

# Q1 2026 Trading statement

May 12, 2026



## EXECUTIVE SUMMARY

### CHALLENGING START TO THE YEAR AND MODERATE ORDER ENTRY AMID GEOPOLITICAL TURMOIL

#### Q1 2026 key highlights

- **NNIT's financial performance** and **order entry** were below initial expectations reflecting continued geopolitical turmoil and sustained customer caution, particularly within the life science IT consulting industry as seen throughout 2025. In response, targeted growth initiatives have been launched to strengthen sales execution and accelerate revenue generation across regions. Reported group revenue declined 9.0% to DKK 422.5m, equal to constant currency revenue growth of -7.3%.
- In the first quarter, the **group EBIT excl. special items** ended at DKK 1.1m, corresponding to a group EBIT margin excl. special items of 0.3%. The lower profitability primarily reflects reduced revenue levels, alleviated by cost-reducing initiatives carried out during 2025 and progressing to plan. Additional actions are being implemented to align capacity with demand, and further efficiencies within general and administrative expenses are being pursued to improve the margin.
- **Special items** were related solely to restructuring costs and significantly lower at DKK 8.3m compared with DKK 25.3m in the same quarter last year. All earn-out payments were completed in 2025.
- The **full-year financial outlook** for 2026 was updated on May 7 2026 cf. company announcement 06/2026, where constant currency revenue growth was adjusted from 0 to 5% to single-digit negative. The outlook for group EBIT margin excl. special items was previously 6 to 9%, now adjusted to 4% to 7%. NNIT will continue to focus on increasing operational efficiency and continue to reduce the full cost base. The outlook for special items was updated from "significantly below last year's level of DKK 83m" to "below last year's level of DKK 83m".

The recent geopolitical turmoil has created a more volatile IT Life Science consultancy market affecting customer behavior. During the last year, NNIT was impacted by customer hesitance, especially from the tier-1 segment. The same behavior continued into the first quarter, leading to lower revenue generation. Furthermore, the Danish general election in March impacted decision-making delaying tenders. This has negatively affected NNIT's order entry in the first quarter as projects have a narrower scope, contract sizes are smaller, and projects are postponed.

Despite financial performance being modest, NNIT has strong building blocks to leverage. The footprint with Big Pharma companies is strong where NNIT has 19 out of the 20 largest companies as customers. Furthermore, the customer relationships are strong as existing customers stay with NNIT for long periods as the project deliverables are of high quality. This has resulted in a high customer satisfaction of 4.6 out of 5.0. Moreover, NNIT has improved its operational efficiency year-over-year as utilization is increasing and structural cost reductions are materializing as expected. The efficiency gains were insufficient to offset the impact of the significant revenue decline on profitability. However, NNIT is currently assessing its go-to-market strategy around the service offering and sales processes to adapt to the current market behavior, and to increase revenue and strengthen order entry development in short term.

During the quarter, NNIT accelerated its AI service offerings with the launch of the AI-enabled software delivery framework, Lumina, designed to modernize and streamline application development and consultancy services. The platform is scalable and positioned for deployment across the Public sector and Life Sciences customer bases. Furthermore, NNIT launched the validated AI platform for regulated collaboration, Alera. It has been designed to address the growing gap between rapid AI adoption and strict regulatory requirements across industries such as life sciences, finance and the public segment.

Claus Rydkjær, newly appointed CEO of NNIT, comments: "I'm pleased to join NNIT, a company with a strong position in IT consulting for the life sciences industry and the Danish public sector. The first quarter results were modest, primarily reflecting a lower backlog entering the year and continued cautious spending. We are making solid progress on our operational efficiency. Billability is improving, structural cost reductions are taking effect, and we have successfully launched two new AI frameworks, Alera and Lumina. We see clear opportunities to restore profitable growth through targeted initiatives being rolled out in the coming months. However, as the impact is expected to materialize later in the year, we have adjusted our financial outlook for the year."

## Financial overview – Selected key figures

NNIT A/S, DKK million	Q1 2026	Q1 2025	FY 2025
<b>Revenue</b>	<b>422.5</b>	<b>464.1</b>	<b>1,787.6</b>
<i>Reported revenue growth, %</i>	-9.0%	0.2%	-3.4%
<i>Constant currency revenue growth, %</i>	-7.3%	-0.8%	-2.8%
<b>Group EBIT excl. special items</b>	<b>1.1</b>	<b>18.0</b>	<b>94.2</b>
<i>Group EBIT margin excl. special items, %</i>	0.3%	3.9%	5.3%
Special items	8.3	25.3	83.3
<b>Group EBIT incl. special items</b>	<b>-7.2</b>	<b>-7.3</b>	<b>11.2</b>
<i>Group EBIT margin incl. special items, %</i>	-1.7%	-1.6%	0.6%
<b>Free cash flow</b>	<b>41</b>	<b>-73</b>	<b>-47</b>

## BUSINESS REVIEW

### SLOWDOWN IN THE LIFE SCIENCE IT CONSULTANCY INDUSTRY IMPACTING PERFORMANCE

Performance during the first quarter varied across segments. The Life Sciences regions (Europe, US and Asia) were affected by the broader slowdown in the life science IT consulting industry, resulting in lower revenue due to continued customer hesitance leading to fewer contract signings, and postponed projects. In contrast, the Public segment and SCALES delivered growth, supported by the ramp-up of contracts secured last year. The positive momentum in Denmark did not fully offset the revenue decline in the Life Sciences regions. In Q1 2026, reported revenue declined by 9.0% to DKK 422.5m, equal to -7.3% in constant currency revenue growth.

Order entry during the quarter was behind plan. To mitigate the impact of a weaker backlog for the remainder of the year, initiatives are being launched to accelerate growth, focusing on optimizing sales execution with existing customers and expanding commercial efforts. The impact of these initiatives is expected to materialize from late Q2 and continue through the rest of the year.

The group EBIT excl. special items amounted to DKK 1.1m compared with DKK 18.0m in the same quarter last year, equal to margins of 0.3% and 3.9%, respectively. Throughout 2025, focus was on structurally lowering the cost base. Significant cost-reducing initiatives have been executed and have tracked according to plan. Considering the Q1 2026 profitability development, additional cost measures have been initiated across production costs as well as regional and corporate overhead. Beyond capacity adjustments, NNIT is conducting a comprehensive review of the total cost base. The expected financial impact of these additional measures will be communicated once the reassessment is finalized.

Free cash flow improved significantly by DKK 114m compared with last year and amounted to DKK 41m for the first quarter. The material uplift in free cash flow was driven by several factors, including a significant improvement in days of sales outstanding, lower costs, and the completion of earn-out payments by end-2025.

### GROUP FINANCIAL HIGHLIGHTS – SELECTED KEY FIGURES

NNIT A/S, DKK million	Q1 2026	Q1 2025	FY 2025
<b>KEY FINANCIAL HIGHLIGHTS</b>			
Reported revenue growth, %	-9.0%	0.2%	-3.4%
<b>Constant currency revenue growth, %</b>	<b>-7.3%</b>	<b>-0.8%</b>	<b>-2.8%</b>
<b>Group EBIT margin excl. special items, %</b>	<b>0.3%</b>	<b>3.9%</b>	<b>5.3%</b>
Special items	8.3	25.3	83.3
Group EBIT incl. special items	-7.2	-7.3	11.2
Group EBIT margin incl. special items, %	-1.7%	-1.6%	0.6%
Depreciation, amortization and impairment	13.7	10.2	45.2
<b>Free cash flow</b>	<b>41</b>	<b>-73</b>	<b>-47</b>
<b>OTHER FINANCIAL HIGHLIGHTS</b>			
<b>Revenue</b>	<b>422.5</b>	<b>464.1</b>	<b>1,787.6</b>
- of which Region Europe	142.8	168.5	628.7
- of which Region US	66.6	87.0	312.7
- of which Region Asia	32.3	37.0	152.8
- of which Public DK	88.1	87.9	352.4
- of which SCALES	92.7	83.7	341.0
Production cost	337.5	344.3	1,340.6
<b>Gross profit</b>	<b>84.9</b>	<b>119.8</b>	<b>447.0</b>
<i>Gross margin, %</i>	<i>20.1%</i>	<i>25.8%</i>	<i>25.0%</i>
Regional overhead cost	38.2	45.4	154.9
<b>Regional EBIT</b>	<b>46.8</b>	<b>74.4</b>	<b>292.1</b>
<i>Regional EBIT margin, %</i>	<i>11.1%</i>	<i>16.0%</i>	<i>16.3%</i>

Executive  
Summary

Business & Regional Performance  
Review

Financial  
Outlook

Other Events &  
Contact

Corporate cost	45.6	56.4	197.9
<b>Group EBIT excl. special items</b>	<b>1.1</b>	<b>18.0</b>	<b>94.2</b>
<i>Group EBIT margin excl. special items, %</i>	<i>0.3%</i>	<i>3.9%</i>	<i>5.3%</i>
Special items	8.3	25.3	83.3
<b>Group EBIT incl. special items</b>	<b>-7.2</b>	<b>-7.3</b>	<b>11.2</b>
<i>Group EBIT margin incl. special items, %</i>	<i>-1.7%</i>	<i>-1.6%</i>	<i>0.6%</i>

## REGIONAL PERFORMANCE REVIEW

### Region Europe

Region Europe generated revenue of DKK 142.8m, corresponding to negative revenue growth of -15.3% and constant currency revenue growth of -15.3%. The decline was primarily driven by existing tier 1 customers. Despite order entry being lower than initially anticipated, Region Europe signed with three new customers in the lower-tier segments and expanded engagements with existing long-term customers. One of the larger contracts signed in Q1 2026 was with a mid-tier global pharma company focused on AI, demonstrating the growing commercial traction of NNIT's AI solutions portfolio. Moreover, NNIT launched an AI platform for regulated industries named Alera. The platform enables i.e. Life Science customers to move from AI experimentation to production with full auditability and governance, directly addressing the growing gap between AI potential and regulated deployment.

During the past year, Region Europe implemented a series of structural cost-reduction initiatives to lower its underlying cost base. Beyond capacity adjustments, Region Europe has streamlined its internal processes, leading to increased efficiency. The benefits from these measures partly mitigated the impact of revenue contraction on regional earnings. Regional EBIT decreased from DKK 23.3m to DKK 17.0m, equal to a change in regional EBIT margin from 13.8% to 11.9% in Q1 2026.

Region Europe, DKK million	Q1 2026	Q1 2025	FY 2025
<b>Revenue</b>	<b>142.8</b>	<b>168.5</b>	<b>628.7</b>
<i>Reported revenue growth, YoY, %</i>	<i>-15.3%</i>	<i>-4.2%</i>	<i>-10.1%</i>
<i>Constant currency revenue growth, %</i>	<i>-15.3%</i>	<i>-4.3%</i>	<i>-10.2%</i>
Production cost	116.1	128.2	486.2
<b>Gross profit</b>	<b>26.7</b>	<b>40.3</b>	<b>142.5</b>
<i>Gross margin, %</i>	<i>18.7%</i>	<i>23.9%</i>	<i>22.7%</i>
Regional overhead cost	9.7	17.0	45.6
<b>Regional EBIT</b>	<b>17.0</b>	<b>23.3</b>	<b>96.9</b>
<i>Regional EBIT margin, %</i>	<i>11.9%</i>	<i>13.8%</i>	<i>15.4%</i>
Corporate cost	21.1	21.1	71.6
<b>Group EBIT excl. special items</b>	<b>-4.1</b>	<b>2.2</b>	<b>25.3</b>
<i>Group EBIT margin excl. special items, %</i>	<i>-2.9%</i>	<i>1.3%</i>	<i>4.0%</i>

### Region US

The region's revenue performance in Q1 2026 is a consequence of the unexpected slowdown that occurred in Q4 2025 where significantly fewer contracts were signed than normal and lower order entry during the quarter than normal. Entering Q1 2026, the backlog was below par, resulting in a reported revenue decline of 23.4% and constant currency revenue growth of -15.8%. Some of the larger projects postponed from 2025 to 2026 continued to be delayed, also affecting first quarter revenue. Despite, the region closed several small- to

medium-size contracts during the quarter, especially with data migration, it was not enough to offset the lower order intake in the other areas.

Towards the end of the quarter, Region US completed the original National Drug Code-12 (NDC12) pilot program. The pilot included one of the largest wholesalers, one large retailer, and five global pharmaceutical manufacturers in the US. In essence, the NDC12 program is to enhance the supply chain efficiency and drug traceability as the National Drug Code is transitioning from 10-digit format to 12 digits over the next seven years.

The regional EBIT margin materially declined from 30.4% in Q1 2025 to 2.9% in Q1 2026, equal to a regional EBIT of DKK 1.9m. The change in margin development is mainly attributed to the contraction in revenue. Moreover, the composition of revenue also contributes to the lower margin as some high-margin projects were finalized during 2025. The development in profitability has been unsatisfactory, leading to a recalibration of capacity and focusing on lowering non-employee-driven costs in production and regional overhead.

Region US, DKK million	Q1 2026	Q1 2025	FY 2025
<b>Revenue</b>	<b>66.6</b>	<b>87.0</b>	<b>312.7</b>
<i>Reported revenue growth, YoY, %</i>	-23.4%	-6.3%	-9.6%
<i>Constant currency revenue growth, %</i>	-15.8%	-9.5%	-7.5%
Production cost	53.8	50.1	199.9
<b>Gross profit</b>	<b>12.8</b>	<b>36.9</b>	<b>112.8</b>
<i>Gross margin, %</i>	19.2%	42.5%	36.1%
Regional overhead cost	10.9	10.5	42.1
<b>Regional EBIT</b>	<b>1.9</b>	<b>26.4</b>	<b>70.7</b>
<i>Regional EBIT margin, %</i>	2.9%	30.4%	22.7%
Corporate cost	10.2	10.4	36.1
<b>Group EBIT excl. special items</b>	<b>-8.3</b>	<b>16.1</b>	<b>34.6</b>
<i>Group EBIT margin excl. special items, %</i>	-12.5%	18.5%	11.1%

## Region Asia

In Q1 2026, Region Asia's revenue amounted to DKK 32.3m, which is a decline of -12.7% in reported revenue growth and -7.8% in constant currency revenue growth. The region has been significantly affected by decline in revenue from an existing large tier-1 customer, which could not be offset by new engagements signed during Q4 2025. Macroeconomic uncertainty prevails, especially related to trade policy conflicts. However, Region Asia has continued its sales focus directed towards local market customers, successfully expanding the customer base as the demand is especially high from local biotech companies. Moreover, the region has engaged with the largest Chinese medical device company on the region's largest AI-project.

Regional EBIT declined by DKK 1.9m to DKK 0.9m in Q1 2026, equal to a regional EBIT margin of 2.8%. The margin contraction is attributed to the revenue shortfall as the cost base has been structurally lowered, driven by the cost savings initiated last year. Furthermore, two business areas were merged to optimize operational efficiency and drive further cost synergies.

Region Asia, DKK million	Q1 2026	Q1 2025	FY 2025
<b>Revenue</b>	<b>32.3</b>	<b>37.0</b>	<b>152.8</b>
<i>Reported revenue growth, YoY, %</i>	-12.7%	15.9%	2.3%
<i>Constant currency revenue growth, %</i>	-7.8%	12.6%	5.7%
Production cost	27.6	30.2	122.0
<b>Gross profit</b>	<b>4.7</b>	<b>6.8</b>	<b>30.8</b>
<i>Gross margin, %</i>	14.6%	18.3%	20.2%
Regional overhead cost	3.8	3.9	15.0
<b>Regional EBIT</b>	<b>0.9</b>	<b>2.8</b>	<b>15.8</b>
<i>Regional EBIT margin, %</i>	2.8%	7.6%	10.5%
Corporate cost	5.2	4.7	16.8
<b>Group EBIT excl. special items</b>	<b>-4.3</b>	<b>-1.9</b>	<b>-1.0</b>
<i>Group EBIT margin excl. special items, %</i>	-13.3%	-5.1%	-0.7%

## Public DK

As communicated on February 5, 2026, cf. company announcement 02/2026, the financial figures for Region Denmark have been divided into two new reporting segments; Public DK and SCALES. The restated figures are dated back to the first quarter of 2024. The restatement has no impact on Group figures or other regions.

In the first quarter, Public DK generated revenue of DKK 88.1m including passthrough and DKK 71.5m excluding passthrough, equal to a reported and constant currency revenue growth of 4.8%. Growth has been supported by ramping on projects signed during 2025 such as the contract with the Danish Health Data Authority (Sundhedsdatastyrelsen) and the Danish Agency for IT and Learning (Styrelsen for It & Læring), and partly through increase of change requests. In Q1 2026, the Danish general election was held which had an impact on decision making on tenders resulting in delaying of current bids.

During the quarter, NNIT's new AI framework, Lumina, was launched to support public organizations modernizing complex and ageing IT systems with lower risk and greater efficiency. Moreover, the validated AI platform, Alera, is also scalable to the public sector. These new AI offerings significantly strengthen the position and competitiveness of Public DK in the Danish public sector.

Regional EBIT increased by DKK 3.0m to DKK 5.1m, equal to a margin of 7.3%. The improvement in profitability was driven by operational efficiency gains lifting utilization across the board. However, further actions have been taken to further increase profitability through cost savings and restructuring to increase synergies with expected positive effect from the second quarter of 2026.

Public DK, DKK million	Q1 2026	Q1 2025	FY 2025
<b>Revenue</b>	<b>88.1</b>	<b>87.9</b>	<b>352.4</b>
- hereof passthrough revenue	16.6	19.7	95.5
<b>Revenue excl. passthrough</b>	<b>71.5</b>	<b>68.2</b>	<b>256.7</b>
<u>All metrics below exclude passthrough revenue</u>			
<i>Reported revenue growth, YoY, %</i>	4.8%	-5.0%	-9.1%
<i>Constant currency revenue growth, %</i>	4.8%	-5.0%	-9.1%
Production cost	56.2	59.2	211.5
<b>Gross profit</b>	<b>15.3</b>	<b>9.0</b>	<b>48.2</b>
<i>Gross margin, %</i>	21.4%	13.2%	18.6%
Regional overhead cost	10.1	6.9	32.3

Executive  
Summary

Business & Regional Performance  
Review

Financial  
Outlook

Other Events &  
Contact

<b>Regional EBIT</b>	<b>5.1</b>	<b>2.1</b>	<b>15.9</b>
<i>Regional EBIT margin, %</i>	7.3%	3.1%	6.1%
Corporate cost	9.1	20.3	73.4
<b>Group EBIT excl. special items</b>	<b>-4.0</b>	<b>-18.2</b>	<b>-57.5</b>
<i>Group EBIT margin excl. special items, %</i>	-5.6%	-26.7%	-22.1%

## SCALES

During the first quarter, SCALES generated revenue of DKK 92.7m, equal to reported- and constant currency revenue growth of 10.8%. The positive development has been achieved through growing existing engagements and expansion of the customer portfolio with new large contracts. Furthermore, SCALES has integrated the Microsoft service offerings previously delivered by the former Region Demark to drive a stronger offering and leverage synergies across the two areas.

In Q1 2026, regional EBIT increased by DKK 2.0m amounting to DKK 21.8m. The regional EBIT margin was 23.5% for the quarter compared with 23.7% in the same quarter last year. The flat development in regional EBIT margin was due to the addition of employees from Region DK to SCALES, and timing of costs compared with same period last year.

<b>SCALES, DKK million</b>	<b>Q1 2026</b>	<b>Q1 2025</b>	<b>FY 2025</b>
<b>Revenue</b>	<b>92.7</b>	<b>83.7</b>	<b>341.1</b>
<i>Reported revenue growth, YoY, %</i>	10.8%	29.1%	27.5%
<i>Constant currency revenue growth, %</i>	10.8%	29.1%	27.5%
Production cost	67.2	56.9	228.4
<b>Gross profit</b>	<b>25.5</b>	<b>26.8</b>	<b>112.7</b>
<i>Gross margin, %</i>	27.5%	32.0%	33.0%
Regional overhead cost	3.7	7.0	19.9
<b>Regional EBIT</b>	<b>21.8</b>	<b>19.8</b>	<b>92.8</b>
<i>Regional EBIT margin, %</i>	23.5%	23.7%	27.2%
Corporate cost	0.0	0.0	0.0
<b>Group EBIT excl. special items</b>	<b>21.8</b>	<b>19.8</b>	<b>92.8</b>
<i>Group EBIT margin excl. special items, %</i>	23.5%	23.7%	27.2%

## FINANCIAL OUTLOOK

### FULL-YEAR FINANCIAL OUTLOOK UPDATED ON 7 MAY

Following the challenging start to the year and lower-than-expected order entry and backlog, the full-year financial outlook was adjusted on May 7, 2026, cf. company announcement 06/26. The development will not be fully offset by the effect of recently launched growth initiatives, and the outlook for constant currency revenue growth was therefore adjusted to single-digit negative (previously 0% to 5%). The outlook for the group EBIT margin excluding special items has been updated from previously 6% to 9% to 4% to 7%. NNIT expects to partly offset lower revenue through cost-saving initiatives and operational efficiency gains. The special items outlook was also updated from "significantly below last year's level of DKK 83m" to "below last year's level of DKK 83m".

NNIT A/S	Announced on	Announced on
	7 May 2026	5 Feb 2026
	2026 Outlook (updated)	2026 outlook (previous)
Constant currency revenue growth, %	Single-digit negative	0-5%
Group EBIT margin excl. special items, %	4-7%	6-9%
Special items, DKKm	<i>Below last year's level of DKK 83m</i>	<i>Significantly below last year's level of DKK 83m</i>

### Forward-looking statements

This announcement contains forward-looking statements. Words such as 'believe', 'expect', 'may', 'will', 'plan', 'strategy', 'prospect', 'foresee', 'estimate', 'project', 'anticipate', 'can', 'intend', 'outlook', 'guidance', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Statements regarding the future are subject to risks and uncertainties that may result in considerable deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events which may prove incorrect.

Please also refer to the overview of risk factors in the 'risk management' section on page 24-25 of the Annual Report 2025.

## **OTHER EVENTS**

### **OTHER IMPORTANT EVENTS AFTER THE REPORTING PERIOD**

#### **NNIT updated 2026 outlook**

On 7 May 2026, NNIT updated the financial outlook for 2026. The outlook was updated due to lower financial performance and order entry than initially expected.

## **CONTACT**

### **CONFERENCE CALL**

May 12, 2026, at 4:30 PM CEST:

[Webcast link](#)

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## **ABOUT NNIT**

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

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

We advise on 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, including SCALES. Together, these companies employ around 1,500 people in Europe, Asia and USA.