

Company announcement 6/2019 April 24, 2019

NNIT acquires Swiss-based life sciences consultancy business and strengthens European life sciences presence

NNIT A/S (“NNIT”), a leading provider of IT services and consultancy announces that it has closed an agreement to acquire Halfmann Goetsch Partner AG, (“Halfmann Goetsch Partner”).

Halfmann Goetsch Partner is a highly specialized service provider for IT compliance and quality management to the life sciences industry. Established in 2008 and headquartered in Basel, Switzerland, Halfmann Goetsch Partner employs more than 70 experts with extensive experience in the life sciences industry.

Per Kogut, CEO of NNIT, comments:

“Following an increasing need for life sciences companies to digitally transform their business, the demand for efficient IT compliance excellence increases. Hence, I am excited to welcome Halfmann Goetsch Partner to NNIT. Our more than 70 new colleagues come with extensive knowledge, highly specialized offerings and strong relations on particularly the European life sciences map, which will bolster our position as a global IT provider to the international life sciences industry.”

Thomas Halfmann, Co-founder and Partner of Halfmann Goetsch Partner, comments:

“We are excited to become part of the NNIT Group and continue our successful development. Benefitting from NNIT’s global delivery model we will continue to deliver high quality solutions using our capabilities and world class skills within life sciences IT. Our shared understanding of IT compliance and regulatory requirements constitutes a perfect match.”

Transaction overview

NNIT will acquire 100% of the shares of Halfmann Goetsch Partner AG for an upfront payment of CHF 8.55 million. Further, the agreement consists of an earn-out element being realized until the end of March 2022, which at target is CHF 2.85 million, depending on performance.

Following the acquisition Halfmann Goetsch Partner AG will be integrated into NNIT, and management will continue in the leadership of the European life sciences business.

NNIT will finance the acquisition through its operating cash flows and existing credit facilities.

Closing of the agreement was done April 24, 2019.

Strategic rationale

In line with NNIT’s strategic plan, the addition of Halfmann Goetsch Partner’s industry leading approach to compliance excellence positions NNIT as a leading advisory partner to the life sciences industry in the fast-growing European life sciences hubs. Halfmann Goetsch Partner has a leading approach to compliance excellence while having a flexible

and scalable consultancy base including top subject matter experts from across the international life sciences IT arena.

Historically, NNIT has delivered more than 20% organic growth in international life sciences and follows an ambitious [plan](#) to continue growth in this segment through operations in Europe, US and China. NNIT's strategy is open to acquisitions when it contributes to profitable growth and provides a strategic match and a cultural fit to NNIT.

About Halfmann Goetsch Partner

Headquartered in Basel, Switzerland, Halfmann Goetsch Partner is a business consultancy dedicated to IT compliance services to the life sciences industry. The company employs more than 70 experts with extensive experience in the life sciences industry in its delivery centers in Basel, Frankfurt and Singapore, and an internal nearshore office in Krakow.

For the financial year 2018, Halfmann Goetsch Partner generated a revenue of CHF 8.6 million and normalized operating profit of CHF 1.2 million equal to an operating profit margin of 13.7%.

Outlook

The acquisition is expected to increase NNIT's 2019 full year revenue growth by around 1.25pp and is expected to have a neutral impact on NNIT's operating profit margin. The outlook for 2019 in constant currencies is unchanged:

- Revenue growth of 3-6%
- Operating profit margin of 10-10.5%
- Level of investments is 5-7% of total revenue and excludes the upfront payment for the acquisition of Halfmann Goetsch Partner

Conference call details

NNIT will host a teleconference April 24, 2019 at 11:00 CET about the acquisition of Halfmann Goetsch Partner. Please visit the NNIT webpage at www.nnit.com to access the teleconference, which can be found under 'Investors – Events & presentations'. Presentation material will be available on the website at the start of the presentation.

Webcast link: <https://nnit.eventcdn.net/201904conferencecall/>

Participant telephone numbers:

Denmark:	+45 3544 5583
United Kingdom:	+44 203 194 0544
Sweden:	+46 8 5664 2661
United States	+1 855 269 2604

Contacts for further information

Investor relations:

Klaus Hosbond Skovrup
 Head of Investor Relations
 Tel: +45 3079 5355
ksko@nnit.com

Media relations:

Helga Heyn

NNIT Communications
Tel: +45 3077 8141
hhey@nnit.com

About NNIT

NNIT A/S offers a wide range of IT services and solutions to the international life sciences industry and to customers in the public, enterprise and finance sectors in Denmark. As of December 31, 2018, NNIT A/S had 3,214 employees.