

**NNIT**

February 28, 2024

Økonomisk Ugebrev

Investor conference



**NNIT**



# Our future state

In 2026, we are an industry leading employer and solution provider specialized in international life sciences and public-DK



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



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



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



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



A **public Denmark specialist**  
driven by our application  
centric expertise



**Easy to deal with** due to  
Future-fit systems and  
processes

# 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

# Key figures 2023

Revenue growth

15.2%

Organic revenue growth

10.8%

Revenue (DKKm)

1,728

Operating profit  
before special items (DKKm)

116

Operating profit margin  
before special items

6.7%

Special items (DKKm)

69

# 2023 highlights

- Improved business and financial performance throughout 2023 – exceeding initial guidance
- Solid performance with existing and new customers securing a high customer satisfaction of 4.4 of 5
- Higher capacity utilization and efficiency enhancements drove a significant profitability improvement
- Ample opportunities for growth within life sciences and a solid pipeline within the public sector in Denmark
- Flexibility to pursue attractive acquisition opportunities backed by a robust balance sheet post-divestment

## Investment case

### 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

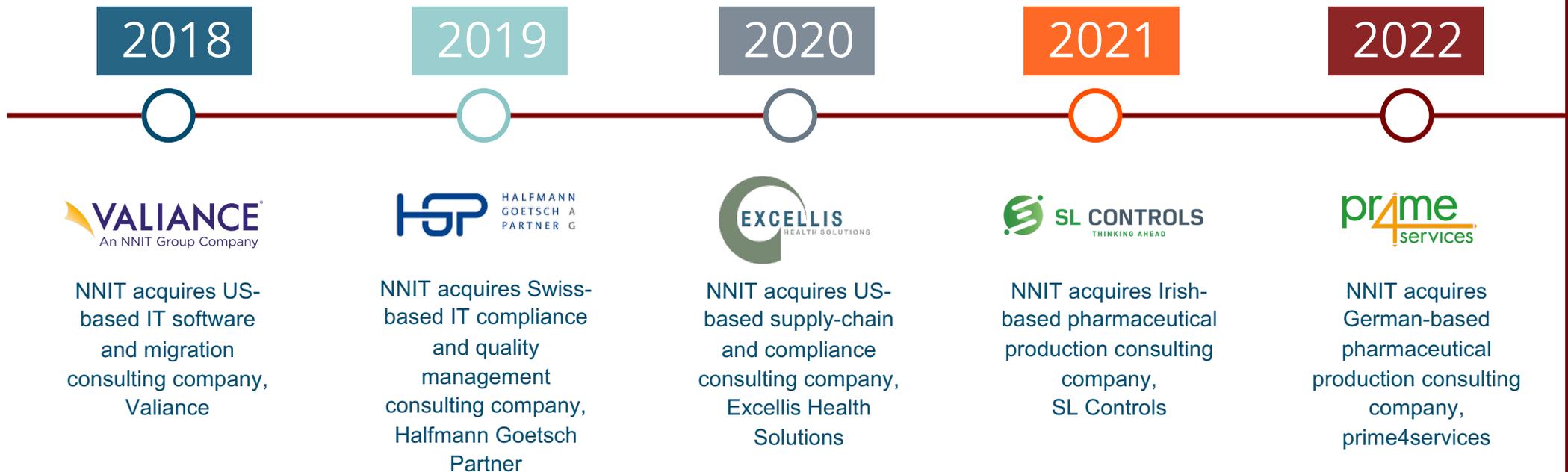
### 04 | M&A



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

# Our starting point | Successful life sciences acquisitions

Our life sciences acquisitions have either targeted increased local market presence, scalability in strategic solutions areas, access to a broader customer base or a combination hereof



# 2024 outlook

- Maintain momentum from 2023 and continue to deliver organic revenue growth and profitability improvements
  - Improved capacity utilization driven by higher activity
  - Increased use of nearshore and offshore capabilities
  - New regional structure and internal financial steering
  - ERP implementation impacts profitability in 2024
- 2024 outlook in line with 2026 Aspirations of delivering revenue CAGR ~10% and yearly average margin of 10-13%

Outlook and performance	2023			2024
	Outlook	Updated	Realised	Outlook
Revenue growth	~10%	~15%	15.2%	-
Organic revenue growth	-	-	10.8%	~10%
Operating profit margin b.s.i.	~5%	~6%	6.7%	8-9%
Special items, DKKm	≤70	≤70	69	-

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Organic revenue growth

~10%

Operating profit b.s.i.

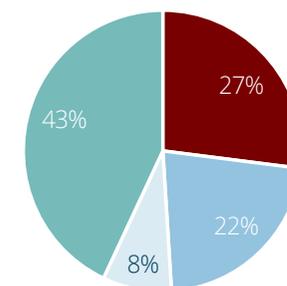
8-9%

# Group financials

Group	2023	2022	2021	2020	2019
Revenue	1,728	1,500	1,369	2,830	3,058
EBITDA b.s.i.	144	61	114	401	501
Operating profit b.s.i.	116	-7	-15	167	242
Operating profit margin b.s.i.	6.7%	-0.5%	-1.1%	5.9%	7.9%
Special items	-69	-278	-208	-90	-68
Operating profit	47	-285	-223	77	174
Operating profit margin	2.7%	-19.0%	-16.3%	2.7%	5.7%
Total assets	1,977	2,748	2,574	2,468	2,485
Net interest-bearing debt	77	805	473	377	438

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2023 revenue



■ Europe ■ US ■ Asia ■ Denmark



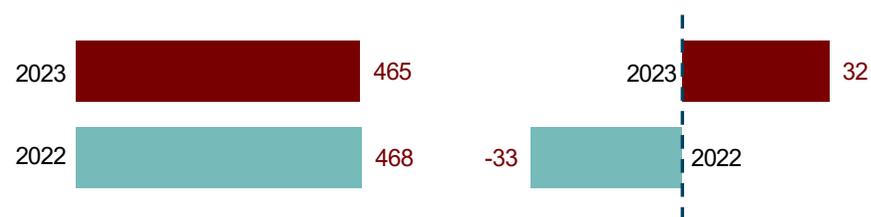
2023 operating profit b.s.i. (DKKm)

# Region Europe

- Stable development in 2023 marked by challenging macroeconomy and cautious customers
- Positive traction from extensions and expansion of long-term engagements with existing and new customers
- Improved capacity utilization and reduction of regional and corporate cost drove strong lift in profitability
- Positive one-off effect of DKK 10m in Q4 relating to reallocation of costs from previous quarters
- Strong traction with customers and new engagements support a positive outlook

**Revenue**  
**465**  
DKKm

**Group Operating Profit**  
**32**  
DKKm



DKKm	Q4-23	Q3-23	Q2-23	Q1-23	Q4-22
Revenue	109	125	119	112	115
Production cost	-65	-88	-93	-84	-103
<b>Gross profit</b>	<b>44</b>	<b>38</b>	<b>26</b>	<b>28</b>	<b>12</b>
Gross profit margin	40.4%	30.1%	21.8%	24.7%	10.7%
Regional operating profit	29	22	12	16	-5
<b>Group operating profit</b>	<b>20</b>	<b>8</b>	<b>2</b>	<b>2</b>	<b>-15</b>
Group operating profit (%)	18.8%	6.1%	1.9%	1.9%	-12.7%

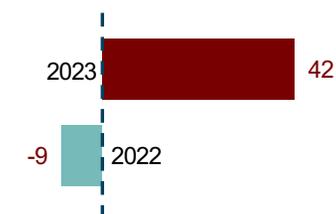
# Region US

- Strong 24% growth driven by high activity with existing and new customers
- Solid contributions from Excellis Health Solutions and Valiance Partners with full integration planned in 2024
- Improved capacity utilization and targeted efforts to reduce cost entailed significant lift in earnings
- Well-positioned to leverage expanded customer base and strong growth fundamentals in US life sciences

**Revenue**  
**387**  
DKKm



**Group Operating Profit**  
**42**  
DKKm



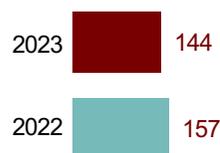
DKKm	Q4-23	Q3-23	Q2-23	Q1-23	Q4-22
Revenue	91	94	103	99	83
Production cost	-61	-58	-66	-68	-54
<b>Gross profit</b>	<b>30</b>	<b>36</b>	<b>37</b>	<b>31</b>	<b>29</b>
Gross profit margin	33.1%	38.5%	36.3%	31.4%	35.2%
Regional operating profit	19	20	23	18	17
<b>Group operating profit</b>	<b>12</b>	<b>8</b>	<b>15</b>	<b>7</b>	<b>10</b>
Group operating profit (%)	13.5%	8.5%	14.9%	6.9%	11.9%

\*Operating profit and margin before special items

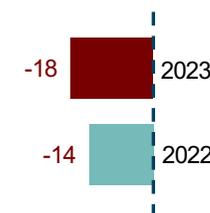
# Region Asia

- Revenue was lower on the back of low activity due to macroeconomic softness in China
- Good traction with largest Chinese customers and strong growth in Singapore accounting for 20% of revenue
- Capacity adjustment and cost reductions had full effect in Q4 and will have positive impact going forward
- Market developments in China monitored closely with view to take further mitigating action if necessary

**Revenue**  
**144**  
DKKm



**Group Operating Profit**  
**-18**  
DKKm



DKKm	Q4-23	Q3-23	Q2-23	Q1-23	Q4-22
Revenue	32	37	36	38	44
Production cost	-31	-33	-35	-36	-38
<b>Gross profit</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>5</b>
Gross profit margin	5.5%	11.2%	2.8%	5.1%	12.0%
Regional operating profit	-1	1	-2	-1	1
<b>Group operating profit</b>	<b>-3</b>	<b>-3</b>	<b>-5</b>	<b>-5</b>	<b>-2</b>
Group operating profit (%)	-10.7%	-9.1%	-13.9%	-13.9%	-5.4%

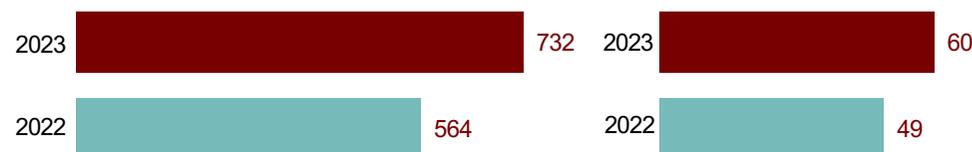
\*Operating profit and margin before special items

# Region Denmark

- Strong growth of 17% based on higher activity level with new and existing customers (30% incl. sales to Aeven)
- Progress was generated across Public and Enterprise with double-digit growth in Custom Application Development and Microsoft Advisory and Technology
- SCALES Group generated 20% organic growth and contributed greatly to Group performance
- Earnings and profitability grew driven by higher revenue and cost reductions, which more than compensated elevated production costs
- Investments in building new capabilities within SAP Business Services, Cloud Services and Microsoft Advisory and Technology

**Revenue**  
**732**  
DKKm

**Group Operating Profit**  
**60**  
DKKm



DKKm	Q4-23	Q3-23	Q2-23	Q1-23	Q4-22
Revenue	206	196	166	164	154
Production cost	-174	-150	-127	-114	-99
<b>Gross profit</b>	<b>32</b>	<b>46</b>	<b>39</b>	<b>50</b>	<b>55</b>
Gross profit margin	15.5%	23.3%	23.3%	30.4%	35.5%
Regional operating profit	31	37	28	39	43
<b>Group operating profit</b>	<b>17</b>	<b>14</b>	<b>12</b>	<b>17</b>	<b>31</b>
Group operating profit (%)	8.4%	7.2%	7.5%	10.6%	20.2%

\*Operating profit and margin before special items



# Contact information

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**Thank you**

