

Company announcement 7/2024

NNIT adjusts 2024 financial outlook

NNIT adjusts the 2024 financial outlook and now expects organic revenue growth to be around 6-7% (previously around 10%) and the Group operating profit margin to reach 6-7% before special items (previously 8-9%) on the back of unsatisfactory performance in Q3. An uplift in Q4 is expected based on improved transparency and a solid backlog for the remainder of the year following recent important contract wins.

Based on preliminary and unaudited financial figures, NNIT generated Q3 2024 Group revenue of DKK 445 million (2023: DKK 453 million) and Group operating profit of DKK 17 million before special items (2023: DKK 26 million) corresponding to organic growth of -1.6% (2023: 11.1%) and a Group operating profit margin of 3.9% before special items (2023: 5.8%) in the quarter. For the first nine months of 2024, Group revenue was DKK 1,382 million (2023: DKK 1,290 million) with Group operating profit of DKK 73 million before special items (2023: DKK 72 million) for organic growth of 5.6% (2023: 11.3%) and a Group operating profit margin of 5.3% before special items (2023: 5.6%).

The outlook adjustment follows an unexpected revenue decline in Region Europe and Region US in Q3, which was impacted by a moderate market slowdown resulting in projects being postponed or put on hold, combined with prolonged challenges in the data migration business. As one of several levers to accelerate profitability in the second half of 2024, NNIT recalibrated capacity in both Europe and the US in Q3, and additional adjustments are made to align internal capacity with market demand.

NNIT is executing as planned on the remaining initiatives already taken to accelerate profitability, which include securing important wins in the US and Europe, leveraging the full effect of the turnaround in Asia, completing crucial internal projects and benefiting from a lower cost run-rate after relocation of offices. These key levers are contributing positively to profitability in 2024 and beyond.

NNIT will publish the Q3 2024 trading statement on November 5, 2024 as planned.

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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 complexity 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