,020,648.02)	(13,920,278.33)
- of which from affiliated companies EUR 982,325.57 (2023: EUR 1,362,283.66)			
11. Result before taxes		58,265,347.12	(25,401,314.15)
12. Taxes		(1,380,535.53)	(1,321,955.54)
13. Net income for the year/ net (loss) for the year		56,884,811.59	(26,723,269.69)
14. (Loss) brought forward from previous year		(34,832,291.40)	(8,109,021.71)
15. Accumulated profit (prior year: accumulated loss)		22,052,520.19	(34,832,291.40)

III. Notes to the financial statements

A. General Information

1. Corporate Information

Nagarro SE (the "Company") has its registered office in Munich and is entered in the commercial register at the local court of Munich under HRB 254410. Its registered office is Baierbrunner Str. 15, 81379 Munich, Germany. The Company is listed in Frankfurt Stock Exchange.

Since the beginning of its active business activities, the object of the Company has been the provision of software and technology consulting, development, execution of test procedures, implementation, maintenance, operating and innovation services in the field of software and technology. The Company may itself be active in the aforementioned areas of activity or may also carry out its business activities as a holding company through subsidiaries, associated companies, and joint ventures which it may establish, acquire, sell, hold, manage, advise, and restructure under its uniform management and for which it may assume other administrative tasks. It may manage companies in which it holds participations under uniform management or limit itself to their management. It may transfer their operation in whole or in part to newly established or existing subsidiaries.

As a capital market-oriented company pursuant to § 264d of the German Commercial Code (HGB), the Company has been classified as a large corporation since its listing on the stock exchange on December 16, 2020 pursuant to § 267 para. 3 sentence 2 of the German Commercial Code (HGB). The annual financial statements under commercial law as of December 31, 2024, have been prepared in compliance with the provisions of the HGB for large corporations, the Articles of Association and the AktG.

For clarity of presentation, the notes required by law for items in the balance sheet and the profit and loss statement, which may be made either in the balance sheet or the profit and loss account or in the notes, are included in the notes. The profit and loss statement is structured according to the nature of expense method.

The standalone financial statements are prepared in Euro. Unless otherwise stated, all amounts are reported in Euro (EUR) or 1,000 Euros (kEUR) for reasons of clarity and comparability.

B. Correction of errors

During the year, Nagarro SE has corrected three prior year errors in the current financial year:

- a) In the previous years, Nagarro SE had wrongly presented "income from investments" and "income from profit transfer agreements" after the line item "interest and similar expenses" instead of in the line item "operating expenses" in the income statement, which was not in line with section 275 of HGB. The same has been corrected and presented correctly in the right order of line items in the income statement.
- b) For the years 2021-2023, Nagarro SE had recognized cumulative income from affiliated companies amounting to kEUR 12,096 on cross charging the cost relating to equity-settled stock options and employees share participation program (together "equity-settled stock arrangements"). As these were equity-settled stock options and were not exercised, no income should have been recognized in previous years. To correct this error, prior period expense of kEUR 12,096 has been recognized under "other operating expenses". Further, any intercompany receivable relating to equity-settled stock arrangements has been derecognized at the reporting date and an amount of kEUR 1,527 which has already been received from the affiliated companies has now been recognized as a liability and classified under liabilities to affiliated companies.

Also, during the year, significant portion of the equity-settled stock options has been converted into cash-settled transactions (including 100% of options of the management board members) in November 2024. Accordingly, an income under "other operating income", to the extent these amounts are cross-charged to the affiliated companies, has been recognized for these cash-settled stock arrangements. Furthermore, other provisions and corresponding expenses (under "other operating expenses") were recognized, which reflect the obligation against the employees. Further, Nagarro SE has also recognized the cash-settled arrangement expenses under "other operating expenses" with a corresponding provision amounting to kEUR 918 relating to the two management board members whose remuneration are paid from Nagarro SE. Refer note D.2. Equity, note D.3. Provisions, note E.4. Other operating expenses and note F.4. Share based payment arrangements for more details.

- c) For the year ended December 31, 2023, Nagarro SE had classified "Non-capitalized earn-out expense relating to acquisitions" amounting to kEUR 1,915 and "Retention bonus expense as part of share purchase agreement of the acquired entities" amounting to kEUR 454 under personnel expenses. As these costs do not relate to Nagarro SE's employees, the costs relating to these expenses for the year ended December 31, 2024 has been classified under "Other operating expenses". Further, these provisions were wrongly shown under "Other liabilities" instead of "Provisions" in the previous

year which has been corrected in the current year. Refer note [D.3. Provisions](#), note [E.3. Personnel expenses](#) and note [E.4. Other operating expenses](#) for more details.

C. General Accounting principles

1. Accounting and valuation methods

Intangibles

Intangibles represent the “Nagarro” brand and carried at cost and are depreciated pro rata over the useful life of 15 years. If the impairment is expected to be permanent, an impairment loss is recognized to the lower fair value. If the reasons for the impairment no longer apply in subsequent years, a write-up is made up to a maximum of the amortized cost.

Financial assets

The shares in affiliated companies are recognised at acquisition cost or at the lower fair value in the case of an expected permanent impairment. Loans to affiliated companies are recognized at nominal value or at the lower fair value. If the impairment is expected to be permanent, an impairment loss is recognized to the lower fair value. If the reasons for the impairment no longer apply in subsequent years, a write-up is made up to a maximum of the amortized cost.

Receivables from affiliated companies and other assets

Receivables from affiliated companies and other assets are recognised at the lower of nominal value or fair value in accordance with section 253 (4) HGB. All items subject to risk are written off in full individually.

Cash in hand, deposits with banks, bank balances and cheques

Cash in hand, deposits with banks, bank balances and cheques are reported at nominal value. Balances denominated in foreign currency are valued at the mean spot exchange rate on the balance sheet date.

Prepaid expenses and deferred charges

Prepaid expenses are expenses that represent expenditure for a certain time after the balance sheet date.

Deferred taxes

Deferred taxes are recognized for temporary or quasi-permanent differences between the carrying amounts of assets, liabilities, prepaid expenses and deferred income in the statutory accounts and their tax carrying amounts, or due to tax loss carry forwards, using the company-specific tax rates applicable at the time when such differences reverse. The amounts of any resulting tax charge or benefit are not discounted. Deferred tax assets and liabilities are offset. The option pursuant to section 274 (1) sentence 2 HGB to recognize net deferred tax assets in excess of deferred tax liabilities was applied.

Equity

Treasury shares are deducted from the subscribed capital at their nominal value.

Provisions

Provisions were recognised at the settlement amount required according to prudent business judgment. Provisions with a remaining term of more than one year are discounted at the average market interest rate (published by the Deutsche Bundesbank) corresponding to their remaining term.

Liabilities

Liabilities are recognised at their settlement amounts.

Currency conversion

Assets and liabilities denominated in foreign currencies are translated at the transaction rate or mean spot exchange rate on the balance sheet date. Valuation differences are recognized in profit or loss. Assets and liabilities denominated in foreign currencies with a term of more than one year are valued at the mean spot exchange rate on the balance sheet date, taking into account the realization principle and the historical cost principle.

D. Notes to the balance sheet

1. Fixed assets

The breakdown and development of the individual fixed asset items can be found in the fixed asset movement schedule attached as Appendix 1 to the notes.

The information on the equity and annual results of the subsidiaries (at the same time list of shareholdings in accordance with § 285 No. 11 HGB) is provided in accordance with the individual financial statements prepared in accordance with the respective national regulations and is shown in Appendix 2 to the notes.

Current assets

Receivables and other assets

Receivables and other assets amounts to kEUR 16,003 (2023: kEUR 17,496) which includes receivables from affiliated companies amounting to kEUR 15,495 (2023: kEUR 16,320) and other assets amounting to kEUR 508 (2023: kEUR 1,176).

Receivables from affiliated companies primarily represent amounts recoverable from two German subsidiaries on account of profit transfer agreement amounting to kEUR 13,013 (2023: kEUR 11,490); receivable on account of cash settled stock options amounting to kEUR 1,408 (2023: kEUR 0); receivable on account of equity settled stock options and ESPP amounting to kEUR 0 (2023: kEUR 2,462) and other receivables amounting to kEUR 1,073 (2023: kEUR 2,368) primarily on account of expenses incurred on behalf of group companies and cross charged to respective affiliated companies.

Other assets represent VAT and withholding taxes recoverable.

All receivables and other assets are due within one year.

Prepaid expenses and deferred charges

The prepaid expenses include premiums for a stock exchange prospectus insurance for the performance periods 2021 to 2032.

Deferred tax

Deferred tax assets

The deferred tax assets are calculated with an income tax rate of 30% on the temporary differences between the valuations of assets and liabilities according to commercial law and their tax valuations as well as on tax loss carryforwards.

The tax expense resulting from the tax balance sheet does not correspond to the result of the commercial balance sheet. Use has been made of the option to form a netted asset item for deferred tax amounts.

The differences between the commercial balance sheet and the tax balance sheet are due in particular to group companies that are in a fiscal unity relationship with Nagarro SE through a profit and loss transfer agreement.

The deferred tax assets are based in particular on the following differences:

- Book value differences for intangible assets and property, plant and equipment,
- Pension provisions,

- Consideration of tax loss carryforwards. The entire loss carryforwards were used as a basis for calculating the deferred tax assets, as it is expected that the losses will be offset within the five financial years following the balance sheet date as Nagarro SE has profit and loss transfer agreements with its two profit generating German entities, namely Nagarro GmbH, Munich and Nagarro ES GmbH.

Deferred tax liabilities of kEUR 1,974 (previous year: kEUR 56) were offset against deferred tax assets of kEUR 2,884 (previous year: kEUR 1,865). Deferred tax liabilities mainly relate to differences of investments in subsidiaries.

The deferred tax assets of kEUR 910 (previous year: kEUR 1,809) are subject to a dividend payout block as there are no deferred tax liabilities.

2. Equity

Share capital

As of December 31, 2024, Nagarro SE had a share capital of EUR 13,775,985 (December 31, 2023: EUR 13,775,985), divided into 13,775,985 (December 31, 2023: 13,775,985) registered no-par value shares, each with a notional interest in the share capital of EUR 1.00 per share.

All Nagarro SE's shares are of the same class. The shares are fully paid in.

Authorized capital

The Management Board is authorized, subject to the consent of the Supervisory Board, to increase Nagarro SE's registered share capital during the period ending on September 23, 2025 in one or more tranches by up to EUR 5,456,000 in the aggregate by issuing up to 5,456,000 new no-par value registered shares against cash contribution and/or contributions in kind. The new shares are in principle to be offered to the shareholders for subscription. However, the Management Board is authorized, with the consent of the Supervisory Board, to exclude the shareholders' statutory subscription right in the following cases specified in Section 6.2 of the Articles of Association of Nagarro SE:

a) In the case of a rights issue, for fractional amounts arising due to the subscription ratio.

b) For a capital increase against contributions in kind for the (also indirect) acquisition of companies, parts of companies, participations in companies or other assets eligible for contribution in connection with such an acquisition, if the acquisition is in the interest of the Company.

c) For a capital increase against cash contributions, provided that the issue price of the new shares is not significantly lower than the stock exchange price of the shares already listed at the time of the final determination of the issue price, which should be as close as possible to the placement of the shares. The arithmetical portion of the share capital attributable to the shares issued against cash contributions under exclusion of the subscription right pursuant to § 186 paragraph 3 sentence 4 of the German Stock Corporation Act (AktG) may not exceed a total of 10% of the share capital at the time this authorization takes effect - or, if this value is lower, at the time this authorization is exercised. Shares issued or sold during the term of this authorization until the time of its exercise in direct or analogous application of this provision as well as shares to be issued or granted on the basis of a convertible or warrant bond issued during the term of this authorization under exclusion of the subscription right pursuant to section 186, paragraph 3, sentence 4 of the German Stock Corporation Act (AktG) shall be counted towards this limit.

d) For the issue of new shares to the holders of option rights issued by the Company on the basis of the share option program resolved by the Annual General Meeting on October 30, 2020.

e) For the issue of new shares as part of a long-term incentive program to members of the Executive Board and employees of the Company as well as to members of the management bodies and employees of companies affiliated with the Company within the meaning of Sections 15 et seq. of the German Stock Corporation Act (AktG).

The subscription rights of shareholders may be excluded under further conditions.

Conditional capital

The share capital of the Company is conditionally increased by EUR 800,000.00 by resolution of the Annual General Meeting of August 31, 2021 (Conditional Capital 2021/I).

The share capital of the Company is conditionally increased by EUR 45,000.00 by resolution of the Annual General Meeting of August 31, 2021 (Conditional Capital 2021/II).

The share capital of the Company is conditionally increased by EUR 4,943,256.00 by resolution of the Annual General Meeting of August 31, 2021 (Conditional Capital 2021/III).

Treasury shares

The Annual General Meeting of Nagarro SE authorized the Management Board by resolution dated October 30, 2020 pursuant to section 71 (1) no. 8 of the German Stock Corporation Act (AktG) to acquire treasury shares of the Company until September 23, 2025, provided that these shares, together with other treasury shares which the Company has already acquired and still holds or which are attributable to it pursuant to Sections 71 a et seq. of the German Stock Corporation Act (AktG), do not at any time account for more than 10% of the share capital. The 10%-limit is determined based on the amount of share capital at the time when the authorization became effective. The acquisition may be made on the stock exchange or by means of a purchase offer directed to all shareholders. The

consideration for the acquisition of the shares (excluding incidental acquisition costs) may not exceed or fall below the arithmetic mean of the closing prices on the Frankfurt Stock Exchange in XETRA trading (or a comparable successor system) by more than 10%.

The Management Board is authorised, with the consent of the Supervisory Board, to use these shares of the Company for all legally permissible purposes, in particular the following:

- Resale to third parties for cash also other than through the stock exchange or through an offer to all shareholders;
- Use as consideration for a direct or indirect contribution in kind to the Company by a third party, in particular in the case of a merger with companies or the acquisition of companies, parts of companies, participations or other assets;
- Use to fulfil conversion or option rights issued by the Company or its subordinated Group companies vis-à-vis the holders of these rights;
- Use for issuance as employee shares to employees or members of executive bodies of the Company or of companies affiliated with the Company within the meaning of §§ 15 et seq. of the German Stock Corporation Act (AktG).
- Withdrawal of shares with the consent of the supervisory board without a further resolution of the general meeting of shareholders.

If the sale is made for cash in a manner other than through the stock exchange or through an offer to all shareholders, the sale price may not be more than 5% below the stock exchange price of the shares of the Company at the time of the sale. The relevant market price is the arithmetic mean of the closing prices of the shares on the Frankfurt Stock Exchange in XETRA trading (or a comparable successor system) during the last three trading days prior to the sale of the shares. Shareholders' subscription rights are excluded in this respect in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG).

The authorization to sell treasury shares with the exclusion of subscription rights is limited to a maximum of 10% of the share capital existing at the time the authorization is exercised. Shares and rights that are issued or sold during the term of the authorization in direct or analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) with the exclusion of subscription rights until this point in time are counted towards this restriction. This also applies if the authorization is used to service share options.

No treasury shares were acquired or sold in the 2024 financial year.

The changes in treasury shares are composed as follows:

	Dec 31, 2024	Dec 31, 2024	Dec 31, 2023	Dec 31, 2023
	Numbers	kEUR	Numbers	kEUR
Opening balance	453,867	454	103,867	104
Acquired during the year	-	-	350,000	350
Sale during the year	-	-	-	-
Closing balance	453,867	454	453,867	454

The treasury shares held at the end of the financial year correspond to a nominal amount of kEUR 454 or 3.3% of the share capital.

These treasury shares were purchased in 2023 and 2022 to meet the potential payment for share based arrangement programs as mentioned in note F.4. Share-based payment arrangements, or to potentially be used as a currency for merger and acquisition when permissible. The treasury shares purchased has been shown at nominal value of the treasury shares. The cost of acquisition of these treasury shares, net of nominal value, has been recorded under "other operating expenses" – Refer note E.4. Other operating expenses.

Capital reserves

There was no change in the capital reserves amounting kEUR 233,178 (2023: kEUR 233,178) as of December 31, 2024.

Accumulated profit in the current year (prior year: accumulated loss)

The changes in Accumulated profit in the current year (prior year: Accumulated loss) are comprised as follows:

	Dec 31, 2024	Dec 31, 2023
	kEUR	kEUR
Net income/net (loss) for the year	56,885	(26,723)
(Loss) brought forward from previous year	(34,832)	(8,109)
Accumulated profit (prior year: accumulated loss)	22,053	(34,832)

3. Provisions

Other provisions mainly relate to provisions for cash-settled stock-based arrangement of kEUR 14,443 (December 31, 2023: kEUR 0), provision for expenses relating to strategic review of listing and privatization and expenses relating to the exploration of the take-private option of kEUR 2,483 (December 31, 2023: kEUR 0), provision for earnout liabilities amounting to kEUR 1,096 which were wrongly classified under other liabilities in the previous year (refer note [B. Corrections of errors](#)), provision for retention bonus of kEUR 791 (December 31, 2023: kEUR 454), the costs for the preparation and audit of the annual and consolidated financial statements of kEUR 165 (December 31, 2023: kEUR 603), costs for the Annual General Meeting as at December 31, 2024, of kEUR 140 (December 31, 2023: kEUR 140), and outstanding purchase invoices of kEUR 96 (December 31, 2023: kEUR 141).

On November 16, 2024, Nagarro offered the option to convert the existing equity-settled options to cash-settled options for both SOP 2020/II and SOP 2020/III program. Significant portion of the equity-settled options was converted to cash-settled options - refer note [E.4. Other operating expenses](#) and note [F.4. Share based payment arrangements](#) for more details. On modification of these equity-settled SOPs to cash-settled SOPs, the liabilities toward cash-settled SOPs are shown as provisions, the details of which are as follows.

	Dec 31, 2024	Dec 31, 2023
	kEUR	kEUR
Recognition of provision for cash-settled stock options as on the date of modification	13,893	-
Current year expenses - cash settled stock option	550	-
Provision for cash-settled stock options - SOP	14,443	-

For provision for cash-settled stock-based arrangement, refer note [F.4. Share based payment arrangements](#).

4. Liabilities

The maturities of the liabilities are shown in the following schedule of liabilities.

	Dec 31, 2024	Maturity within one year	Maturity between one and five years	Maturity later than five years
	Carrying amount	Repayment	Repayment	Repayment
	kEUR	kEUR	kEUR	kEUR
Liabilities towards credit institutions	319,500	-	319,500	-
Liabilities from deliveries and services	2,318	2,318	-	-
Amounts owed to affiliated companies - financing	61,505	10,443	51,062	-
Amounts owed to affiliated companies - trade	2,062	2,062	-	-
Other liabilities	1,356	1,356	-	-
	386,741	16,179	370,562	-

	Dec 31, 2023	Maturity within one year	Maturity between one and five years	Maturity later than five years
	Carrying amount	Repayment	Repayment	Repayment
	kEUR	kEUR	kEUR	kEUR
Liabilities towards credit institutions	267,050	-	267,050	-
Liabilities from deliveries and services	381	381	-	-
Amounts owed to affiliated companies - financing	16,492	16,492	-	-
Amounts owed to affiliated companies - trade	1,053	1,053	-	-
Other liabilities	3,873	3,873	-	-
	288,849	21,799	267,050	-

Liabilities to affiliated companies include trade payables in the amount of kEUR 2,062 (December 31, 2023: kEUR 1,053) and financing liabilities in the amount of kEUR 61,505 (December 31, 2023: kEUR 16,492).

The liabilities to banks relate to syndicated loan of kEUR 319,500 (December 31, 2023: kEUR 267,050) for which Nagarro SE is the original borrower and certain affiliated companies, as mentioned below, are guarantors. In September 2022, Nagarro SE along with its certain subsidiaries entered into a revolving syndicated credit facility agreement with five European credit institutions amounting to kEUR 350,000 with an option to further increase the loan facility amount to kEUR 450,000. The term of the financing arrangement is five years, which can be extended twice by one year each (5+1+1). Also, it has the possibility to issue Schuldscheine (promissory notes) or similar instruments for a volume of up to in aggregate kEUR 125,000. Further, the non-recourse factoring is limited to 15% of the value of assets of the group.

The following affiliated companies, which are guarantors for the syndicated loan facility, are liable for Nagarro SE's liabilities to banks of kEUR 319,500 (December 31, 2023: kEUR 267,050):

- Nagarro ES GmbH, Germany
- Nagarro ES France SAS, France
- Nagarro Denmark A/S, Denmark
- Nagarro SRL, Romania

- Nagarro Inc., USA
- Nagarro Software Inc., USA
- Nagarro GmbH, Germany
- Nagarro GmbH, Austria
- Advanced Technology Consulting Service Inc., USA
- Nagarro Software AB, Sweden
- Nagarro AS, Norway
- Nagarro Software Ltd., UK

As per the syndicated loan facility agreement, a material affiliate, other than Indian and Chinese group entities, is required to become additional guarantor after 60 days of publishing the annual results. To be eligible as additional guarantor, the affiliate of the company should be a material affiliate and the EBITDA of the affiliate should be 5% or more of group EBITDA or the revenue should be 5% or more of consolidated revenue of the group.

Furthermore, there is a negative clause on the unsecured part of the loan in which Nagarro assures the banks that it will not provide any credit collateral to other creditors apart from a group-wide pledge of participations or other assets of a maximum of kEUR 20,000 and, in addition, an assignment of receivables or bank balances customary for the factoring process.

Nagarro's syndicated loan has a covenant package which includes customary restrictions on total net leverage, minimum equity thresholds for pre-agreed milestones, permitted disposal and acquisitions, permitted financial indebtedness, and guarantees, dividend payments and change of control. In general, a breach of financial covenants, non-payment of interest amounts payable, any non-compliance with the provisions of the loan agreement and insolvency of the company, carry the risk of an event of default, which if not cured within the remedy period, will lead to a default on the credit facility. The loan contains a covenant stating that at the end of each quarter the total net leverage (the ratio of net debt to Adjusted EBITDA, as defined per the loan agreement) has not exceeded 3.5 and that a minimum equity of EUR 100 million is maintained, otherwise the loan will be repayable on demand. Nagarro monitors all the covenants to ensure their compliance. The covenants are well within the acceptable range and Nagarro expects to comply with the quarterly covenants within 12 months after the reporting date. Nagarro must submit the consolidated financial statements to the banks together with a covenant statement whereby the banks have extended the deadline for submission of the covenant statement until May 31, 2025. Nagarro is not in default with this covenant.

Further, as per the terms of the loan agreement, Nagarro should comply with the Guarantor Threshold Test ('GTT') wherein downstream subsidiaries of Nagarro contributing to a certain threshold of revenue and EBITDA are required to be the guarantors in this loan agreement. To ensure continuing compliance with GTT, Nagarro is in the process of adding certain additional guarantors. To complete the process, it has a time limit of 30 days for German subsidiaries and 45 days for non-German subsidiaries post presentation of the covenant statement. Nagarro has already initiated this process and shall be able to complete this process in the given timeline. Thus, Nagarro is not in default of this covenant.

These loans have a floating interest rate based on three-month or six-month Euribor (depending upon the interest period) plus a margin of 1.75 (December 31, 2023: 1.75) percentage points as at December 31, 2024. The unutilized portion of the loan carries interest at 35% of the margin interest rate of the utilized loan.

E. Notes to the income statement

1. Revenue

Revenue includes kEUR 3 (2023: kEUR 3) from domestic group companies and kEUR 22 (2023: kEUR 14) from international group companies.

2. Other operating income

Other operating income mainly includes foreign exchange gain of kEUR 3,631 (2023: kEUR 4,735) and reversal of earnout liabilities relating to MBIS acquisition amounting to kEUR 1.915 (2023: kEUR Nil) due to non-achievement of earnout target. It also includes income of kEUR 618 (2023: kEUR 3,671) from group companies against the fair value of cash-settled equity option (2023: equity-settled – refer [note B correction of errors](#)) cross charged by Nagarro SE for expenses relating to stock option programs and employees share participation program, given to the employees of group companies.

3. Personnel expenses

Personnel expenses mainly includes management board remuneration of kEUR 851 (2023: kEUR 549), earnout provision of kEUR Nil (2023: kEUR 1,915) and retention bonus provision of kEUR Nil (2023: kEUR 454) on account of acquisition of three subsidiaries in the last year. In the current year, earnout provision and retention bonus provision has been classified under "other operating expenses" – refer [note B correction of errors](#) for more details.

4. Other operating expenses

Other operating expenses mainly includes the expenses for the purchase of treasury shares kEUR Nil (2023: kEUR 29,389), expenses relating to strategic review of listing and privatization choices of kEUR 3,760 (2023: kEUR Nil) and expenses relating to the exploration of the take-private option of kEUR 1,211 (2023: kEUR Nil), earnout provision of kEUR 1,350 (2023: kEUR Nil), retention bonus provision of kEUR 459 (2023: kEUR Nil), foreign exchange loss of kEUR 3,109 (2023: kEUR 422), consulting charges of kEUR 885 (2023: kEUR 864); audit costs of kEUR 811 (2023: kEUR 593), Supervisory Board remuneration of kEUR 713 (2023: kEUR 638) and stock exchange expenses of kEUR 287 (2023: kEUR 283). It also includes kEUR 918 (2023: kEUR Nil) expense relating to the cash-settled options for employees of Nagarro SE, kEUR 550 (2023: kEUR Nil) relating to cash-settled equity option (2023: equity-settled – refer [note B correction of errors](#)) which are cross charged by Nagarro SE for expenses relating to stock options program and employees share participation program, given to the employees of group companies. Refer [note B correction of errors](#) and [note E.3 Personnel expenses](#) for more details.

It also includes prior period expenses of kEUR 12,096 (2023: kEUR Nil) relating to stock options program and employees share participation program, given to the employees of group companies. Refer [note B correction of errors](#) for more details.

5. Income from investments

It includes dividend of kEUR 79,569 (2023: kEUR Nil) received from three group companies and gain of kEUR Nil (2023: kEUR 998) on liquidation of one of the group companies.

6. Income from profit transfer agreements

It mainly includes profit shares of kEUR 13,013 (2023: kEUR 11,490) received based on profit transfer agreement between Nagarro SE and two German group companies.

7. Income from other investments and long-term loans

Income from other investments and long-term loans include kEUR 4,429 (2023: kEUR 3,895) received from affiliated companies.

8. Other interest and similar income

Other interest and similar income include interest income on bank deposits amounting to kEUR 180 (2023: kEUR Nil).

9. Interest and similar expenses

It mainly includes kEUR 15,996 (2023: kEUR 12,512) paid towards the interest and commitment fees of the term loan taken from the banks and kEUR 982 (2023: kEUR 1,362) interest paid to affiliated companies. Interest also includes amortized interest of kEUR 42 (2023: kEUR 46) towards earnout liabilities.

10. Taxes

It includes trade tax of kEUR 0 (2023: kEUR 283) and corporate tax of kEUR 0 (2023: kEUR 50). It also includes Global minimum top-up tax of kEUR 500 (2023: kEUR Nil)

Further deferred tax expense of kEUR 899 (2023: kEUR 1,064) has been recognized on recognition of deferred tax assets of 910 kEUR (2023: kEUR 1,809).

F. Other disclosures

1. Capital and other commitment

On the balance sheet date, there were other commitments in the amount of kEUR Nil (2023: kEUR 8) from vehicle leasing.

Nagarro SE has given letters of comfort to its two German subsidiaries namely Infocore GmbH and ATCS GmbH in accordance with the Section 264(3)(2) of the Handelsgesetzbuch ('HGB'). The utilization of these letters of comfort is considered unlikely, as these subsidiary companies have sufficient annual results and liquid funds as of the reporting date and in their planning.

Nagarro SE has taken a syndicated loan of kEUR 319,500 (2023: kEUR 267,050) as of December 31, 2024. In this syndicated loan, Nagarro SE is the original borrower and the loan is guaranteed by certain subsidiaries ('guarantors'). Also refer to [note D.4. Liabilities](#) for more details on the loan.

2. Disclosure pursuant to section 160 (1) no. 8 AktG

For the year 2024, Nagarro SE received the following notifications of voting rights from persons subject to notification regarding reaching, exceeding, or falling below the relevant notification thresholds pursuant to Section 33 (1) WpHG.

Pursuant to Section 160 (1) No. 8 of the German Stock Corporation Act (AktG), information must be provided regarding the existence of shareholdings that were notified to Nagarro SE pursuant to Section 20 (1) or (4) of the AktG or Section 33 (1) or (2) of the German Securities Trading Act (WpHG). All voting rights notifications were published by Nagarro SE pursuant to Section 40 (1) of the WpHG and are available online at <https://www.nagarro.com/en/investor-relations/ad-hocs-news-and-notifications>. Details of shareholders holding more than 3% of the share capital as of December 31, 2024 are as follows:

Shareholder	Threshold	Total voting rights at the time of notification
Lantano Beteiligungen GmbH	> 20 %	21.48%
Morgan Stanley, Wilmington, USA	> 10 %	11.22%
Detlef Dinsel, Deutschland	> 5 %	9.66%
SIH Partners, LLLP, Wilmington, USA	> 5 %	9.34%
StarView Capital Partners, LLC, Delaware, USA	> 5 %	6.25%
All Nag Beteiligungs GmbH & Co. KG	> 5 %	5.81%
Goldman Sachs, Wilmington, USA	> 3 %	4.79%
SMALLCAP World Fund, Inc., Lutherville Timonium, USA	> 3 %	4.06%
The Capital Group Companies, Inc., Los Angeles, USA	> 3 %	4.06%
Bank of America Corporation, Wilmington, USA	> 3 %	3.98%

Please note that the above information may be out of date.

The table shows the notified shareholdings with a minimum stake of 3 percent, with the information corresponding to the most recent notification by a notifying party.

Shareholder	Threshold	Total voting rights at the time of notification	Voting rights (direct/ indirect) according to notification	Date of threshold contact according to notification	Date of publication of the notice
Morgan Stanley, Wilmington, USA	> 10 %	13.17%	1,814,618	5-Jan-24	11-Jan-24
Morgan Stanley, Wilmington, USA	> 10 %	12.59%	1,734,347	18-Jan-24	23-Jan-24
Morgan Stanley, Wilmington, USA	> 10 %	12.68%	1,746,306	19-Jan-24	24-Jan-24
Morgan Stanley, Wilmington, USA	> 10 %	13.98%	1,925,783	14-Mar-24	20-Mar-24
Morgan Stanley, Wilmington, USA	> 10 %	12.79%	1,761,963	18-Mar-24	21-Mar-24
Morgan Stanley, Wilmington, USA	> 10 %	12.27%	1,690,924	19-Mar-24	21-Mar-24
Morgan Stanley, Wilmington, USA	> 10 %	12.76%	1,757,914	20-Mar-24	25-Mar-24
Morgan Stanley, Wilmington, USA	> 10 %	12.51%	1,722,887	21-Mar-24	26-Mar-24
Morgan Stanley, Wilmington, USA	> 10 %	11.24%	1,548,975	19-Apr-24	25-Apr-24
Morgan Stanley, Wilmington, USA	> 10 %	10.57%	1,456,316	22-Apr-24	26-Apr-24
Morgan Stanley, Wilmington, USA	> 10 %	12.06%	1,660,717	3-Jun-24	7-Jun-24
Morgan Stanley, Wilmington, USA	> 10 %	11.63%	1,602,013	24-Jun-24	28-Jun-24
SIH Partners, LLLP, Wilmington, USA	> 5 %	5.75%	835,835	8-Jul-24	9-Jul-24
Morgan Stanley, Wilmington, USA	> 10 %	12.66%	1,744,469	6-Aug-24	9-Aug-24
Morgan Stanley, Wilmington, USA	> 10 %	12.03%	1,657,121	13-Aug-24	16-Aug-24
Morgan Stanley, Wilmington, USA	> 10 %	12.06%	1,661,501	9-Sep-24	12-Sep-24
Morgan Stanley, Wilmington, USA	> 10 %	12.03%	1,657,594	8-Oct-24	14-Oct-24
Morgan Stanley, Wilmington, USA	> 10 %	12.54%	1,727,653	17-Oct-24	23-Oct-24
Morgan Stanley, Wilmington, USA	> 10 %	13.22%	1,820,583	18-Oct-24	24-Oct-24
Morgan Stanley, Wilmington, USA	> 10 %	13.19%	1,816,974	21-Oct-24	25-Oct-24
Goldman Sachs, Wilmington, USA	> 5 %	5.37%	739,831	21-Oct-24	25-Oct-24
Morgan Stanley, Wilmington, USA	> 10 %	13.42%	1,848,304	23-Oct-24	29-Oct-24
Morgan Stanley, Wilmington, USA	> 10 %	13.47%	1,855,627	30-Oct-24	5-Nov-24
Goldman Sachs, Wilmington, USA	> 5 %	8.49%	1,169,207	30-Oct-24	5-Nov-24
Morgan Stanley, Wilmington, USA	> 10 %	13.50%	1,859,631	31-Oct-24	6-Nov-24
Morgan Stanley, Wilmington, USA	> 10 %	13.37%	1,841,579	5-Nov-24	11-Nov-24
SIH Partners, LLLP, Wilmington, USA	> 10 %	10.29%	1,417,231	11-Nov-24	12-Nov-24
Morgan Stanley, Wilmington, USA	> 10 %	13.43%	1,849,505	6-Nov-24	12-Nov-24
Morgan Stanley, Wilmington, USA	> 10 %	13.11%	1,805,423	7-Nov-24	13-Nov-24
Morgan Stanley, Wilmington, USA	> 10 %	12.52%	1,724,595	8-Nov-24	13-Nov-24
SIH Partners, LLLP, Wilmington, USA	> 5 %	9.34%	1,287,138	15-Nov-24	18-Nov-24
Morgan Stanley, Wilmington, USA	> 10 %	12.56%	1,730,880	14-Nov-24	20-Nov-24
Morgan Stanley, Wilmington, USA	> 10 %	12.59%	1,734,563	21-Nov-24	27-Nov-24
Morgan Stanley, Wilmington, USA	> 10 %	12.79%	1,761,910	5-Dec-24	11-Dec-24
Goldman Sachs, Wilmington, USA	> 3 %	4.93%	678,876	6-Dec-24	12-Dec-24
Goldman Sachs, Wilmington, USA	> 5 %	6.25%	860,340	10-Dec-24	16-Dec-24
Morgan Stanley, Wilmington, USA	> 10 %	12.40%	1,707,580	12-Dec-24	17-Dec-24
Goldman Sachs, Wilmington, USA	> 3 %	4.67%	643,361	12-Dec-24	18-Dec-24
Goldman Sachs, Wilmington, USA	> 5 %	5.97%	821,882	13-Dec-24	18-Dec-24
Morgan Stanley, Wilmington, USA	> 10 %	12.33%	1,698,023	13-Dec-24	19-Dec-24
Morgan Stanley, Wilmington, USA	> 10 %	11.22%	1,546,044	23-Dec-24	30-Dec-24
Goldman Sachs, Wilmington, USA	> 3 %	4.79%	659,841	23-Dec-24	30-Dec-24

Status: December 31, 2024: WpHG notifications from 1.1.2024.

Die Tabelle zeigt die gemeldeten Bestände mit einem Mindestanteil von 3 Prozent, wobei sich die Angaben auf die jeweils jüngste Stimmrechtsmitteilung eines Meldepflichtigen beziehen.

3. Governing bodies of Nagarro SE

Supervisory Board

The members of the Nagarro SE Supervisory Board during the year end 2024 were as follows:

Member	Membership with Nagarro SE	Additional information
Carl Georg Dürschmidt	Chairperson since August 10, 2020 Member and Deputy Chairperson from February 19, 2020 to August 10, 2020	Chairperson of the supervisory board of Allgeier SE (since September 30, 2022) Diplom-Betriebswirt (Business Administration), Resident of Bad Abbach, Germany
Shalini Sarin	Member since October 31, 2020	Executive Director at Elektromobilität India Private Limited and Telenergy Technologies Private Limited, Resident of Delhi, India
Christian Bacherl	Member since November 8, 2022 Deputy Chairperson since November 16, 2022	Managing Partner of ACCNITE Partners GmbH Diplom-Betriebswirt (Business Administration), B.Sc. (Computer Sciences) Resident of Vaterstetten-Baldham, Germany
Vishal Gaur	Member since June 26, 2023	Professor of Operations, Information and Technology Management at the Samuel Curtis Johnson Graduate School of Management, Cornell SC Johnson College of Business, Cornell University Resident of Ithaca, New York, USA

Further memberships of the supervisory board members of Nagarro SE in other supervisory or management boards:

Carl Georg Dürschmidt

- Member of the supervisory board at: Allgeier SE (since July 7, 2022, Chairperson of the supervisory board since September 30, 2022), Allgeier Public SE (since March 7, 2023)
- Chairperson of the supervisory board at: Allgeier Management AG, Allgeier Experts SE, and Allgeier Enterprise Services AG (until September 30, 2021)
- Chairperson of the management board at: Allgeier SE (until September 30, 2021)

Shalini Sarin

- Member of the board at: Linde India Ltd; Meritor HVS (India) Ltd.; Automotive Axles Ltd.; and Kirloskar Oil Engines Ltd.; Sagility India Pvt. Ltd.; and Schneider Electric India Pvt. Ltd.

Christian Bacherl

- Managing Director of Halidon Ventures GmbH (until February 28, 2023)

Vishal Gaur

- Member of the Advisory Board of DIBIZ Pte. Ltd, Singapore

Total remuneration of the members of the Supervisory Board in the 2024 financial year was kEUR 713 (previous year: kEUR 638) out of which kEUR 178 (previous year: kEUR 178) were outstanding as at the balance sheet date and subsequent to the year-end fixed remuneration was paid. Refer [Nagarro remuneration report 2024](#) for details.

Management Board

The members of the Nagarro SE Management Board during the year end 2024 were as follows:

Member	Membership with Nagarro SE	Additional information
Manas Human	Member since July 15, 2020 (Chairperson) Custodian of Entrepreneurship in the Organization	Primary area(s) for responsibility: - Representing the company; deciding the roles, remuneration, hiring, relieving of senior management outside management board Other information: - PhD in Engineering - Resident of Gurugram, India
Vikram Sehgal	Member since July 15, 2020 Custodian of Operational Excellence	Primary area(s) for responsibility: - Finalization of budgets and financial statements. Other information: - Bachelor of Engineering - Resident of Los Altos, USA
Annette Mainka	Member since July 15, 2020 Custodian of Regulatory Compliance	Primary area(s) for responsibility: - Compliance with regulations in the different environments and contexts in which we operate. Other information: - Diplom-Betriebswirtin (Business Administration) - Resident of Munich, Germany

Further memberships of the management board members of Nagarro SE in other supervisory or management boards:

Manas Human

- Founder and Trustee of Re-Imagining Higher Education Foundation, since 2018
- Member of the Governing Body of Plaksha University, since 2023
- Managing Director of Halidon Ventures GmbH, since 2023
- Managing Director of All Nag Beteiligungs GmbH & Co. KG, since 2023

Vikram Sehgal

- Board Member of Hundred Percentile Education Private Limited, since 2007
- Founder of Re-Imagining Higher Education Foundation, since 2019

Disclosures in accordance with § 285 No. 9 HGB

Total remuneration of the members of the Management Board in the 2024 financial year for their services in that capacity was kEUR 1,444 (previous year: kEUR 987) out of which kEUR 851 (previous year: kEUR 549) was from Nagarro SE and kEUR 594 (previous year: kEUR 438) was from other Nagarro companies. Each member of the Management Board was given Nil (December 31, 2023: Nil) stock options of Nagarro SE during 2024 and as the stock options are not yet exercisable, no expense has been recognized during the year. Refer [Nagarro remuneration report 2024](#) for details.

4. Share-based payment arrangements

Nagarro SE has issued stock options under stock option plans and stocks under employee share participation program. The details of these plans are as follows:

Description of the share-based payment arrangements

Stock option plan

The details of the plans under which these options were issued are as follows:

People addressed	Members of the management of Nagarro SE and its group companies and employees of group companies	Members of the Management Board of Nagarro SE
Number of options authorized	800,000 until October 22, 2025	45,000 until October 22, 2025
Authorization by	General meeting on October 31, 2020	General meeting on October 31, 2020
Plan name	Stock Option Plan 2020/II	Stock Option Plan 2020/III
Vesting period	4 years	4 years
Term	10 years	10 years
Exercise price valuation	110% of the average closing price of the last five trading days prior to the offer	110% of the average closing price of the last five trading days prior to the offer
Vesting condition	25% of the stock options granted to an option holder vest after 12, 24, 36 and 48 months following the issuance date	25% of the stock options granted to an option holder vest after 12, 24, 36 and 48 months following the issuance date
Settlement method	Equity shares of Nagarro SE	Equity shares of Nagarro SE
Exercising of option	Exercisable after a vesting period of 4 years and limited to a period of two weeks after each Annual General Meeting and after the publication of annual, semi-annual and quarterly figures	Exercisable after a vesting period of 4 years and limited to a period of two weeks after each Annual General Meeting and after the publication of annual, semi-annual and quarterly figures

Plan name	Stock Option Plan 2020/III	Stock Option Plan 2020/II (Tranche 1)	Stock Option Plan 2020/II (Tranche 2a)	Stock Option Plan 2020/II (Tranche 2b)
Number of options issued	45,000	410,000	141,500	8,750
Date of grant	Jan 15, 2021	Jan 15, 2021	Apr 26, 2023	May 23, 2023
Exercise price	EUR 95.35	EUR 95.35	EUR 110.08	EUR 91.55
Average closing price on the grant date	EUR 86.68	EUR 86.68	EUR 100.07	EUR 83.23
Stock price on the grant date	EUR 78.60	EUR 78.60	EUR 94.60	EUR 83.40
Weighted average fair values at the measurement date	EUR 27.19	EUR 27.19	EUR 46.42	EUR 42.12
Dividend yield	0.00%	0.00%	0.00%	0.00%
Expected volatility	34.27%	34.27%	37.90%	37.80%
Risk-free interest rate	-0.37%	-0.37%	2.96%	2.94%
Term of share options	10 years	10 years	10 years	10 years
Expected life of share options	7 years	7 years	7 years	7 years
Model used	Binomial	Binomial	Binomial	Binomial

The expected life of the stock options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur.

The expected volatility reflects the assumption that historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily reflect the actual outcome.

Since no options of the company are traded on derivative exchanges, the expected volatility cannot be determined from the implied volatilities of traded options of Nagarro SE. Historical share prices for the newly listed Nagarro SE were not available at the time of valuation of Tranche 1 in 2021. Also, insufficient time after listing had elapsed at the time of valuation for Tranche 2 (a) and Tranche 2(b) in 2023. Therefore, the historical volatility based on price movements of comparable listed companies (peer group) in the past is used as an estimate for the expected volatility. Based on this peer group and with an average exercise period of seven years, Nagarro SE has a historical volatility of 34.27% for Tranche 1; 37.90% for Tranche 2 (a) and 37.80% for Tranche 2 (b).

The movement of the equity settled stock options is as follows:

	2024		2023	
	Number of stock options	Weighted average exercise price (EUR)	Number of stock options	Weighted average exercise price (EUR)
Outstanding at 1 January	569,500	98.88	425,000	95.35
Options issued during the year	-	-	150,250	109.00
Forfeited during the year	(8,062)	104.14	(5,750)	102.39
Exercised during the year	-	-	-	-
Conversion of equity settled options into cash settled options	(499,000)	98.71	-	-
Expired during the year	-	-	-	-
Outstanding at 31 December	62,438	99.54	569,500	98.88
Exercisable at the end of the year	-	-	-	-

On November 16, 2024, Nagarro offered the option to convert the existing equity-settled options to cash settled options for both SOP 2020/II and SOP 2020/III programs. The last date for accepting the offer was November 20, 2024. As the market was open for three days from November 16, 2024 to November 20, 2024, three separate fair valuations for these SOPs were made based on the modification dates of these equity-settled SOPs to cash-settled SOPs.

The following disclosures are only relevant for the equity settled program modified to cash-settled:

Plan name	Stock Option Plan 2020/III	Stock Option Plan 2020/II (Tranche 1)	Stock Option Plan 2020/II (Tranche 2a)	Stock Option Plan 2020/II (Tranche 2b)
Number of options opted for cash settled	45,000	330,000	116,000	8,000
Date of grant of options	Jan 15, 2021	Jan 15, 2021	Apr 26, 2023	May 23, 2023
Term of options	10 years	10 years	10 years	10 years
Expected life of options	7 years	7 years	7 years	7 years
Fair value on the modification date	EUR 42.99	EUR 42.99	EUR 46.07	EUR 51.08
Dividend yield (on modification date)	0.00%	0.00%	0.00%	0.00%
Expected volatility (on modification date)	44.28%	44.28%	42.96%	42.90%
Risk-free interest rate (on modification date)	2.20%	2.20%	2.21%	2.21%
Dividend yield (on reporting date)	0.00%	0.00%	0.00%	0.00%
Expected volatility (on reporting date)	44.83%	44.83%	43.20%	43.24%
Risk-free interest rate (on reporting date)	2.19%	2.19%	2.25%	2.25%
Fair value on the reporting date	EUR 30.67	EUR 30.67	EUR 33.82	EUR 37.98
Model used	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes

The movement of the cash-settled stock options is as follows:

	2024		2023	
	Number of stock options	Weighted average exercise price (EUR)	Number of stock options	Weighted average exercise price (EUR)
Outstanding at 1 January	-	-	-	-
Conversion of equity settled options into cash settled options	499,000	98.71	-	-
Options issued during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at 31 December	499,000	98.71	-	-
Exercisable at the end of the year	-	-	-	-

The liabilities for the cash-settled stock options is as follows:

	2024	2023
	kEUR	kEUR
Total carrying amount of cash-settled options liabilities	14,443	-
Total intrinsic value of liabilities of cash-settled options for vested benefits	-	-

Employee Share Participation Program

On January 16, 2023, Nagarro rolled out the MyN (My Nagarro) program, an Employee Share Participation Program ("ESPP"), globally for every Nagarrarian whereby for every multiple of 3 shares purchased and held by the employees ("investment shares") for 3 years (while staying a Nagarrarian), 1 free matching share will be given by Nagarro. The program had two offering windows (Tranche 1 and Tranche 2) in 2023 and one offering window (Tranche 1) in 2024 with an annual maximum contribution of EUR 2,500 per employee, for all employees, and a higher contribution limit offered by exception in certain special cases.

Since matching shares are equity instruments of Nagarro SE, ESPP is accounted for as an equity-settled share-based payment scheme in line with IFRS 2. Once all eligible employees have decided upon their yearly participation, the fair value of the equity instrument granted is calculated and fixed for each tranche on the basis of proportional share price at the grant date taking into consideration the discounted estimated dividends.

The development of acquired investment and estimated matching shares, as well as the parameters used for the calculation of the fair value are as follows:

	Tranche 1a (Feb 2023)	Tranche 1b (May 2023)	Tranche 2 (December 2023)	Tranche 1 (June 2024)
Investment period	February 8 - 20, 2023	May 8 - 21, 2023	November 20 - December 1, 2023	May 15 - May 28, 2024
Grant date	February 20, 2023	May 25, 2023	December 13, 2023	June 6, 2024
Matching date	February 20, 2026	May 26, 2026	December 11, 2026	June 5, 2027
Reporting date	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024
Acquired investment shares	12,834	447	6,837	5,142
thereof forfeited investment shares	(1,323)	-	(300)	(141)
Estimated matching shares	4,278	149	2,279	1,714
thereof forfeited matching shares	(441)	-	(100)	(47)
Fair value at grant date	EUR 124.40	EUR 79.50	EUR 87.60	EUR 82.20
recognized estimated dividend	EUR 0.00	EUR 0.00	EUR 0.00	EUR 0.00
Estimated leavers	15%	15%	15%	15%

Other information relating to the share-based payment arrangements

The equity-settled stock option and ESPP programs do not have any impact on the Nagarro SE financial statement as these have not been exercised by the employees yet.

The cash-settled stock options are recorded as an expense based in the fair values as on the reporting date with a corresponding provision. Amount cross-charged for cash-settled stock options to its group companies by Nagarro SE are shown as receivable from affiliated companies. Against the converted cash-settled stock options, Nagarro has recognized provisions of kEUR 14,443 (December 31, 2023: kEUR Nil).

The weighted average remaining contractual life for the equity-settled stock options outstanding, cash-settled stock options outstanding and ESPP as at December 31, 2024 was 0.7 years (2023: 1.6 years), 0.6 years (2023: Nil) and 1.6 years (2023: 2.4) respectively.

The weighted average fair value of equity-settled options and ESPP granted during the year was EUR Nil (2023: EUR 46.17) and EUR 82.20 (2023: EUR 110.89) respectively. The weighted average fair value of cash-settled options at the reporting date was EUR 32.36 (2023: EUR Nil).

The Stock Option Plans' exercise prices range from EUR 91.55 to EUR 110.08 per stock option.

5. Corporate Governance Code

The statement on the Corporate governance code prescribed by Section 161 of the German Stock Corporation Act (AktG) was submitted and made publicly accessible on the [website](#) of Nagarro SE.

6. Proposal for the appropriation of the result

The Management Board and Supervisory Board of Nagarro SE propose to the Annual General Meeting that a dividend of EUR 1.00 per no par value share carrying dividend rights be paid to shareholders from the unappropriated net income amounting to kEUR 22,053 and that the remaining amount be allocated to retained earnings.

The final amount of the total dividend payment depends on the number of no par value shares carrying dividend rights as of the date of the resolution on the appropriation of net income as adopted on the day of the Annual General Meeting.

7. Employees

In addition to the Management Board, there are average five (2023: three) salaried employees.

8. Disclosures according to § 285 No. 17 HGB

The services provided by KPMG AG Wirtschaftsprüfungsgesellschaft, Munich, in 2024 were related to audit services amounting to kEUR 700; other assurance services of kEUR 11 and for approved non-audit services amounting to kEUR 119.

The audit fee related to the audit of the Nagarro Group's consolidated financial statements, the legally required audits of the annual financial statements of Nagarro SE and the subsidiaries included in the consolidated financial statements and the formal review of the remuneration report. The other assurance services related to a certification of loan covenant. The other services related to support services in the implementation of regulatory requirements.

9. Consolidated financial statements

As the parent company, the Company prepares consolidated financial statements in accordance with International Financial Reporting Standards, as applicable in the EU, and in accordance with the supplementary provisions of commercial law. The consolidated financial statements are published in the Federal Gazette.

10. Events after the balance sheet date

In the period between December 31, 2024, and the date when the consolidated financial statements were authorized for issuance by the Board of Directors of Nagarro SE, the following events of particular importance exist:

Treasury shares

On February 5, 2025, the Management Board of Nagarro SE has resolved to make use of the authorization pursuant to Sec. 71 para. 1 no. 8 of the German Stock Corporation Act (Aktiengesetz, AktG) to repurchase shares of the Company, which was granted by the shareholders' meeting of October 30, 2020.

In aggregate, up to 684,384 shares of Nagarro SE shall be repurchased as part of a share buyback program, corresponding to a portion of the current nominal share capital of approximately 4.97%, subject to an overall purchase volume limit of EUR 70 million (excluding ancillary costs of purchase). Nagarro SE announced the terms of this share buyback program on February 6, 2025, in accordance with art. 5 para. 1 lit. a) of the Regulation (EU) no. 596/2014 and art. 2 para. 1 of the Commission Delegated Regulation (EU) no. 2016/1052.

The share buyback has started from February 6, 2025 and will be carried out until September 19, 2025.

Employee Share Participation Program

As part of MyN (My Nagarro) program, an Employee Share Participation Program ("ESPP"), the first offering period for year 2025 was from March 7, 2025 to March 18, 2025. Since matching shares are equity instruments of Nagarro SE, ESPP is accounted for as an equity-settled share-based payment scheme.

Change in Supervisory Board members

Subsequent to the year end, Carl Georg Dürschmidt, Chairman of the Supervisory Board member, decided to step down for personal reasons effective as of May 1, 2025. On May 1, 2025 the Supervisory Board appointed Mr. Christian Bacherl as Chairperson, Ms. Shalini Sarin as Deputy Chairperson and Mr. Vishal Gaur as Chairperson of the audit committee of the Supervisory Board for the remaining term of office of the current Supervisory Board, i.e. until the conclusion of the upcoming AGM.

Covenants

In consultation with the banks, the submission of the covenant certificate has been postponed to May 31, 2025. Details can be found under [D.4. Liabilities](#).

Munich, May 14, 2025

Nagarro SE

The Management Board

Manas Human Annette Mainka Vikram Sehgal

Appendix 1 - Statement of changes in fixed assets

	Gross carrying amount				Accumulated depreciation and amortization				Net carrying amount	
	1-Jan-24	Additions	Disposals	31-Dec-24	1-Jan-24	Additions	Disposals	31-Dec-24	1-Jan-24	31-Dec-24
	in kEUR	in kEUR	in kEUR	in kEUR	in kEUR	in kEUR	in kEUR	in kEUR	in kEUR	in kEUR
I. Intangibles										
1. Purchased rights	8	-	-	8	-	(1)	-	(1)	8	7
	8	-	-	8	-	(1)	-	(1)	8	7
II. Financial assets										
1. Shares in affiliated companies	415,306	50	-	415,356	-	-	-	-	415,306	415,356
2. Loans to affiliated companies	65,707	151,783	(51,610)	165,879	-	-	-	-	65,707	165,879
	481,013	151,833	(51,610)	581,236	-	-	-	-	481,013	581,236
Net carrying amount as at Dec 31, 2024	481,021	151,833	(51,610)	581,244	-	(1)	-	(1)	481,021	581,243

Appendix 2 - List of subsidiaries pursuant to section 285 para 11 German Commercial Code

N o.	Company	Shareholding	Country of incorporation	Foreign currency (FC)	Equity 12/31/2024		Net profit/ (loss) for the year 2024		Note	Disclosure, auditing, preparation of notes and management report
					kFC	kEUR	kFC	kEUR		
1	Nagarro SE, Munich, Germany	100.00%	Germany	EUR	268,553	268,553	56,885	56,885		Separate and consolidated annual financial statements in the Federal Gazette (Bundesanzeiger)
	Direct investments of Nagarro SE									
2	Nagarro Inc., San Jose, USA	100.00%	USA	USD	5,157	(5,762)	34,584	31,963		
3	Nagarro ES GmbH, Kronberg im Taunus, Germany	100.00%	Germany	EUR	1,155	1,155	-	-	(1) & (2)	Exemption pursuant to Section 264 (3) HGB
4	Nagarro GmbH, Munich, Germany	100.00%	Germany	EUR	15,652	15,652	-	-	(1) & (2)	Exemption pursuant to Section 264 (3) HGB
5	Nagarro ATCS GmbH, Stuttgart, Germany	100.00%	Germany	EUR	1,817	1,817	173	173	(1)	Exemption pursuant to Section 264 (3) HGB
6	Infocore Engineering & IT Services GmbH, Kronberg im Taunus, Germany	100.00%	Germany	EUR	2,110	2,110	310	310	(1)	Exemption pursuant to Section 264 (3) HGB
7	Nagarro GmbH, Vienna, Austria	100.00%	Austria	EUR	4,178	4,178	(1,542)	(1,542)		
8	Nagarro MENA LLC, Dubai, UAE	100.00%	UAE	AED	60,447	15,743	9,040	2,275		
9	Nagarro Software S.A. De C.V., Monterrey, Mexico	100.00%	Mexico	MXN	(39,023)	(1,811)	(15,586)	(787)		
10	Nagarro Software AB, Stockholm, Sweden	100.00%	Sweden	SEK	6,594	575	2,059	180		
11	Nagarro Software Ltd., London, United Kingdom	100.00%	UK	GBP	4,325	5,008	671	793		
12	Nagarro AS, Oslo, Norway	100.00%	Norway	NOK	7,934	673	(2,182)	(188)		
13	Nagarro Pty. Ltd., Pretoria, South Africa	100.00%	South Africa	ZAR	39,696	2,030	6,268	316		
14	Nagarro Company Ltd., Bangkok, Thailand	100.00%	Thailand	THB	8,038	226	(258)	(7)		
15	Nagarro Ltd., Port Louis, Mauritius	100.00%	Mauritius	MUR	5,834	120	879	18		
16	Nagarro Oy, Espoo, Finland	100.00%	Finland	EUR	792	792	28	28		
17	Nagarro Ltd., Valetta, Malta	100.00%	Malta	EUR	1,036	1,036	205	205		
18	Nagarro S.A.S., Quito, Ecuador	100.00%	Ecuador	USD	(871)	(838)	(4)	(3)		
19	Nagarro Software S.A.S., Bogotá D.C., Colombia	100.00%	Colombia	COP	282,644	62	(151,623)	(34)		
20	Nagarro, UNIPESOAL LDA, Funchal, Portugal	100.00%	Portugal	EUR	(940)	(940)	(134)	(134)		
21	Nagarro Software, S.L., Madrid, Spain	100.00%	Spain	EUR	(1,124)	(1,124)	(653)	(653)		
22	Advanced Programming Solutions, S.L., Palma de Mallorca, Spain	100.00%	Spain	EUR	6,496	6,496	959	959		
23	M.B.İ.S Bilgisayar Otomasyon Danışmanlık ve Eğitim Hizmetleri Sanayi ve Ticaret A.Ş., İstanbul, Türkiye	100.00%	Turkey	TRY	329,581	8,957	81,144	2,205		
24	Nagarro Korlátolt Felelősségű Társaság, Budapest, Hungary	100.00%	Hungary	HUF	(457,376)	(1,112)	(450,185)	(1,139)		
25	Nagarro Co., Ltd., Taipei, Taiwan	100.00%	Taiwan	TWD	7,788	229	3,141	90		
26	Nagarro Software Limited, Dublin, Ireland	100.00%	Ireland	EUR	48	48	(2)	(2)		

N o.	Company	Shareholding	Country of incorporation	Foreign currency (FC)	Equity 12/31/2024		Net profit/ (loss) for the year 2024		Note	Disclosure, auditing, preparation of notes and management report
					kFC	kEUR	kFC	kEUR		
	Indirect investments of Nagarro SE									
27	Nagarro Software Pvt. Ltd., Gurugram, India	100.00%	India	INR	7,245,165	81,544	1,946,289	21,498		
28	Nagarro Software Inc., Fishers, USA	100.00%	USA	USD	(7,213)	(6,983)	3,816	3,526		
29	Nagarro Software Solutions (Beijing), Inc. (China)	100.00%	China	CNY	207,243	27,337	(13,131)	(1,688)		
30	Advanced Technology Consulting Service Inc., New Jersey, USA	100.00%	USA	USD	67,603	60,612	(2,403)	(2,221)		
31	Advanced Technology Consulting Service Canada Inc., Toronto, Canada	100.00%	Canada	CAD	268	180	(44)	(30)		
32	Ace Outsource LC, Salt Lake City, USA	100.00%	USA	USD	24,637	22,651	1,107	1,023		
33	RipeConcepts Incorporated, Cebu, Philippines	100.00%	Philippines	PHP	89,828	1,489	12,359	199		
34	Nagarro GS Inc., San Jose, USA	100.00%	USA	USD	5,017	4,830	3,589	3,317		
35	Telesis7 LLC, Missouri, USA	100.00%	USA	USD	6,997	6,523	(1)	(1)		
36	Nagarro Global Services Asia Pte. Ltd., Singapore	100.00%	Singapore	SGD	4,597	2,635	3,919	2,711		
37	Nagarro Enterprise Services Pvt. Ltd., Gurugram, India	100.00%	India	INR	6,168,382	69,704	2,118,150	23,397		
38	Advanced Technology Consulting Service Private Limited, Jaipur, India	100.00%	India	INR	641,330	7,214	142,127	1,570		
39	Nagarro SDN. BHD., Kuala Lumpur, Malaysia	100.00%	Malaysia	MYR	4,273	920	382	77		
40	Nagarro K.K., Tokyo, Japan	100.00%	Japan	JPY	57,592	354	(55,354)	(338)		
41	Nagarro (Private) Limited, Colombo, Sri Lanka	100.00%	Sri Lanka	LKR	(195,712)	(643)	(12,523)	(38)		
42	Techmill Global Pte Ltd, Singapore	100.00%	Singapore	SGD	3,128	2,210	562	388		
43	Tech Mills (Australia) Pty Ltd, Sydney, Australia	100.00%	Australia	AUD	134	80	(122)	(75)		
44	Nagarro SRL, Cluj-Napoca, Romania	100.00%	Romania	RON	65,062	13,067	704	142		
45	Nagarro iQuest Schweiz AG, Zurich, Switzerland	100.00%	Switzerland	CHF	2,484	2,624	285	296		
46	iQuest SPZOO, Warsaw, Poland	100.00%	Poland	PLN	(247)	(58)	96	22		
47	Nagarro Pty. Ltd., Sydney, Australia	100.00%	Australia	AUD	1,941	1,159	1,136	693		

No.	Company	Shareholding	Country of incorporation	Foreign currency (FC)	Equity 12/31/2024		Net profit/ (loss) for the year 2024		Note	Disclosure, auditing, preparation of notes and management report
					kFC	kEUR	kFC	kEUR		
48	Nagarro Software Co. W.L.L., Bahrain	100.00%	Bahrain	BHD	(51)	(130)	45	111		
49	Nagarro for Information Technology, Riyadh, Saudi Arabia	100.00%	Kingdom of Saudi Arabia	SAR	11,752	3,012	12,226	3,011		
50	Nagarro Software FZCO, UAE	100.00%	UAE	AED	303	79	(963)	(242)		
51	Nagarro ES France SAS, Entzheim, France	100.00%	France	EUR	7,040	7,040	2,621	2,621		
52	Nagarro Denmark A/S, Herlev, Denmark	100.00%	Denmark	DKK	32,040	4,296	14,584	1,955		
53	Novaline Bilişim Teknolojileri Danışmanlığı A.Ş., İstanbul, Türkiye	100.00%	Turkey	TRY	723	20	14	-		
54	Analytica Bilgi Teknolojileri A.Ş., İstanbul, Türkiye	100.00%	Turkey	TRY	2,261	61	(7,082)	(192)		
55	FWD View Ltd., London, United Kingdom	100.00%	UK	GBP	1,827	2,205	1,290	1,533		
56	Nagarro Software Co. W.L.L., New Cairo, Egypt	100.00%	Egypt	USD	8	7	(27)	(25)		

(1) After profit transfer or loss assumption

(2) Profit and loss transfer agreement with Nagarro SE



Section C

Important
Information

I. Responsibility statement

Statement pursuant to Section 264 [paragraph] 2 sentence 3 and Section 289 [paragraph] 1 sentence 5 of the German Commercial Code (HGB):

“To the best of our knowledge, and in accordance with the applicable reporting principles, the Annual Financial Statements give a true and fair view of the assets, liabilities, financial position and results of operations of the company, and the Management Report includes a fair review of the development and performance of business and position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.”

Munich, May 14, 2025

Nagarro SE

The Management Board

Manas Human Annette Mainka Vikram Sehgal

II. Independent auditor's report

To Nagarro SE, Munich

Report on the Audit of the Annual Financial Statements and of the Combined Management Report

Opinions

We have audited the annual financial statements of Nagarro SE, Munich, which comprise the balance sheet as of December 31, 2024, and the income statement for the financial year from January 1 to December 31, 2024, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of the Company and the Group (hereinafter: combined management report) of Nagarro SE for the financial year from January 1 to December 31, 2024.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of December 31, 2024, and of its financial performance for the financial year from January 1 to December 31, 2024, in compliance with German legally required accounting principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the combined management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Valuation of investments in affiliated companies

The accounting policies are disclosed in the notes to the financial statements in note C.1.

THE FINANCIAL STATEMENT RISK

In the annual financial statements of Nagarro SE as of December 31, 2024, shares in affiliated companies in the amount of EUR 415.4 million are recognized under financial assets. The shares in affiliated companies account for 61.6% of total assets and thus have a material effect on the Company's assets and liabilities.

Shares in affiliated companies are recognized at cost or, if they are expected to be permanently impaired, at their lower fair value. The Company calculates fair value using the discounted cash flow method.

The cash flows used for the discounted cash flow method are based on individual projections for each investment for the next 5 years, which are extrapolated based on assumptions regarding long-term growth rates. The respective discount rate is derived from the return on a risk-adjusted alternative investment. If the fair value is less than the book value, an impairment loss is recognized to the fair value.

Impairment testing including the calculation of the fair value in line with the discounted cash flow method is complex and the assumptions made depend to a high degree on assessments and judgments of the Company. This applies for the estimate of the future cash flows and the determination of the capitalization interest rates, among other elements.

Against this background, there is a risk for the financial statements that investments in affiliated companies are not recoverable.

OUR AUDIT APPROACH

First, we gained an understanding of the Company's process to determine the recoverability of investments in affiliated companies through explanations obtained from Accounting and by evaluating documentation. In this regard, we thoroughly examined the Company's approach to determining the need for write-downs and, based on the information obtained during our audit, assessed for which shares in affiliated companies there were indications of impairment.

Subsequently, with the support of our valuation specialists, we assessed for these shares the appropriateness of the key assumptions as well as of the valuation method for the company valuations performed by the Company. To this end, we discussed the expected cash flows and the assumed long-term growth rates with those responsible for planning. Furthermore, we evaluated the consistency of assumptions with external market assessments.

We compared the assumptions and data underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta factor, with our own assumptions and publicly available data.

In order to take account of forecast uncertainty, we also investigated the impact of potential changes to the capitalization rate and the expected cash flows on the fair value (sensitivity analysis) by calculating alternative scenarios and comparing these with the Company's measurements. In order to ensure the computational accuracy of the valuation method used, we verified the Company's calculations using our own calculations and analyzed any discrepancies.

OUR OBSERVATIONS

The approach used for impairment testing the shares in affiliated companies is appropriate and in line with the accounting policies. The Company's assumptions and data are appropriate.

Other Information

Management and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the combined corporate governance statement for the Company and Group, which is contained in Section IV of the combined management report, and
- information extraneous to management reports and marked as unaudited.

Other information also includes the separate combined non-financial report of the Company and Group, which is published with the combined management report.

Our opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of Management and the Supervisory Board for the Annual Financial Statements and the Combined Management Report

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, management is responsible for such internal control as they, in accordance with German

legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Declaration of Non-issuance of the Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

We were engaged to perform assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the combined management report (hereinafter the "ESEF documents") prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format").

We do not express an opinion on the ESEF documents. As a result of the significance of the circumstances described below, we have not been able to obtain sufficient appropriate assurance evidence as a basis for an opinion on the ESEF documents.

As management has not provided us with any ESEF documents for assurance by the date of the issuance of the independent auditor's report, we do not express an assurance opinion on the ESEF documents.

The Company's management is responsible for the preparation of the ESEF documents including the electronic renderings of the annual financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB.

In addition, the Company's management is responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

It is our responsibility to perform assurance work on the ESEF documents in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). As a result of the above circumstances, we have not been able to obtain sufficient appropriate assurance evidence as a basis for an assurance opinion on the ESEF documents.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor at the Annual General Meeting on June 27, 2024. We were engaged by the Supervisory Board on November 12, 2024. We have been the auditor of Nagarro SE without interruption since financial year 2024.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Maximilian Bergler.

Munich, May 14, 2025

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Hanshen

Wirtschaftsprüfer

[German Public Auditor]

Bergler

Wirtschaftsprüfer

[German Public Auditor]