

## Company announcement 1/2024

### Annual Report 2023

NNIT launched the New Beginning strategy in 2023 to position the company as a pure-play IT consulting business highly specialized in global life sciences and the public sector in Denmark and focusing on organic and acquisitive growth combined with efficiency enhancements. The Group improved business and financial performance throughout the year and delivered on the outlook, which was upgraded in August, 2023.

### 2023 key highlights

- Revenue grew by 15.2% (organic growth of 10.8%) to DKK 1,728 million following solid performance on existing engagements and onboarding of new customers across life sciences globally and the public and private sectors in Denmark.
- NNIT improved the operating result before special items significantly to DKK 116 million compared to a loss of DKK 7 million 2022 and lifted the operating profit margin before special items to 6.7% from -0.5% in 2022. Progress was driven by higher activity and capacity utilization combined with cost reductions.
- Special items amounted to DKK 69 million against DKK 278 million in 2022 and related mainly to earn-out payments.

### 2024 outlook

- NNIT expects to maintain the momentum from 2023 and continue to deliver organic revenue growth and profitability improvements in 2024 driven by good traction with customers and positive effects of efficiency measures.
- The Group expects to generate organic revenue growth of around 10% through expansion of engagements with existing customers and onboarding of new customers.
- The operating profit margin before special items is expected to increase to 8-9% based on improved capacity utilization, positive effects of increased use of nearshore and offshore capabilities, and by leveraging the regional structure and internal financial steering introduced in 2023.
- The outlook is based on assumptions of relatively stable market conditions, no further deterioration of the global economy and stable exchange rates.
- NNIT expects to book costs of up to DKK 15 million for contingent consideration (earn-out) relating to completed acquisitions as special items in 2024.

Pär Fors, CEO of NNIT, comments: "2023 was a transformative year for NNIT as we relaunched our company as a pure-play IT consulting business highly specialized in global life sciences and the public sector in Denmark. We accelerated momentum throughout the year, confirming our confidence in the new strategic roadmap and enabling us to deliver on the promise of increased revenue and profitability. Looking into 2024, we see ample opportunities for growth within the life sciences space and a solid pipeline within the public sector in Denmark."

### Changes to cost allocation in previously reported financial figures

In connection with the preparation of the annual report, NNIT has corrected the allocation of cost recharged for services provided internally by the Group's Global Delivery center in Q1-Q3 2023. The change has had no impact on revenue and Group operating profit. An excessive share of cost was recharged from production cost at regional level in the Q3 trading statement. The cost has now been recharged from corporate cost and allocated correctly between reporting segments in line with NNIT's corporate cost allocation principles. Please refer to the attached fact sheet for an overview of quarterly financial figures.

### Conference call

February 20, 2024, at 9:30 AM CET: [Webcast link](#)

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### NNIT is a leading provider of IT solutions to life sciences internationally, and to the public and enterprise sectors in Denmark

We focus on high complexity industries and thrive in environments where regulatory demands and intricacy are high.

We advise and build sustainable digital solutions that work for the patients, citizens, employees, end users or customers.

We strive to build unmatched excellence in the industries we serve, and we use our domain expertise to represent a business first approach – strongly supported by a selection of partner technologies, but always driven by business needs rather than technology.

NNIT consists of group company NNIT A/S and subsidiaries SCALES, Excellis Health Solutions and SL Controls. Together, these companies employ more than 1,700 people in Europe, Asia and USA.

Read more at [www.nnit.com](http://www.nnit.com)