

Q3 2023

**Webcast
Presentation**

November 9, 2023



nnit



Key figures Q3 2023

Revenue growth

19%

Organic revenue growth

11%

Revenue (DKKm)

453

Operating profit
before special items (DKKm)

26

Operating profit margin
before special items

5.8%

Special items (DKKm)

16

Q3 2023 highlights

- Positive momentum continues with solid revenue growth and improving profitability
- More focused NNIT on track to deliver on 2023 outlook after upgrade in August
- Presentation of New Beginning strategy at Capital Markets Day in September
- 2026 aspirations introduced aiming for compound annual organic growth around 10% and yearly average group operating profit margin around 10-13%

Key CMD takeaways

01 | GROWTH



Well-positioned in globally attractive markets with **ample growth opportunities**

02 | PROFITABILITY



Leveraging existing assets and reducing cost base will **lift profitability**

03 | BALANCE SHEET



Poised for growth with **robust balance sheet** and leverage ratio of 0-1x

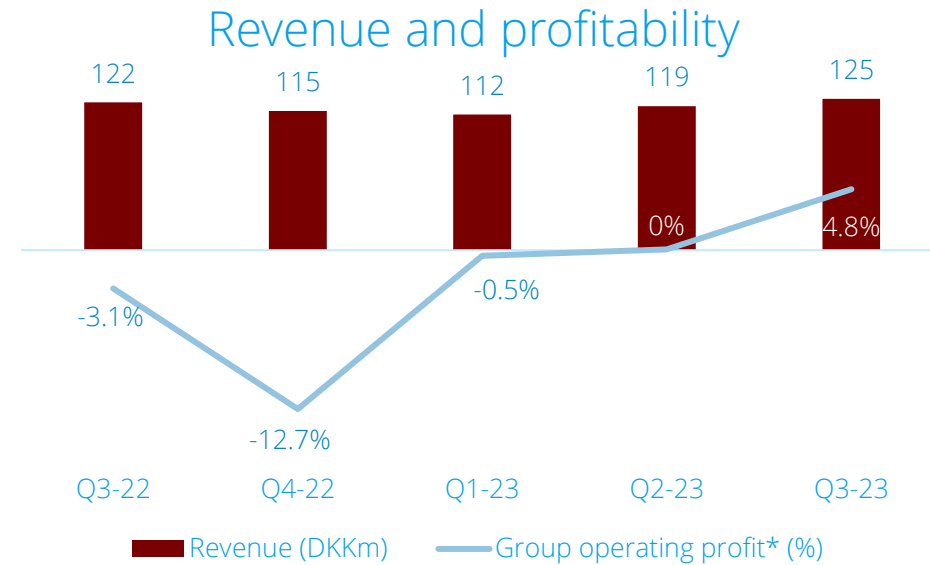
04 | M&A



Build on solid track record of acquiring and integrating companies to **accelerate growth through M&A**

Region Europe

- Moderate 3% growth driven by existing engagements in face of macroeconomic volatility
- Continued improvement of capacity utilization and reduction of cost level
- Efficiency enhancements ensure good performance and positive group operating profit for Q3 and YTD
- Stronger YTD performance and good prospects confirm that Region Europe is on a positive trajectory



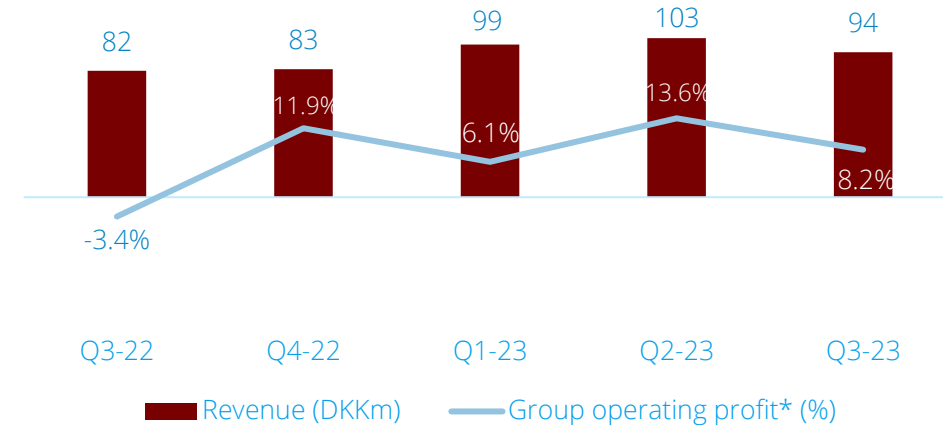
DKKm	Q3-23	Q2-23	Q1-23	Q4-22	Q3-22
Revenue	125	119	112	115	122
Production cost	-86	-91	-83	-103	-88
Gross profit	40	28	29	12	34
Gross profit margin	31.8%	23.7%	26.0%	11.7%	27.7%
Regional operating profit	24	14	17	-5	19
Group operating profit	6	0	-1	-15	-4
Group operating profit (%)	4.8%	0%	-0.5%	-12.7%	-3.1%

*Operating profit and margin before special items

Region US

- Revenue growth of 14% following expansion of engagements and onboarding of new clients
- Strong performance continued in Group company Excellis Health Solutions
- Good cost control and improved utilization lifted the gross profit margin and secured solid operating profit
- Outlook and pipeline in high-growth US market remain solid in the coming period

Revenue and profitability



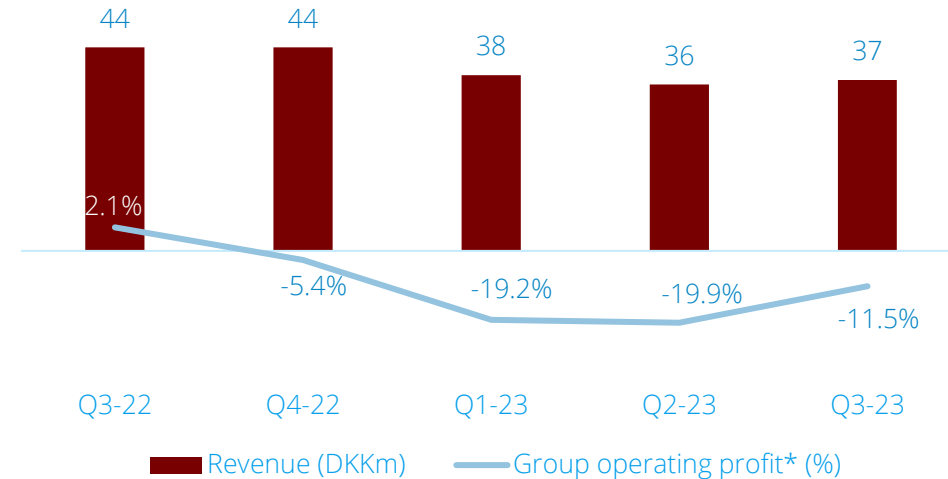
DKKm	Q3-23	Q2-23	Q1-23	Q4-22	Q3-22
Revenue	94	103	99	83	82
Production cost	-56	-64	-67	-54	-53
Gross profit	37	39	32	29	29
Gross profit margin	39.8%	38.2%	32.6%	35.2%	35.3%
Regional operating profit	21	25	19	17	12
Group operating profit	8	14	6	10	-3
Group operating profit (%)	8.2%	13.6%	6.1%	11.9%	-3.4%

*Operating profit and margin before special items

Region Asia

- Continuation of subdued revenue performance after recalibration and negative Chinese macro impact
- Growth of ~5% in Singapore and improvements with largest Chinese customers
- Mitigating actions ensured higher utilization and margin improvement against Q2, reducing the operating loss
- Already completed capacity adjustment to current market situation will have full effect in Q4
- Development is monitored closely with view to take further mitigating action if necessary

Revenue and profitability



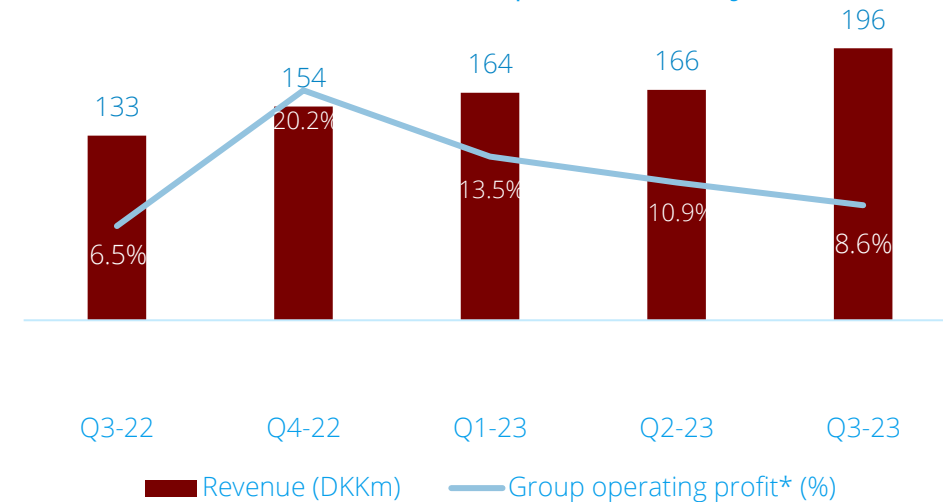
DKKm	Q3-23	Q2-23	Q1-23	Q4-22	Q3-22
Revenue	37	36	38	44	44
Production cost	-33	-35	-36	-38	-33
Gross profit	4	1	2	5	11
Gross profit margin	11.2%	3.6%	4.1%	12.0%	25.0%
Regional operating profit	1	-2	-1	1	9
Group operating profit	-4	-7	-7	-2	1
Group operating profit (%)	-11.5%	-19.9%	-19.2%	-5.4%	2.1%

*Operating profit and margin before special items

Region Denmark

- Organic growth of 18% across Public and Enterprise (48% including sales to Aeven)
- High growth based on Custom Application Development and Microsoft Advisory and Technology, including the Danish National Bank
- Gross profit in line with recent quarters but below Q3 2022 inflated by cost reimbursement
- Earnings and profitability lifted on back of reduced regional overhead costs
- Continued solid market outlook and order book with significant contract expansions

Revenue and profitability



DKKm	Q3-23	Q2-23	Q1-23	Q4-22	Q3-22
Revenue	196	166	164	154	133
Production cost	-142	-118	-109	-99	-78
Gross profit	54	48	55	55	55
Gross profit margin	27.6%	29.1%	33.5%	35.5%	41.4%
Regional operating profit	45	37	44	43	36
Group operating profit	17	18	22	31	9
Group operating profit (%)	8.6%	10.9%	13.5%	20.2%	6.5%

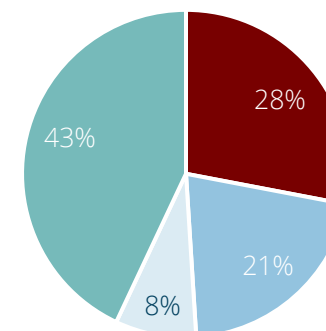
*Operating profit and margin before special items

Group financials

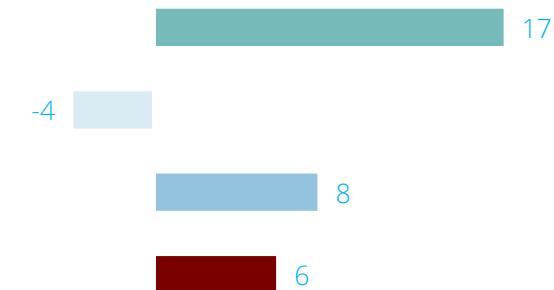
Group	Q3-23	Q2-23	Q1-23	Q4-22	Q3-22
Revenue	453	424	413	396	380
Production cost	-317	-307	-295	-294	-252
Gross profit	136	117	118	102	129
Gross profit margin	29.9%	27.6%	28.5%	25.6%	33.8%
Regional overhead cost	-44	-43	-39	-45	-52
Corporate cost	-65	-49	-58	-32	-73
Group operating profit*	26	25	20	24	3
Group operating profit margin*	5.8%	5.9%	4.9%	6.1%	0.8%

*Operating profit and margin before special items

Q3 2023 revenue



■ Europe ■ US ■ Asia ■ Denmark



Q3 2023 operating profit (DKKm)*

2023 outlook

- NNIT confirms 2023 revenue and earnings outlook based on solid YTD performance and expected positive impact of completed capacity and cost adjustments
- Continued solid trajectory in Custom Application Development and Production in life sciences and assignments in the Danish unit
- Special items expected to be related to earn out payments in connection with completed acquisitions



Revenue
growth

~15%

Operating
profit

~6%

Special items
(DKKm)

≤70

Q&A



Contact information

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Thank you

