



Third Quarter Results 2024

November 6 2024



Agenda

- 1 Q3 2024 highlights incl. regional performance
- 2 Q3 2024 group financial performance & outlook
- 3 Closing remarks and Q&A

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements, which include estimates of financial performance and targets. These statements are not guarantees of future performance and involve certain risks and uncertainties. Therefore, actual future results and trends may differ materially from what is forecast in this report due to a variety of factors.



Actions taken to improve on the back of Q3 performance



Slow-to-materialize recovery in the data migration business



Moderate slowdown in the Life Science market



Capacity adjusted to fit current market demand



Profitable growth to return in Q4 2024

A challenging quarter resulting in FY outlook adjustment

Revenue
DKKm

444.7

(-1.7% growth vs LY)

Organic growth
%

-1.6%

(11.1% Q3 23)

Operating profit
excl. special items, DKKm

17.5

(DKK 26.5m Q3 23)

Operating profit margin
excl. special items, %

3.9%

(5.8% Q3 23)

Moderate market slowdown led to a challenging quarter

Q3 2024 Financial highlights

REVENUE DKKm

126.7

(1.1% vs Q3 23)

ORGANIC GROWTH

0.6

(8.2% in Q3 23)

GROSS MARGIN

19.9

(30.1% in Q3 23)

REGIONAL OPERATING PROFIT MARGIN excl. SI

10.3

(17.6% in Q3 23)

GROUP OPERATING PROFIT MARGIN excl. SI

-1.0

(5.7% in Q3 23)

Overall highlights



REVENUE & COMMERCIAL HIGHLIGHTS

- Moderate Life Science market slowdown caused projects to be postponed or put on hold
- Data migration business continued recovery, but at a slower pace than planned
- Despite good traction and demand for digital transformation, revenue slightly grew



PROFITABILITY HIGHLIGHTS

- Lower utilization than planned because of lower revenue generation, gross margin was significantly down compared with last year
- As a direct result, regional operating profit margin was down 7.3%-points to 10.3%
- Necessary capacity adjustments made with effect from the fourth quarter

Slow recovery in data migration impacted growth

Q3 2024 Financial highlights

REVENUE DKKm

85.4

(-8.9% vs Q3 23)

ORGANIC GROWTH

-8.3%

(22.8% in Q3 23)

GROSS MARGIN

39.0%

(38.5% in Q3 23)

REGIONAL OPERATING PROFIT MARGIN excl. SI

18.6%

(21.3% in Q3 23)

GROUP OPERATING PROFIT MARGIN excl. SI

6.6%

(8.5% in Q3 23)

Key highlights



REVENUE & COMMERCIAL HIGHLIGHTS

- Revenue growth decline was mainly due to the data migration business
- Similar challenges faced as in Europe with the market moderately slowing down
- Largest contract win, it was not enough to offset the revenue decline



PROFITABILITY HIGHLIGHTS

- Regional operating profit declined by 2.7%-p where the region was able to partly offset some of the topline decline
- Further actions were taken to adjust capacity to fit current demand

Turnaround plan improves regional profitability

Q3 2024 Financial highlights

REVENUE DKKm

35.9

(-4.1% vs Q3 23)

ORGANIC GROWTH

-2.4

(-7.5% in Q3 23)

GROSS MARGIN

20.9

(11.2% in Q3 23)

REGIONAL OPERATING PROFIT MARGIN excl. SI

8.3

(2.9% in Q3 23)

GROUP OPERATING PROFIT MARGIN excl. SI

-2.7

(-10.3% in Q3 23)

Key highlights



REVENUE & COMMERCIAL HIGHLIGHTS

- The macroeconomic environment continued to be challenging especially in China with an increasing price pressure emerging
- Organic growth slightly declined due to this and due to Region Asia withdrawing from a few projects to protect profitability



PROFITABILITY HIGHLIGHTS

- The regional operating profit margin increased by 5.4%-p to 8.3% mainly due to the turnaround initiatives carried out during the first half of the year

Improving profitability and solid underlying growth

Q3 2024 Financial highlights

REVENUE DKKm

196.7

(47.5% vs Q3 23)

ORGANIC GROWTH

0.3 %

(17.7% in Q3 23)

GROSS MARGIN

24.8 %

(23.3% in Q3 23)

REGIONAL OPERATING PROFIT MARGIN excl. SI

19.4 %

(18.8% in Q3 23)

GROUP OPERATING PROFIT MARGIN excl. SI

7.2 %

(7.8% in Q3 23)

Key highlights



REVENUE & COMMERCIAL HIGHLIGHTS

- Q3 2023 was impacted by a technical one-off of DKK 15m. Underlying organic growth is 8.5% for Q3 2024
- Underlying growth was driven by expansion of the region's footprint within the Public and Private space
- Large contract was won to deliver on the new SAP debtor system for ATP



PROFITABILITY HIGHLIGHTS

- Regional operating profit margin increased by 0.6%-p to 19.4% partly driven by reallocating billable employees to external projects from internal projects getting completed and partly by tighter cost control

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Tough quarter resulted in unsatisfactory performance

Q3 2024 Financial highlights

REVENUE DKKm

444.7

(-1.7% vs Q3 23)

ORGANIC GROWTH

-1.6 %

(11.1% in Q3 23)

GROSS MARGIN

25.8 %

(27.3% in Q3 23)

GROUP OPERATING PROFIT excl. SI

17.5

(26.5m in Q3 23)

GROUP OPERATING PROFIT MARGIN excl. SI

3.9 %

(5.8% in Q3 23)

Key highlights



REVENUE & COMMERCIAL HIGHLIGHTS

- Underwhelming performance due to slow-to-materialize recovery in the data migration and moderate market slowdown in Life Science
- Projects being postponed or put on hold
- Two large contracts won with the one in Region US being delivered on and the one in Region DK being in transition phase



PROFITABILITY HIGHLIGHTS

- Group operating profit margin excl. special items declined by 1.9%-p to 3.9% which is due to topline decline and NNIT having too much capacity
- Reduction of capacity in relevant areas were made in Region US and Region Europe with impact from the fourth quarter

Full-year outlook adjusted on October 22

ADJUSTED FY 24 OUTLOOK



~6-7%

(previously around 10%)

ORGANIC GROWTH



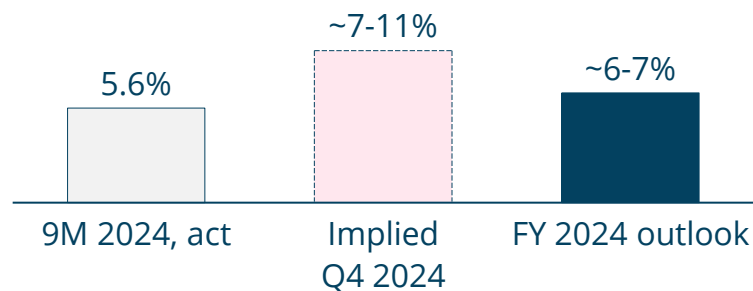
6-7%

(previously 8-9%)

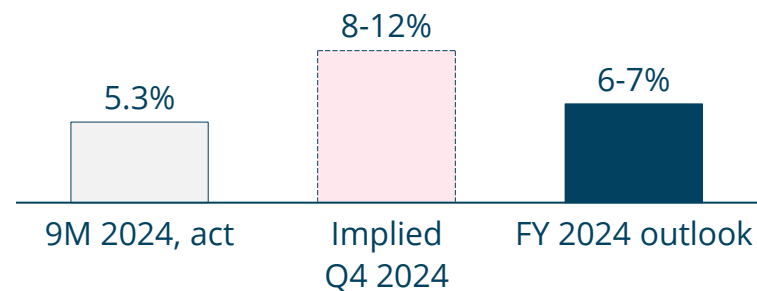
GROUP OPERATING
PROFIT MARGIN EXCL. SPECIAL ITEMS

IMPLIED Q4 2024 GUIDANCE

ORGANIC GROWTH



GROUP OPERATING PROFIT EXCL. SPECIAL ITEMS



KEY LEVERS FOR THE REST OF YEAR



Important
strategic wins in
US and
Denmark



Full effect from
the turnaround
in Asia



Completion of
crucial internal
projects



Relocation of
office spaces



Restructuring of
the data
migration
business



Capacity
adjustments in
Region US &
Europe

— Impact to be seen in Q4 2024 —

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Closing remarks



**The third quarter was
challenging**



**FY outlook adjusted as back of the
Q3 2024 performance**



**Profitable growth to return in the
fourth quarter**

Q&A

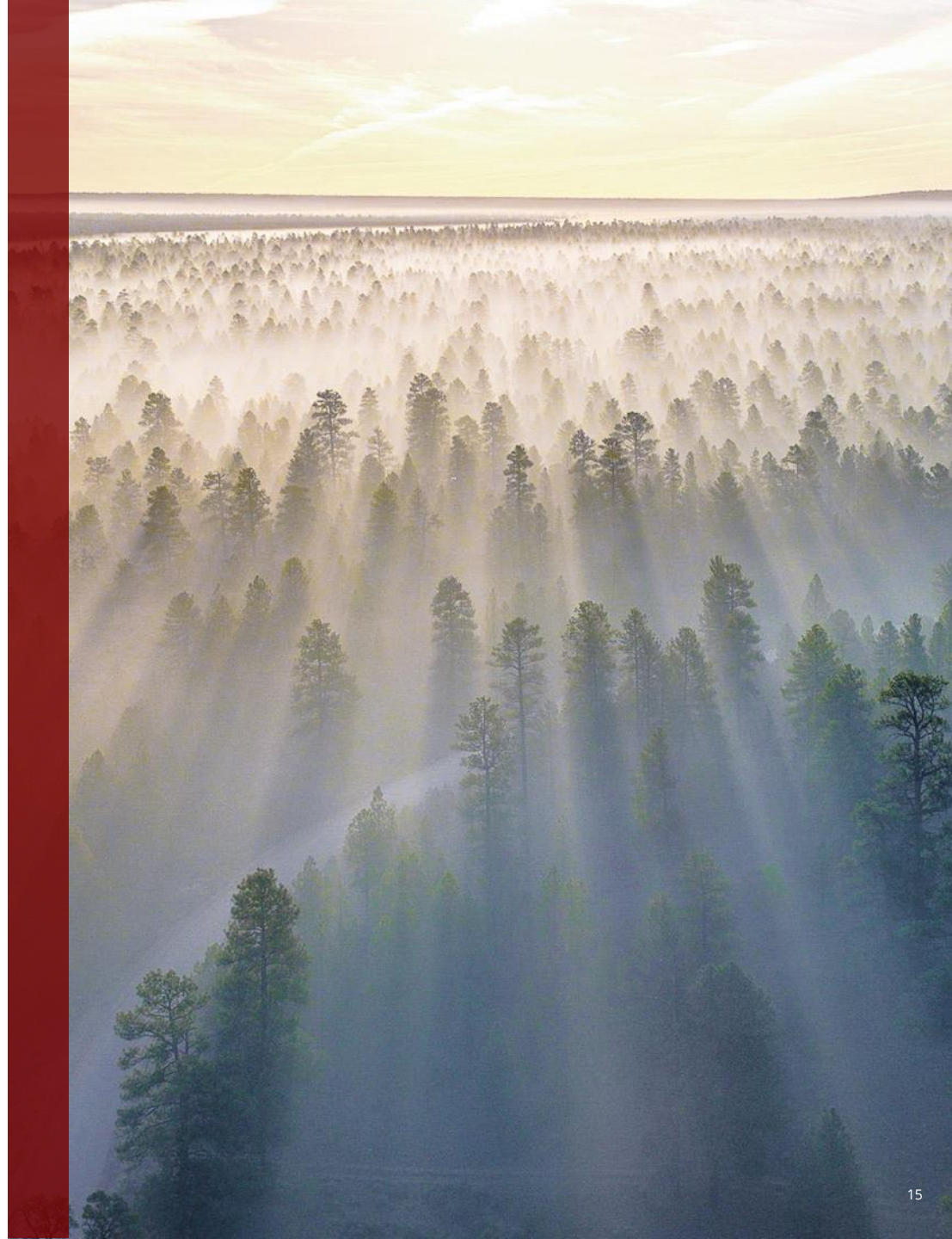
Contact information



Carsten Ringius

CFO

carr@nnit.com



APPENDIX

The NNIT investment case

NNIT will grow its existing business utilizing its core assets alongside increasing profitability. Further opportunities to grow through M&A supported by robust balance sheet

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**

Key assumptions

The financial aspirations for 2026 are based on assumptions of relatively stable market conditions and supplemented by annual guidance

TIME HORIZON



The aspirations cover the strategy period

2023 to 2026

BASELINE



The baseline for the aspirations is the current **FY 2023 outlook**

COST INFLATION



Able to **alleviate** impact of salary and cost inflation through pricing actions

INDUSTRY DEVELOPMENT



Our markets are expected to grow by **~8% CAGR**

MACROECONOMY



No deterioration of the global economy and stable exchange rates

Financial aspirations towards 2026



**~10%
CAGR**

ORGANIC REVENUE GROWTH



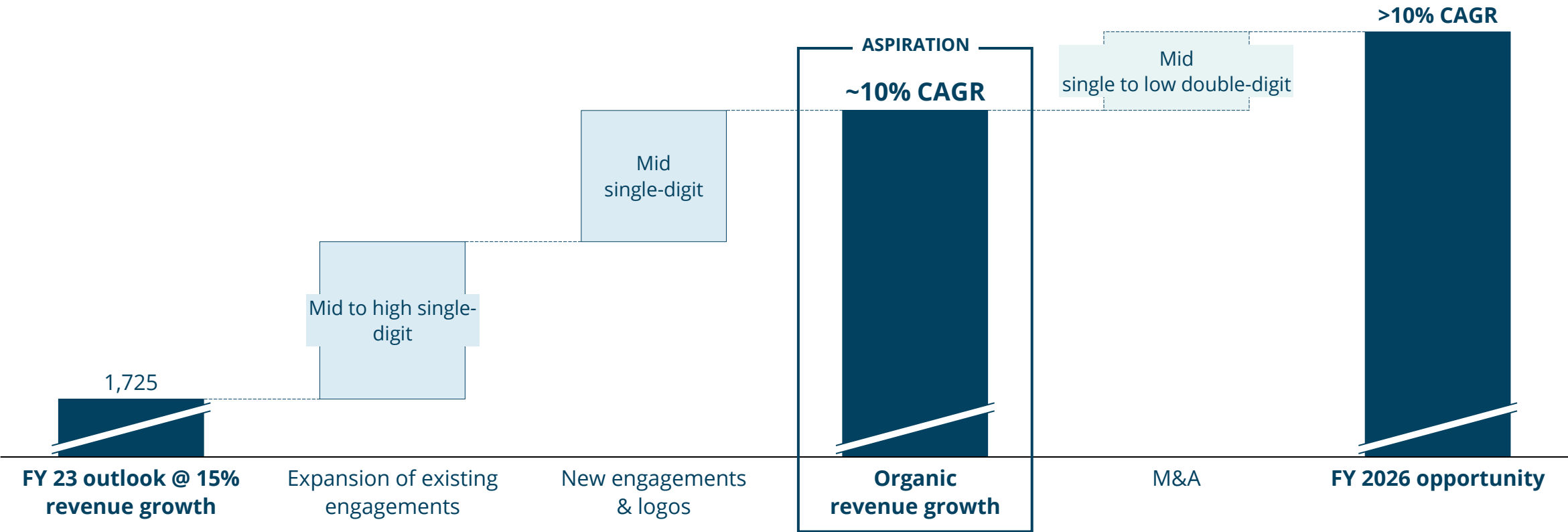
~10-13%

**YEARLY AVERAGE GROUP OPERATING
PROFIT MARGIN BEFORE SPECIAL ITEMS**

Opportunities for profitable growth

NNIT operates in globally attractive markets with opportunities to grow within existing playing field

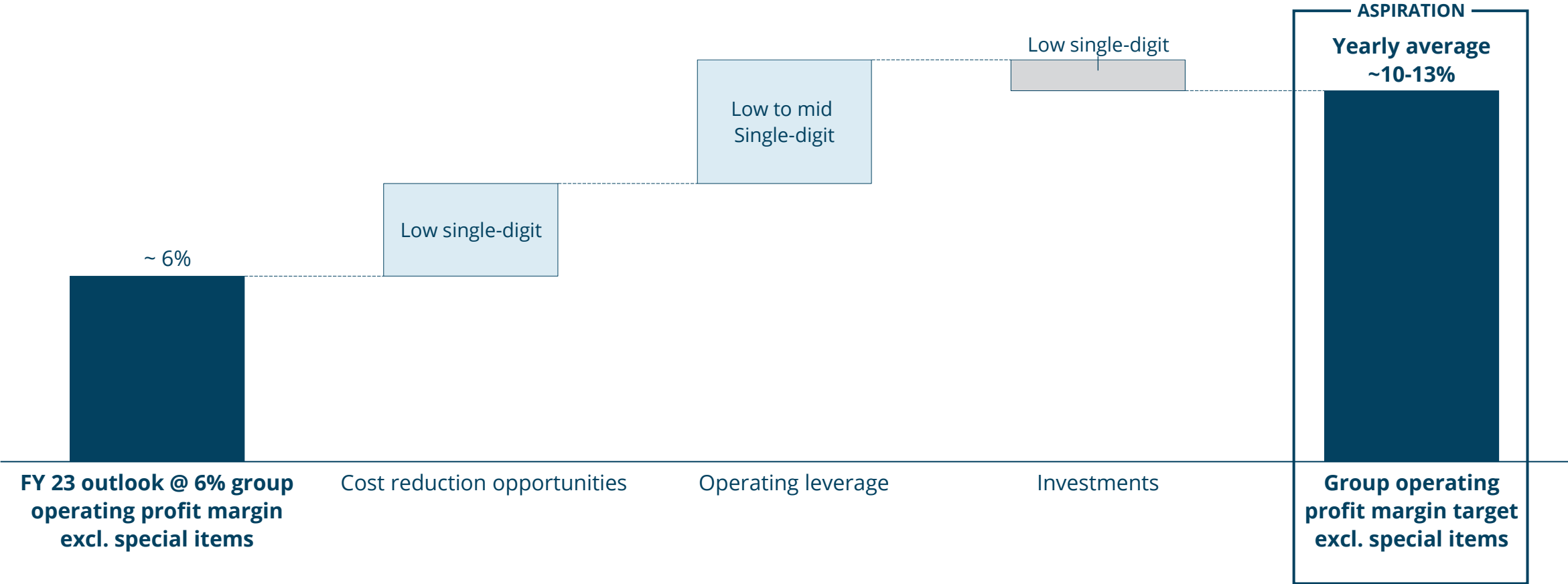
Mid-term revenue aspiration, %



Margin expansion driven by leverage on cost base

Leveraging existing assets and reducing cost base will lead to margin expansion

Mid-term Group operating profit margin excl. special items aspiration, %



Our future state

In 2026, we are an industry leading employer and solution provider specialized in international life science and the Danish Public market



Industry-leading employer
with strong attraction, retention
and employee development



A truly **international company** driven by strong
regions and an international
management team



A **commercially savvy**
company where everyone acts
as commercial leaders



A **leading international life sciences** solution provider
within R&D, Manufacturing,
Quality and Commercial areas



A **Public Denmark specialist**
driven by our customized
application expertise

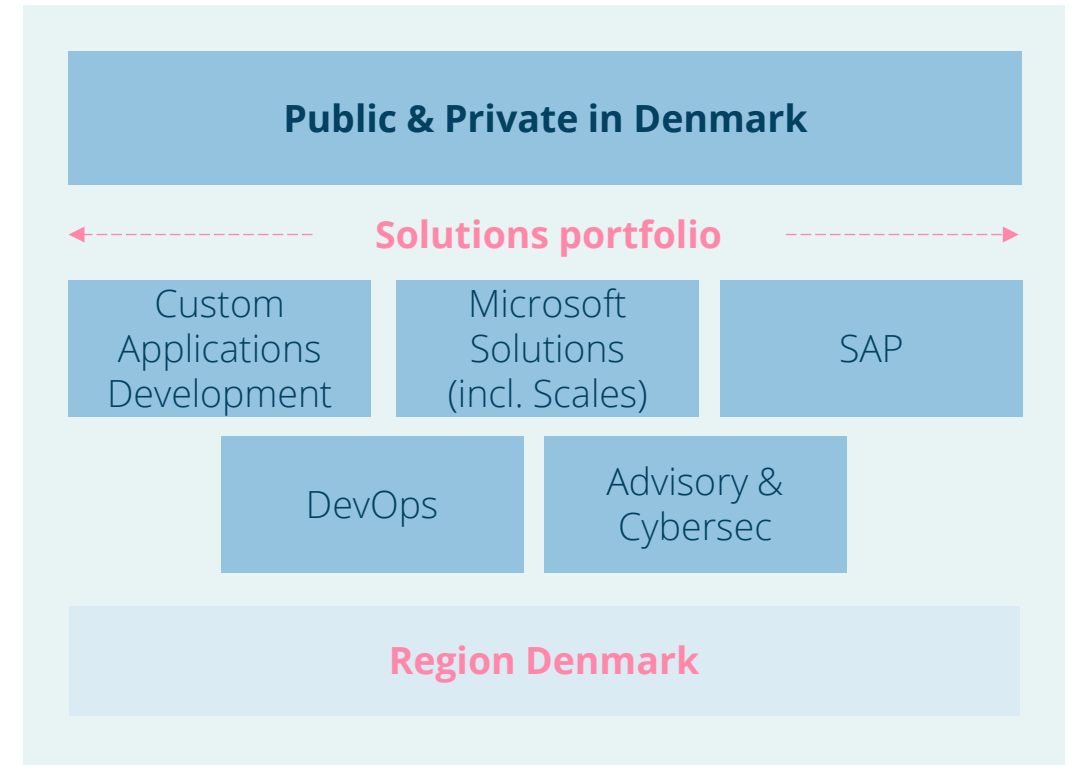
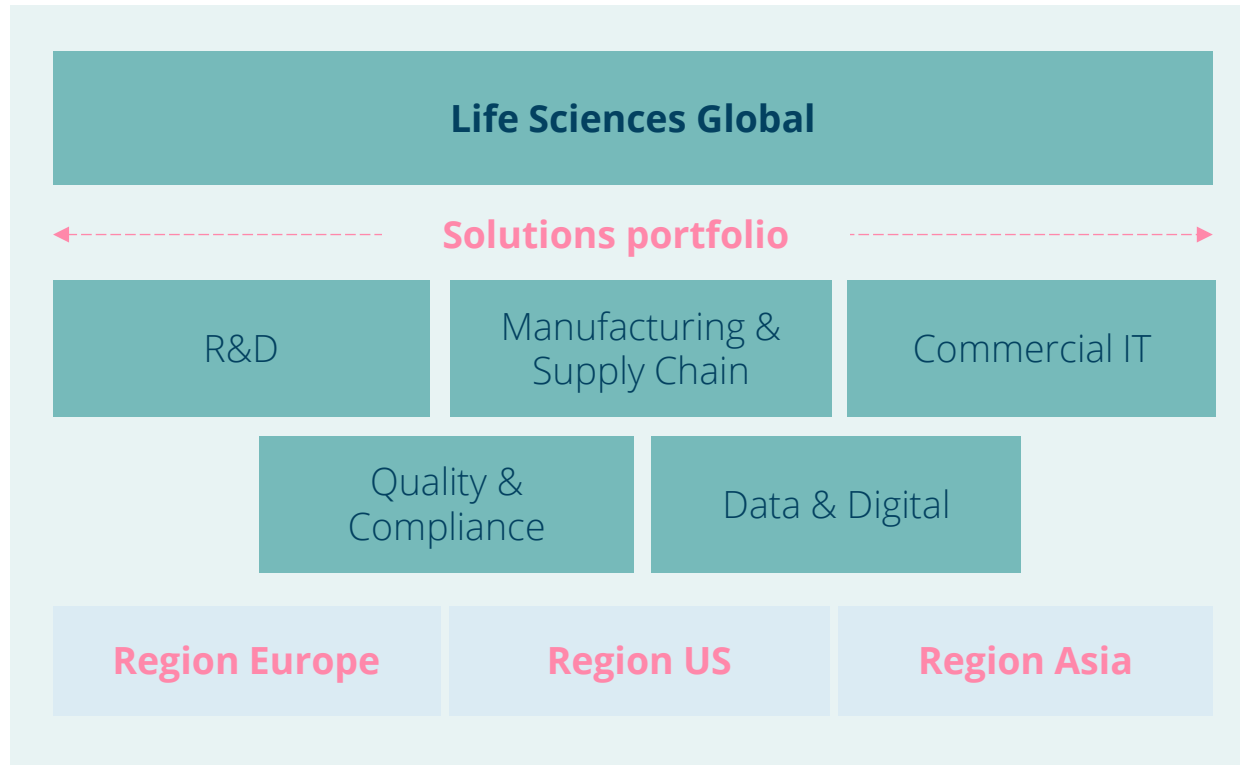


Easy to deal with due to
future-fit systems and
processes

Business approach

Together with our customers and partners, we bring digital transformation to life and make a mark. We target industries where regulatory demands, high complexity and quality of life is at play

Our solutions portfolio delivers a strong value proposition to specific customer needs with regional execution



Focus towards 2026

OUTGROWING THE MARKET



We aspire to **grow faster than the market** i.e. take market shares

DOMAIN FOCUS



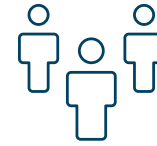
Building domain and tech competencies in selected parts of the global life sciences value chain and the Danish Public sector

REPEATABILITY



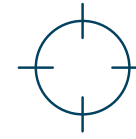
Continued investments in bringing new **repeatable services** to the market

INTERNATIONAL MINDSET



New organization catering to **regional autonomy** to meet local market needs

ACQUISITIONS



Focused M&A approach to support our new strategy

Group P&L

| NNIT A/S DKKm | Quarterly performance | | | | | FY performance | |
|--|-----------------------|------------|------------|------------|------------|----------------|--------------|
| | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | FY23 | FY22 |
| Revenue | 445 | 474 | 463 | 438 | 453 | 1,728 | 1,500 |
| Production cost | 330 | 353 | 338 | 331 | 329 | 1,283 | 1,092 |
| Gross profit | 115 | 121 | 126 | 108 | 124 | 445 | 408 |
| <i>Gross margin</i> | 25.8% | 25.5% | 27.1% | 24.6% | 27.3% | 25.7% | 27.2% |
| Regional overhead cost | 45 | 46 | 48 | 30 | 44 | 157 | 166 |
| Regional operating profit | 70 | 75 | 78 | 77 | 80 | 287 | 242 |
| <i>Regional operating profit margin</i> | 15.7% | 15.8% | 16.9% | 17.7% | 17.6% | 16.6% | 16.1% |
| Corporate cost | 52 | 43 | 54 | 33 | 53 | 172 | 248 |
| Group operating profit excl. special items | 17 | 32 | 24 | 44 | 26 | 116 | -7 |
| <i>Group operating profit margin excl. special items</i> | 3.9% | 6.7% | 5.2% | 10.1% | 5.8% | 6.7% | -0.5% |
| Special items | 9 | 15 | -11 | 9 | 16 | 69 | 278 |
| Group operating profit incl. special items | 8 | 17 | 35 | 35 | 10 | 47 | -285 |
| <i>Group operating profit margin incl. special items</i> | 1.8% | 3.5% | 7.6% | 8.0% | 2.3% | 2.7% | -19.0% |

Region Europe P&L

| Region Europe DKKm | Quarterly performance | | | | | FY performance | |
|--|-----------------------|--------------|--------------|--------------|--------------|----------------|--------------|
| | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | FY23 | FY22 |
| Revenue | 127 | 135 | 126 | 109 | 125 | 465 | 468 |
| Production cost | 101 | 101 | 97 | 65 | 88 | 330 | 365 |
| Gross profit | 25 | 34 | 29 | 43 | 38 | 135 | 103 |
| <i>Gross margin</i> | <i>19.9%</i> | <i>25.1%</i> | <i>23.1%</i> | <i>39.9%</i> | <i>30.1%</i> | <i>29.0%</i> | <i>22.1%</i> |
| Regional overhead cost | 12 | 14 | 15 | 15 | 16 | 57 | 63 |
| Regional operating profit | 13 | 20 | 14 | 28 | 22 | 78 | 40 |
| <i>Regional operating profit margin</i> | <i>10.3%</i> | <i>14.8%</i> | <i>11.2%</i> | <i>25.7%</i> | <i>17.6%</i> | <i>16.8%</i> | <i>8.6%</i> |
| Corporate cost | 14 | 11 | 13 | 6 | 15 | 46 | 74 |
| Group operating profit excl. special items | -1 | 9 | 2 | 22 | 7 | 32 | -33 |
| <i>Group operating profit margin excl. special items</i> | <i>-1.0%</i> | <i>6.5%</i> | <i>1.3%</i> | <i>20.2%</i> | <i>5.7%</i> | <i>6.9%</i> | <i>-7.1%</i> |

Region US P&L

| Region US DKKm | Quarterly performance | | | | | FY performance | |
|--|-----------------------|--------------|--------------|--------------|--------------|----------------|--------------|
| | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | FY23 | FY22 |
| Revenue | 85 | 88 | 93 | 91 | 94 | 387 | 312 |
| Production cost | 52 | 61 | 57 | 61 | 58 | 252 | 213 |
| Gross profit | 33 | 27 | 35 | 30 | 36 | 135 | 98 |
| <i>Gross margin</i> | <i>39.0%</i> | <i>30.8%</i> | <i>38.2%</i> | <i>33.4%</i> | <i>38.5%</i> | <i>34.9%</i> | <i>31.5%</i> |
| Regional overhead cost | 17 | 14 | 18 | 11 | 16 | 55 | 58 |
| Regional operating profit | 16 | 13 | 18 | 20 | 20 | 80 | 40 |
| <i>Regional operating profit margin</i> | <i>18.6%</i> | <i>14.9%</i> | <i>19.0%</i> | <i>21.6%</i> | <i>21.3%</i> | <i>20.7%</i> | <i>12.9%</i> |
| Corporate cost | 10 | 9 | 12 | 7 | 12 | 38 | 49 |
| Group operating profit excl. special items | 6 | 4 | 6 | 12 | 8 | 42 | -9 |
| <i>Group operating profit margin excl. special items</i> | <i>6.6%</i> | <i>4.2%</i> | <i>6.3%</i> | <i>13.6%</i> | <i>8.5%</i> | <i>10.9%</i> | <i>-2.9%</i> |

Region Asia P&L

| Region Asia DKKm | Quarterly performance | | | | | FY performance | |
|--|-----------------------|-----------|-----------|-----------|-----------|----------------|------------|
| | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | FY23 | FY22 |
| Revenue | 36 | 37 | 32 | 32 | 37 | 144 | 157 |
| Production cost | 28 | 27 | 28 | 31 | 33 | 135 | 134 |
| Gross profit | 7 | 11 | 3 | 2 | 4 | 9 | 23 |
| <i>Gross margin</i> | 20.9% | 28.4% | 11.0% | 6.0% | 11.2% | 6.3% | 14.7% |
| Regional overhead cost | 5 | 6 | 5 | 3 | 3 | 13 | 12 |
| Regional operating profit | 3 | 5 | -2 | -1 | 1 | -4 | 11 |
| <i>Regional operating profit margin</i> | 8.3% | 13.2% | -5.3% | -3.0% | 2.9% | -2.8% | 7.1% |
| Corporate cost | 4 | 3 | 4 | 0 | 5 | 14 | 25 |
| Group operating profit excl. special items | -1 | 1 | -6 | -1 | -4 | -18 | -14 |
| <i>Group operating profit margin excl. special items</i> | -2.7% | 3.9% | -18.0% | -4.2% | -10.3% | -12.5% | -8.7% |

Region Denmark P&L

| Region DK DKKm | Quarterly performance | | | | | FY performance | |
|--|-----------------------|--------------|--------------|--------------|--------------|----------------|--------------|
| | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | FY23 | FY22 |
| Revenue | 197 | 214 | 212 | 206 | 196 | 732 | 564 |
| Production cost | 148 | 164 | 155 | 174 | 150 | 566 | 369 |
| Gross profit | 49 | 49 | 58 | 32 | 46 | 166 | 195 |
| <i>Gross margin</i> | <i>24.8%</i> | <i>23.0%</i> | <i>27.1%</i> | <i>15.6%</i> | <i>23.3%</i> | <i>22.7%</i> | <i>34.6%</i> |
| Regional overhead cost | 11 | 12 | 10 | 1 | 9 | 33 | 57 |
| Regional operating profit | 38 | 37 | 48 | 31 | 37 | 133 | 138 |
| <i>Regional operating profit margin</i> | <i>19.4%</i> | <i>17.4%</i> | <i>22.6%</i> | <i>15.0%</i> | <i>18.8%</i> | <i>18.2%</i> | <i>24.5%</i> |
| Corporate cost | 24 | 19 | 26 | 19 | 22 | 73 | 89 |
| Group operating profit excl. special items | 14 | 18 | 22 | 12 | 15 | 60 | 49 |
| <i>Group operating profit margin excl. special items</i> | <i>7.2%</i> | <i>8.4%</i> | <i>10.4%</i> | <i>5.7%</i> | <i>7.8%</i> | <i>8.2%</i> | <i>8.7%</i> |

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