

**Full-year 2023**

**Webcast  
Presentation**

February 20, 2024



**nnit**



# 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

## Milestones

### New Beginning



New strategy launched to ensure **profitable growth** in regulated and complex industries

### Transformative divestment



Infrastructure business divested to **reshape NNIT** and emerge as a highly specialized IT services provider

### Outlook upgraded



Revenue and profit margin **guidance lifted** after improved performance in the first half

### 2026 Aspirations



New strategic direction and financial aspirations towards 2026 presented at **Capital Markets Day**

# 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

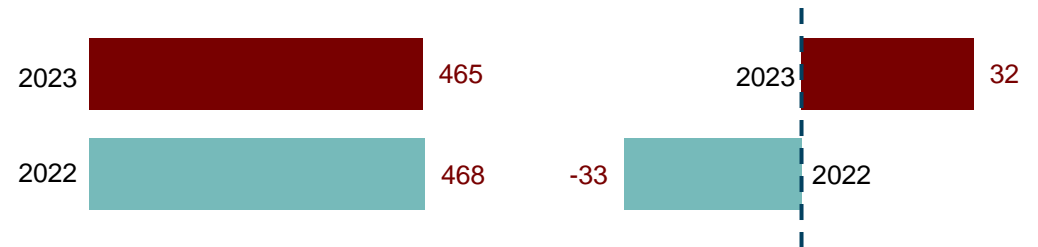
DKKm



## 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%

\*Operating profit and margin before special items

# 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

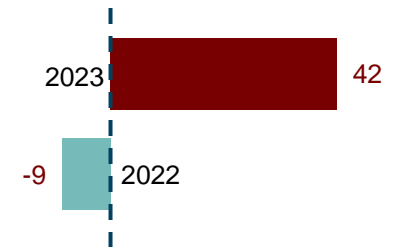
DKKm



## 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

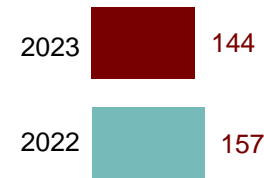
# Region Asia

- 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

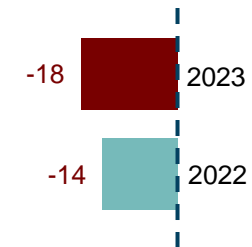
DKKm



## 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

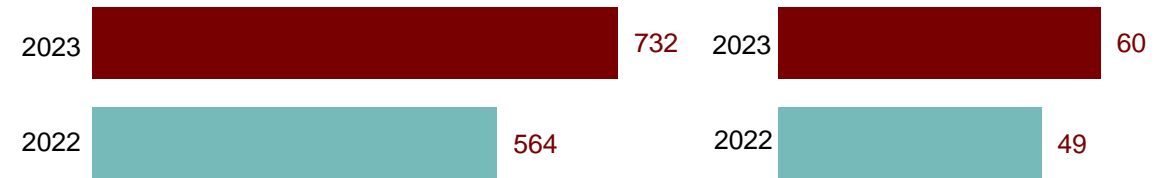
# 732

DKKm

## Group Operating Profit

# 60

DKKm



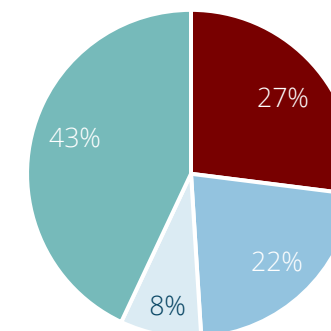
DKKm	Q4-23	Q3-23	Q2-23	Q1-23	Q4-22
Revenue	206	196	166	164	154
Production cost	-174	-150	-127	-114	-99
<b>Gross profit</b>	<b>32</b>	<b>46</b>	<b>39</b>	<b>50</b>	<b>55</b>
Gross profit margin	15.5%	23.3%	23.3%	30.4%	35.5%
Regional operating profit	31	37	28	39	43
<b>Group operating profit</b>	<b>17</b>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

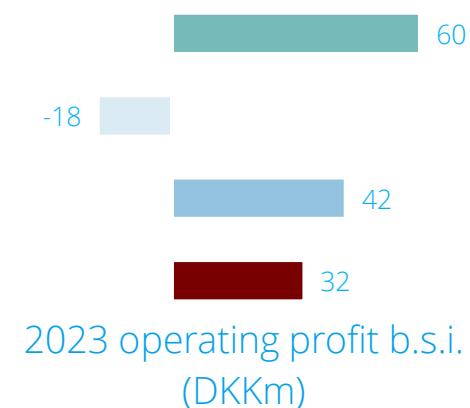
# Group financials

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

2023 revenue



■ Europe ■ US ■ Asia ■ Denmark



Figures for 2021-2023 exclude discontinued operations, while figures for 2019-2020 include discontinued operations.

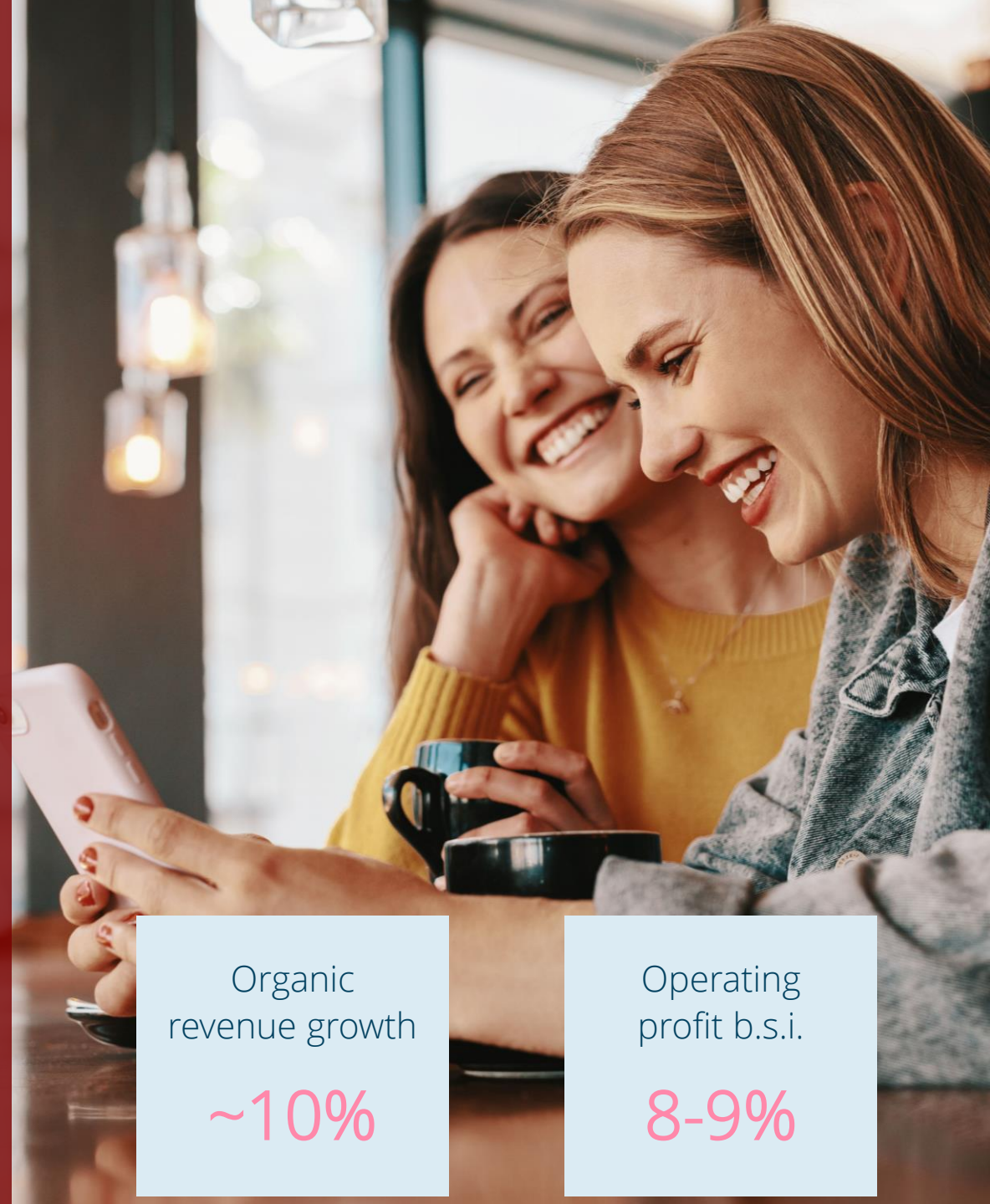


# 2024 outlook

- 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	-

DKK 102m special costs reclassified as part of discontinued operations.



Organic revenue growth  
~10%

Operating profit b.s.i.  
8-9%

Q&A



# Contact information

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**Thank you**

