

NIELS BROCK

UDDANNELSE SIDEN 1881

MANAGEMENT NOTE 2023

Niels Brock's accounts in 2023 show a result of DKK 15,175 thousand, which is DKK 13,248k better than budget.

Management note
2023

Foreword:

Please note that the figures in this report are divided and calculated according to Niels Brock's internal organization and follow-up practices:

- In taximeter-funded education programs, only the teaching taximeter and the completion taximeter are attributed to the departments. The taximeter subsidy for management, administration and buildings appears under the common area.
- Areas that fall under revenue-generating activities (IV - e.g. the entire international area) do not receive a taximeter, but are 100% financed by participant fees. All income related to these activities is attributed to the departments.

Thus, it does not make sense to compare the contribution from departments that receive taximeter subsidies (have only part of the revenue generated by the activity) with departments that implement IV (have all revenue generated by the activity).

Furthermore, this means that the results under each area only show part of the area's financial situation, as the areas are not burdened (here in this note) with their share of fixed costs, such as IT, administration, building costs, etc.

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1. Introduction

In 2023, Niels Brock has realized a profit of DKK 15.2 million against a budgeted DKK 1.9 million despite the fact that operating costs have increased by DKK 3.3 million.

The deviation is mainly due to revenue deviating positively by DKK 11.2 million due to more HHX, GSK and vocational students.

2. Total school

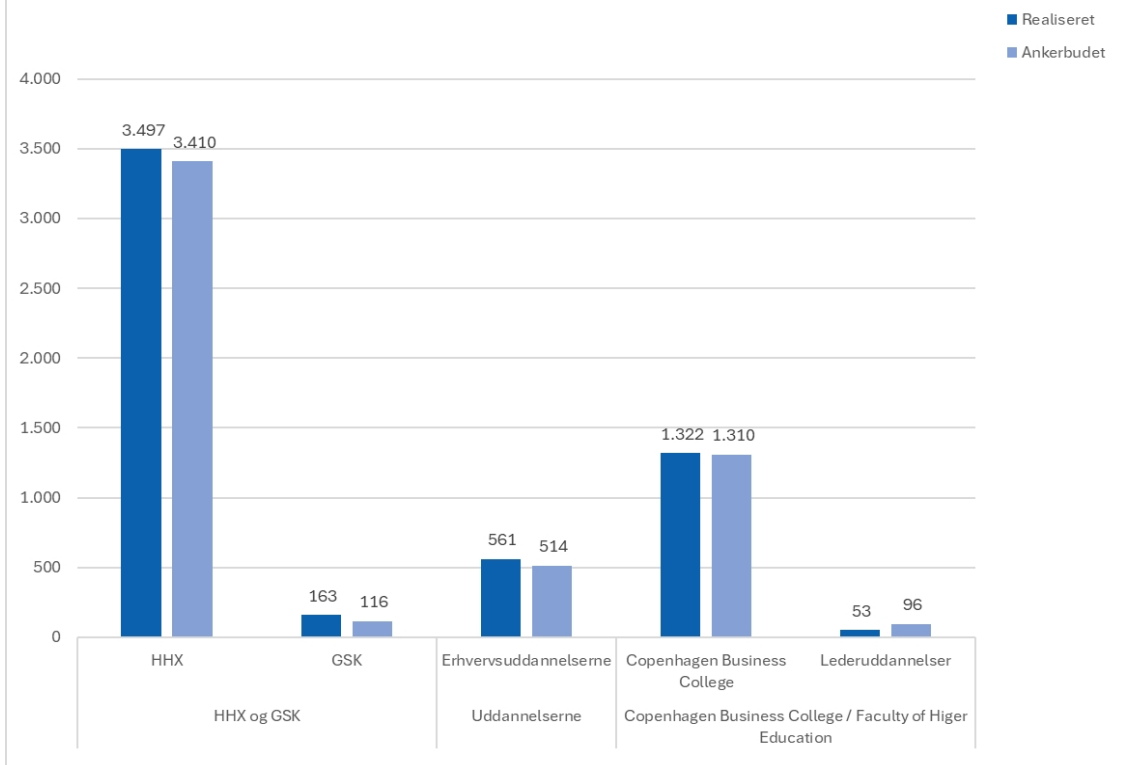
Niels Brock	Realized	Anchor budget	Deviation
Revenues	451.650	440.417	11.233
Salary	-284.363	-286.940	2.577
Operating costs	-143.571	-140.297	-3.274
Depreciation and amortization	-7.022	-6.942	-80
Financing	-1.519	-4.310	2.791
The result	15.175	1.328	13.248
Year students	5.596	5.447	149
Ready learners	1.712	1.671	41
Key figures (%)	Realized	Anchor budget	
<i>Profit margin</i>	3,4%	0,4%	
<i>Payroll percentage</i>	-63,0%	-65,2%	

The positive deviation of DKK 13.2 million compared to the budgeted result of DKK 1.9 million is based on the shifts below:

- Revenues have been realized for a total of DKK 11.2 million more than budgeted (anchor budget). There has been significantly more activity on HHX, GSK and vocational education, while Copenhagen Business College has largely the budgeted activity. On the other hand, there has been less activity on management education.
- Salary costs deviate positively by DKK 2.6 million compared to the anchor budget, which is primarily due to the fact that Copenhagen Business College (CBC) has had lower salary costs than expected. CBC's lower spending is partially offset by HHX, GSK and the vocational programs, which all spend more due to their higher activity.
- Operating costs deviate negatively by DKK 3.3 million compared to the anchor budget, as the school has chosen to accelerate the renovation of the building stock, including balcony renovation at JTP, the purchase of furniture for the expected increase in activity with the move into new premises in 2024 and the strategic investment in Jesper Buch's Entrepreneurship Academy. On the other hand, Copenhagen Business College has made savings as more students have been admitted without agent assistance.
- In the financing area, there is a positive deviation of DKK 2.8 million due to the fact that the interest rate level has been higher than expected and the school now receives interest on deposits in the school's bank accounts. The interest income is partially offset by the closure of the company Niels Brock International, which resulted in a write-down in Niels Brock's accounts of approx.

The graph below shows the realized activity compared to the budget by educational area.

Årselever



3. Common area

The common area consists of: IT Department, Finance Department, Marketing Department, Building Department, Student Administration, Deputy Director and Managing Director.

Common area	Realized	Anchor budget	Deviation
Revenues	53.489	51.982	1.507
Salary	-44.249	-45.430	1.181
Operating costs	-81.528	-67.274	-14.253
Depreciation and amortization	-7.022	-6.942	-80
Financing	-1.519	-4.310	2.791
Contribution margin	-80.823	-71.375	-8.854
Key figures	Realized	Anchor budget	
(%) Coverage	-151,1%	-138,5%	
rate Payroll percentage	-82,7%	-87,4%	

In 2023, the common area has realized a negative contribution margin that is higher than the budget; namely DKK -80.8 million against an expected DKK -72 million.

Income deviates positively by DKK 1.5 million due to additional income from rental of premises.

Salary costs deviate positively by DKK 1.2 million. The deviation is mainly due to vacant positions and lower contributions to the flex job scheme.

Operating costs deviate negatively from the budgeted DKK 14.3 million. The deviation is due to the school choosing to accelerate the renovation of the building stock, including balcony renovation at JTP, purchasing furniture for the expected increase in activity with the move to new premises in 2024 and the strategic investment in Jesper Buch's Entrepreneurship Academy.

In the financing area, there is a positive deviation of DKK 2.8 million due to the fact that the interest rate level has been higher than expected and the school now receives interest on deposits in the school's bank accounts. The interest income is partially offset by the closure of the company Niels Brock International, which resulted in a write-down in Niels Brock's accounts of approx.

4. Education and training

Education and training	Realized	Anchor budget	Deviation
Revenues	398.161	388.435	9.726
Salary	-240.114	-241.510	1.396
Operating costs	-62.044	-73.023	10.979
Contribution margin	3C.004	73.302	22.t02
Year students	5.596	5.447	149
Ready learners	1.712	1.671	41
Key figures (%)	Realized	Anchor budget	
<i>Coverage rate</i>	24,1%	19,0%	
<i>Payroll percentage</i>	-60,3%	-62,2%	

The contribution margin for education shows a positive deviation of DKK 22.1 million, based on an increase in the number of full-time students by 149 and the number of graduates by 41.

The contribution margin is composed of several departmental results, which will be discussed in the following sections.

4.1 Central development

Central development	Realized	Anchor budget	Deviation
Revenues	2.922	2.929	-7
Salary	-6.527	-6.357	-170
Operating costs	-6.489	-6.985	496
Contribution margin	-t0.034	-t0.4t3	3t3

The Central Development area gathers the school's competence and development budget, including HHX's special educational support (SPS), Learning Hub, training and conference expenses, and the RPA team (Robot).

The deviations in salary and operating costs are mainly due to shifts in special educational support (SPS).

4.2 Vocational education and training

Vocational education and training	Realized	Anchor budget	Deviation
Revenues	41.501	38.694	2.807
Salary	-31.291	-29.123	-2.168
Operating costs	-3.021	-2.874	-147
Contribution margin	7.183	C.37	43t
Year students	561	514	47
Ready learners	681	649	32
Key figures (%)	Realized	Anchor budget	
<i>Coverage rate</i>	17,3%	17,3%	
<i>Payroll percentage</i>	-75,4%	-75,3%	

In vocational education and training, 47 more students than budgeted. The higher activity is exclusively at the EUX high school, which increased by 50 students, while the main course decreased by 3. The higher activity at EUX is due to the establishment of Jesper Buch's Entrepreneurship Academy, which was not included in the anchor budget.

Revenues deviate positively by DKK 2.8 million due to both more annual students and graduates, while there is also an increase in internship premiums of DKK 0.6 million.

Salaries deviate negatively by DKK 2.2 million, as more teacher resources have been needed at the EUX high school due to more students. In addition, the adjustment of teacher resources in the main course area is made difficult by the fact that the teachers are specialists in their field and thus cannot teach across specialties.

4.3 HHX and GSK

The business school area consists of the following departments: Det Internationale Gymnasium, Handelsgymnasiet JTP, Innovationsgymnasiet and Handelsgymnasiet på Nørre Voldgade.

HHX and GSK	Realized	Anchor budget	Deviation
Revenues	225.570	214.672	10.898
Salary	-166.850	-162.169	-4.680
Operating costs	-8.471	-9.990	1.519
Contribution margin	50.243	42.513	7.730
Year students	3.660	3.526	133
Ready learners	1.031	1.022	9
Key figures (%)	Realized	Anchor budget	
<i>Coverage rate</i>	22,3%	19,8%	
<i>Payroll percentage</i>	-74,0%	-75,5%	

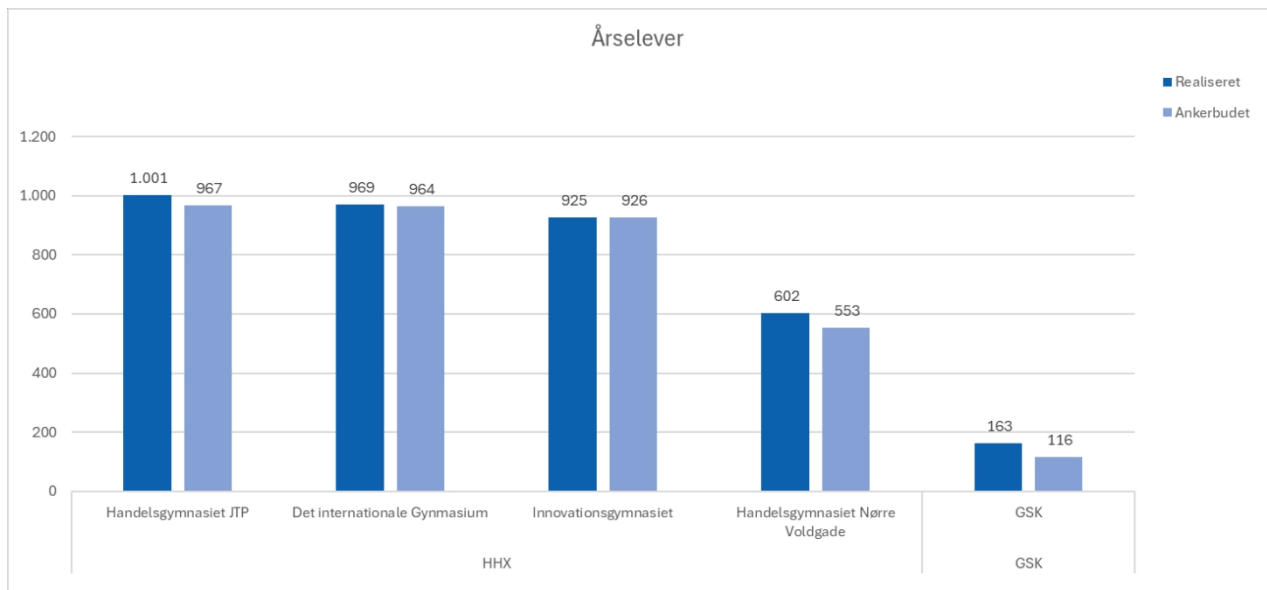
The business schools realize a contribution margin of DKK 50.2 million, which is DKK 7.7 million more than originally budgeted.

Total revenue deviates positively by DKK 10.9 million, which is due to the higher activity of 133 full-time students. The commercial high school at Nørre Voldgade had originally budgeted for 8 classes from August, but started 11 classes, which is a significant reason for the higher number of full-time students.

Salary costs deviate negatively by DKK 4.7 million, which is due to the allocation of more teacher resources due to the extra year students.

Operating costs deviate positively by DKK 1.5 million, partly because a class at the International High School *did not* travel abroad and had scheduled classes as planned. The cost of the foreign school was thus saved.

The activity distribution between the colleges can be seen in the graph below. There has been more activity than budgeted at the three upper secondary schools and GSK. Innovationsgymnasiet is largely on budget.



4.3.1 HHX

HHX	Realized	Anchor budget	Deviation
Revenues	209.939	203.875	6.064
Salary	-158.646	-155.765	-2.881
Operating costs	-8.359	-9.441	1.082
Contribution margin	42.334	38.003	4.331
Year students	3.497	3.410	87
Ready learners	1.031	1.022	9
Key figures (%)	Realized	Anchor budget	
Coverage rate	20,5%	19,0%	
Payroll percentage	-75,6%	-76,4%	

HHX achieves a contribution margin of DKK 42.9 million against a budget of DKK 38.7 million, which is a positive deviation of DKK 4.3 million.

The positive deviation of the contribution margin is mainly due to higher income due to more students than budgeted. Among other things, Handelsgymnasiet Nørre Voldgade admitted more first-year students than budgeted.

Salaries were higher than budgeted as the area was allocated more teacher resources due to increased activity.

Operating costs deviate positively by DKK 1.1 million, as one class did not travel abroad for study abroad and in addition, there have generally been minor operational savings at all colleges.

4.3.2 GSK

GSK	Realized	Anchor budget	Deviation
Revenues	15.631	10.797	4.834
Salary	-8.204	-6.404	-1.800
Operating costs	-112	-549	437
Contribution margin	7.314	3.844	3.470
Year students	163	116	47
Key figures	Realized	Anchor budget	
(%) Coverage	46,8%	35,6%	
rate Payroll	-52,5%	-59,3%	
percentage			

At GSK, revenue deviates positively from the original budget by DKK 4.8 million, which is due to an increase in the number of full-time students. The activity level of the anchor budget was based on the experience from 2022, but the activity turned out to be higher than expected. Especially the last classes of the year were surprisingly large and had high pass rates, which has resulted in significantly higher revenue than expected. As only passing students trigger a taximeter at GSK, it has a noticeable effect on the bottom line when a higher proportion of students pass.

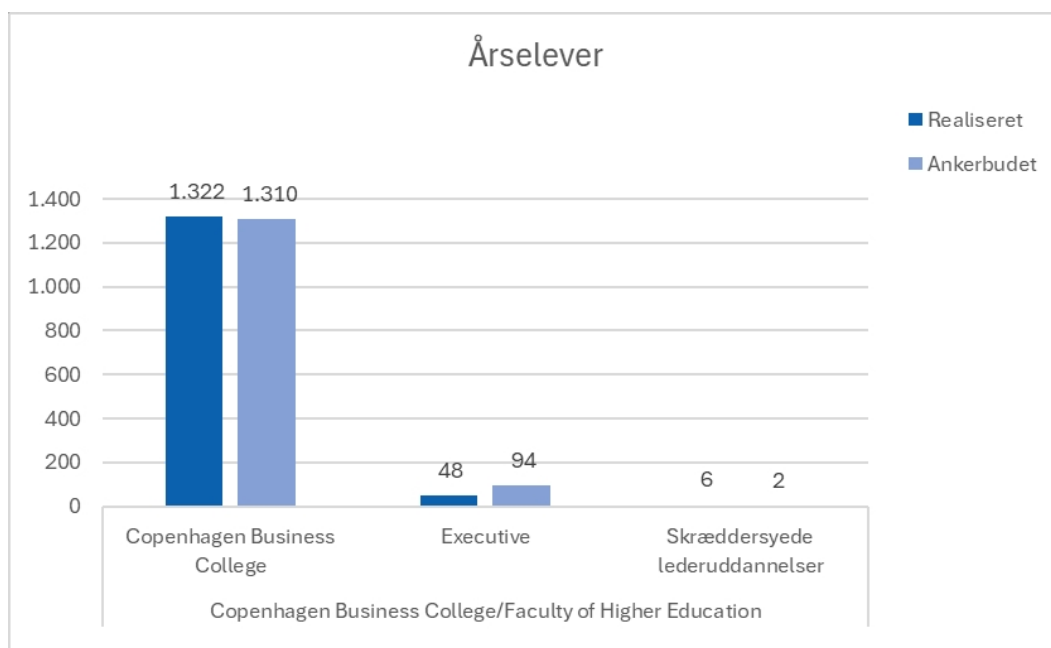
Salaries increase as the area is allocated more teacher resources for more activity.

4.4 Niels Brock International Copenhagen Business College/Faculty of Higher Education

Copenhagen Business College/Faculty of High Education	Realized	Anchor budget	Deviation
Revenues	128.168	132.140	-3.972
Salary	-35.446	-43.861	8.415
Operating costs	-44.061	-53.173	9.112
Contribution margin	48.661	35.105	13.556
Year students	1.375	1.406	-31
Key figures	Realized	Anchor budget	
(%) Coverage	38,0%	26,6%	
rate Payroll percentage	-27,7%	-33,2%	

The contribution margin for the total International area and Executive is DKK 48.7 million, which deviates positively from the anchor budget by DKK 13.6 million.

The international programs and Executive are discussed separately below.



4.4.1 Copenhagen Business College

Copenhagen Business College	Realized	Anchor budget	Deviation
Revenues	121.690	120.602	1.088
Salary	-34.385	-43.276	8.891
Operating costs	-41.774	-46.403	4.629
Contribution margin	45.531	30.324	14.208
Year students	1.322	1.310	11
Key figures (%)	Realized	Anchor budget	
Coverage rate	37,4%	25,6%	
Payroll percentage	-28,3%	-35,9%	

Copenhagen Business College, the school's international department, roughly follows the budget in terms of income, with a minor positive deviation. The deviation primarily covers a smaller February intake and a larger September intake.

Salaries deviate positively as several vacant positions have been filled later in the year than budgeted.

Operating costs deviate positively by DKK 4.6 million, as fewer students, especially in the fall, were admitted via agents and the payment to these was thus significantly lower than budgeted.

4.4.2 Executive Education/Executive

Leadership training	Realized	Anchor budget	Deviation
Revenues	6.478	11.537	-5.059
Salary	-1.061	-586	-475
Operating costs	-2.287	-6.770	4.483
Contribution margin	3.130	4.182	-1.052
Year students	53	96	-43
Key figures (%)	Annual estimate	Anchor budget	
Profit margin	48,3%	36,2%	
Payroll percentage	-16,4%	-5,1%	

Executive, consists of 3 areas of activity: MBA, Board Education and the Leadership Academy.

Overall, revenue is lower than budgeted due to low activity levels. Especially MBA admitted fewer students than budgeted in both spring and fall.

More has been spent on salary costs than budgeted, as it is primarily teachers who are paid, while it was budgeted with teachers who invoice for their services. This shift explains some of the large savings on

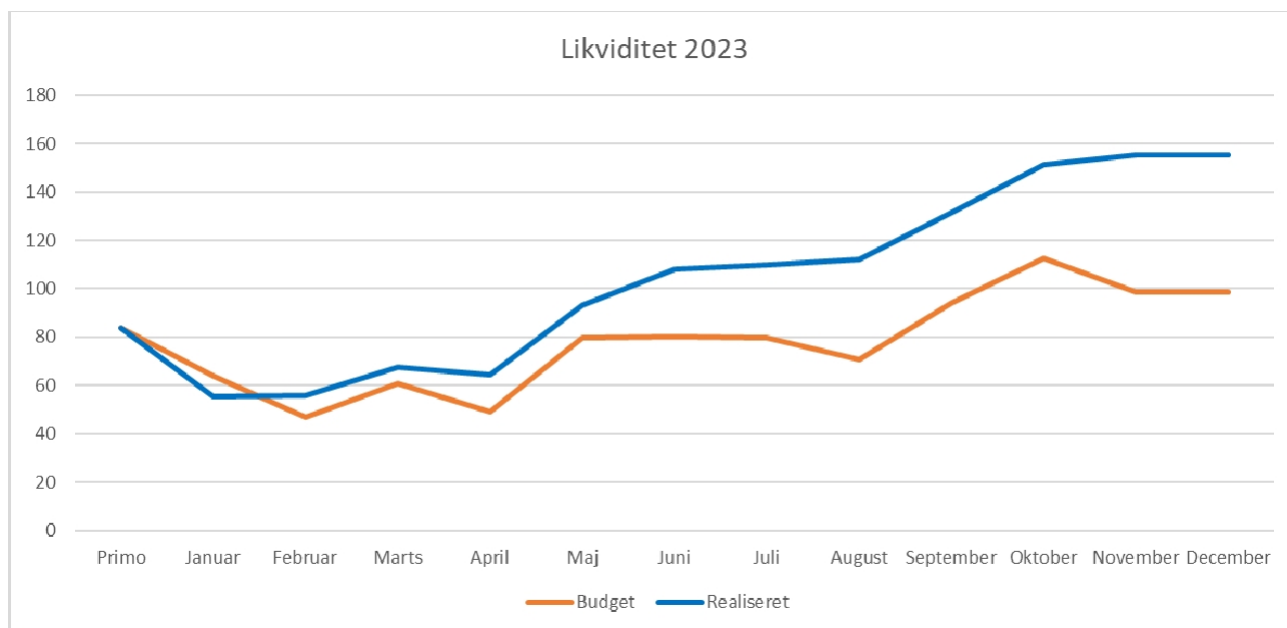
operating costs, just as the lower activity means savings on fees for Middlesex University, which has outsourced the activity to Niels Brock.

5. Liquidity

Compared to the anchor budget, there has been an increase in the school's liquidity. The budget estimated a cash balance of approx. DKK 100 million at the end of 2023. The realized cash and cash equivalents at the end of 2023 amounted to DKK 155 million, which is an improvement of approx.

The reason for the improvement is primarily an increase in prepayments from international students, many of whom are expected in the beginning of 2024, and the fact that they now have to pay for a full year before they start. Previously, they paid for $\frac{3}{4}$ of a year.

The result of DKK 15.2 million against a budgeted DKK 1.9 million also has a positive impact on liquidity.



6. Operating results

(t.kr.)	2023						2022	
	EY	%	Revenues	Salary etc.	Other. Omk.	DB2	DB/YE	DB/YE
Bro;Presentation, Intro	7	0,1%	308	-328	-28	-48	-6,97	-5,21
Prior learning assessment	1	0,0%	48	-18	-8	23	19,30	3,36
EUX	171	3,0%	11.533	-9.268	-3.121	-856	-5,02	13,59
Vocational education and training/EUD	242	4,3%	14.369	-12.947	-1.546	-124	-0,51	-6,33
Main course	138	2,5%	7.577	-8.569	-922	-1.914	-13,87	-9,55
Vocational training etc. total	55G	10,0%	33.835	-31.130	-5.625	-2.G1G	-5,23	-0,83
Higher Commercial Diploma 3-year	3.456	61,8%	206.982	-170.379	-30.358	6.246	1,81	1,98
Higher Commercial Diploma 2-year	0	0,0%	0	0		0		6,99
Introduction course, Bro hhx	28	0,5%	1.232	-1.311	-113	-192	-6,97	5,62
Vocational upper secondary education Total education	3.483	62,3%	208.214	-171.6G0	-30.471	6.053	1,74	2,04
GSK	162	2,9%	15.421	-8.768	-796	5.857	36,11	11,82
Study-oriented extension	0	0,0%	3	-3	0	-1	-15,83	
Single subject	0	0,0%	78	0	0	78		-12,48
Total open education	162	2,6%	15.502	-8.771	-7G7	5.G34	36,57	11,56
Pedagogical training	14	0,3%	4.2G7	0	0	4.2G7	306,G1	2G5,03
Income-generating activities	1.377	24,6%	131.120	-44.32G	-66.804	1G.G88	14,52	4,06
AMU	0	0,0%	65	-5	1	61	166,17	40,01
Niels Brock total	5.53C	100,0%	3G3.033	-255.G25	-103.6G5	33.413	5,37	3,33

The table above shows the contribution margin of the programs. The taximeter-funded education programs do not include the taximeter subsidies that finance management & administration and buildings. In the areas under revenue-generating activities (e.g. the entire international area), 100% of the revenue is included in the contribution margin. See also the preface, page 1, for further explanation.

Vocational education and training:

The contribution margin per FTE has decreased in 2023 compared to 2022 from DKK -0.83 to DKK -5.23 per FTE. This is mainly due to the decline in the EUX upper secondary school and fewer internship premiums.

Secondary vocational education:

With a turnover of DKK 208.2 million, the vocational high school area is the school's largest source of income. At the 3-year HHX, there has been a decrease from DKK 1.98 to DKK 1.81 in the contribution margin per student year compared to 2022. The decrease is due to a relatively larger increase in salary and operating costs compared to revenue, which has also increased. Operating costs have increased as, for example, more money is spent on study abroad.

The 2-year closed in the summer of 2022 and therefore there is no data for 2023.

Open education:

Primarily related to the school's GSK activity, a contribution margin per student year of DKK 36.11 thousand has been realized, which is a large increase compared to 2022. This is mainly due to higher class ratios and a higher pass rate.

IV activities:

IV activities include course activities, MBA, 8th grade (which is a collaboration with the City of Copenhagen in the style of intro and bridging courses) and international education. The IV activities are

the school's second largest source of income with a turnover of approximately DKK 131.1 million. The contribution margin per student year has increased significantly from 4.06 in 2022 to 14.52 in 2023. The increase is due to the rapid growth in the area, significant economies of scale and vacant positions.

Labor market education (AMU):

In 2023, AMU shows a large increase from DKK 40.01k to DKK 166.17k in contribution margin per FTE compared to 2022. This is because the area is so small that it takes very few fluctuations in DKK to significantly change the contribution margin. All AMU activity is closed and in 2023 there is therefore only a small amount of run-off at the beginning of the year.

Niels Brock in total:

Overall for the programs at Niels Brock, the contribution margin in 2023 is DKK 5.97 thousand per student, which is an increase from 2022, where the contribution margin was DKK 3.33 thousand. With an activity of 5,596 FTEs, the activity has also increased by 860 FTEs compared to 2022. The result in 2023 is characterized by the growth in the international area, which has a significantly higher contribution margin than the other major educational areas.

7. Efficiency and effectiveness

School year 2023/2024	Nationwide		Capital city		Niels Brock		
		%		%		% of the capital's cohort	% of headcount per program
HF	9.812	12,6	2.891	13,1			
STX	27.286	35,0	10.514	47,8			
Alm Gymnasie udd.	37.098	47,6	13.405	60,9			
HHX	11.057	14,2	2.252	10,2	1.368	6,2	60,7
HTX	3.716	4,8	1.277	5,8			
Vocational high school	14.773	18,9	3.529	16,0			
EUD Merkantil GF	4.506	5,8	923	4,2	296	1,3	32,1
EUD GF total	26.137	33,5	5.077	23,1			
IN EVERYTHING	78.008	100,0	22.011	100,0	1.664	7,6	

Source: Uddannelsesstatistik.dk

The table above shows figures for the school year 2023/2024, which shows that 22,011 students started secondary education in the Greater Copenhagen area in 2023/2024. Of these, 1,664 started at Niels Brock. This corresponded to 7.6%.

In the Greater Copenhagen area, 2,252 students started an HHX, of which 1,368 started at Niels Brock, corresponding to 60.7%. In 2022, the figure was 64.6%.

In the mercantile vocational education and training programs, 923 students started in the Greater Copenhagen area, of which 296 at Niels Brock, which corresponds to 32.1%. This is an increase compared to 2022, where the share was 31.6%.

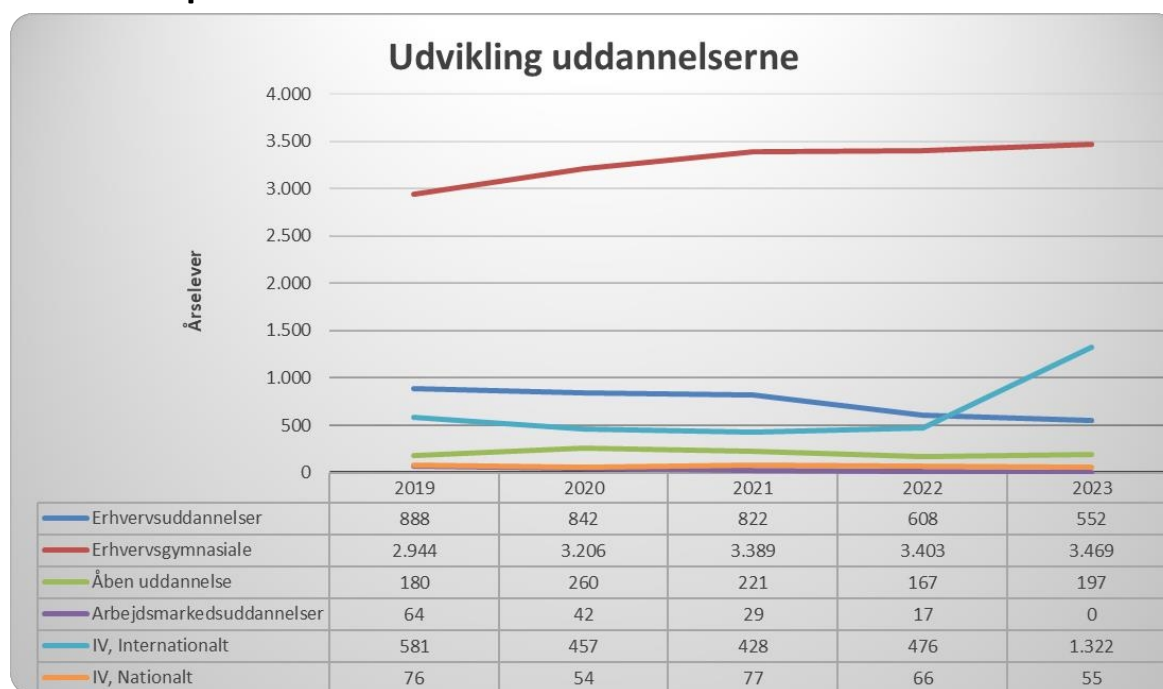
Percentage of enrollment in ordinary upper secondary education (excl. hf) in the school year 2023-24

2023/2024	Region Capital city	Region Central Jutland	Region North Jutland	Region Zealand	Region Southern Denmark
Hhx	16%	33%	35%	27%	32%
Htx	9%	9%	10%	8%	8%
Stx	75%	58%	55%	65%	60%
Total	100%	100%	100%	100%	100%

Source: Education statistics

The table above clearly shows that HHX attracts relatively fewer students in the capital city than in the rest of Denmark.

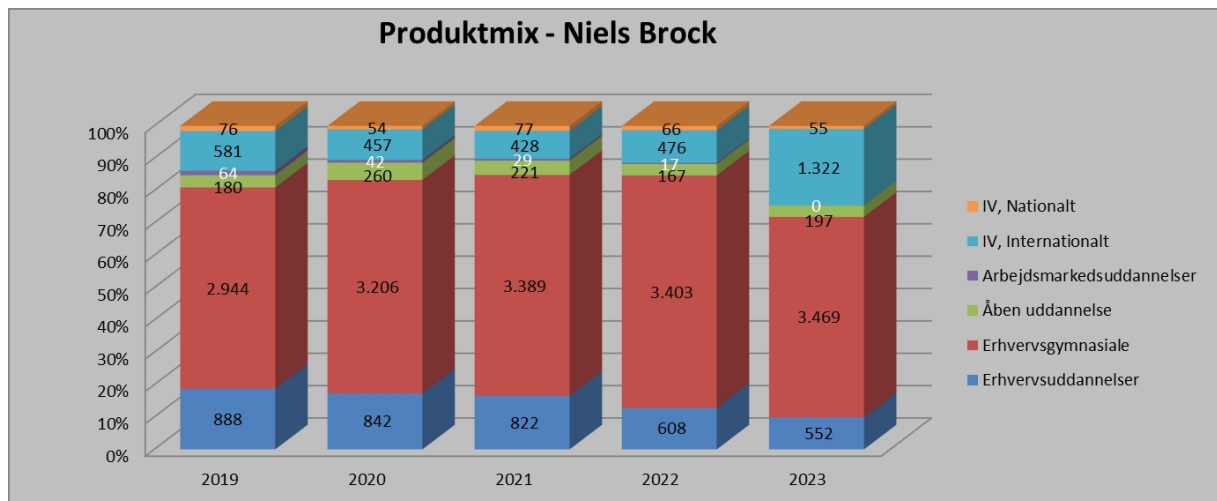
7.1 Development of main areas



Source: Internal data

The activity development at Niels Brock over the last five years can be seen in the graph above. It shows that the vocational high school area (HHX) has grown - although less in 2023 than in previous years. Activity in vocational education continues to decline. Activity in IV-International is increasing significantly due to continued new large intake. Labor market education (AMU) is closed in 2023 due to the low activity in recent years.

7.2 product mix



Source: Internal data

The product mix overview (based on FTEs) shows:

- VET activity has decreased in all years from 2019 to 2023
- The share of upper secondary education has increased every year until 2023, when the share decreases due to the large growth in IV, International
- IV International has been declining from 2019 to 2021, which is partly due to the phasing out of the 4-year American bachelor's program. Subsequently, it has increased slightly in 2022 and dramatically in 2023 due to new large intakes
- IV National has been fluctuating from 2019 to 2023, but is overall at the same level as in 2020, which from 2022 to 2023 is due to a decrease in MBA activity
- The labor market education programs are closed at Niels Brock 2023.
- Open education's share of total activities clearly reflects the large fluctuations in GSK activity, where the trend has unfortunately been downward for the last 3 years, with an increase in 2023.

The changes in the product mix have an impact on the school, which is why it's important to monitor it closely, among other things:

- Building utilization
- Teacher composition - organizational structure and staffing
- The interface with the surrounding community
- The level of revenue - for example, from a product mix with a higher contribution margin to a product mix with a lower one.

7.3 EUD

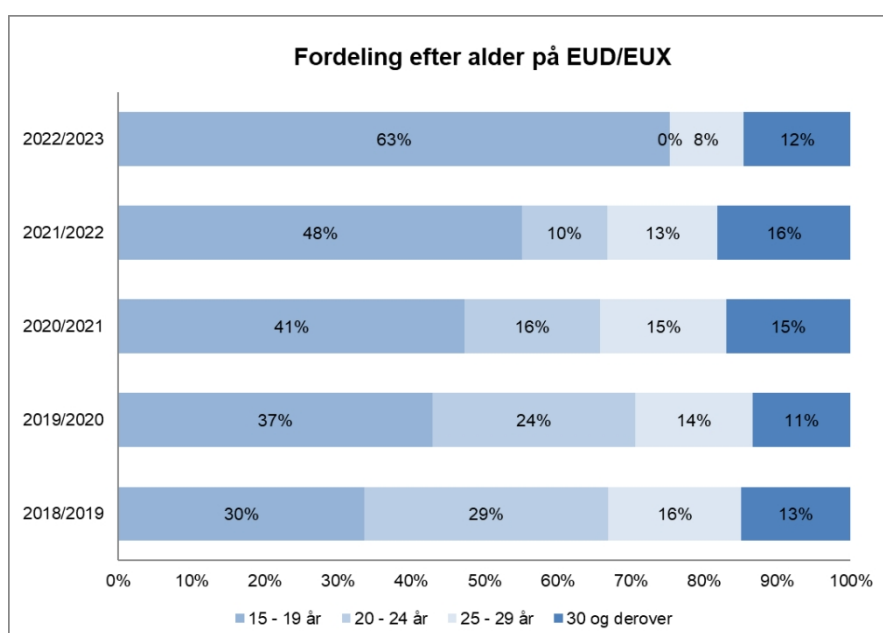
7.3.1 The evolution - EUD

EUD by purpose - Yearly students	2018	2019	2020	2021	2022	2023
Basic course	321	313	319	267	229	242
Entrepreneurship education	0	2	3	0	0	0
IV	6	2	1	5	2	2
EUX preparatory year	144	173	207	260	192	171
Main course - Office	162	157	139	131	129	118
Main course - Retail	14	17	16	18	22	20
Miscellaneous: single courses, RKV, pedagogical training, etc.	1	7	9	5	5	4
Bridge building/intro presentation	10	10	4	5	9	5
EUS	97	35	0	0	0	0
EUS (San Diego)	42	18	0	0	0	0
Total excl. online	796	733	698	691	588	560
Total EUD Online	184	157	154	145	34	0
Total EUD	979	890	852	836	622	560

Source: Internal data

The table shows that VET in general has been struggling. Since 2018, the number of annual students has decreased every year - and especially in 2022. The challenge of the lack of applications for vocational education and training is known and a problem that is seen in several places - but worst in the capital. Niels Brock is trying to reverse the trend by offering Jesper Buch's Entrepreneurship Academy, which has clearly attracted more young people, but unfortunately not enough to reverse the trend - yet.

The table below shows the development in age for all students who have started basic courses, including online students. As can be seen from the overview, young learners make up an increasingly large part of the learner group. The economic situation means that adults and young adults are less likely to seek education than in economically poorer times.

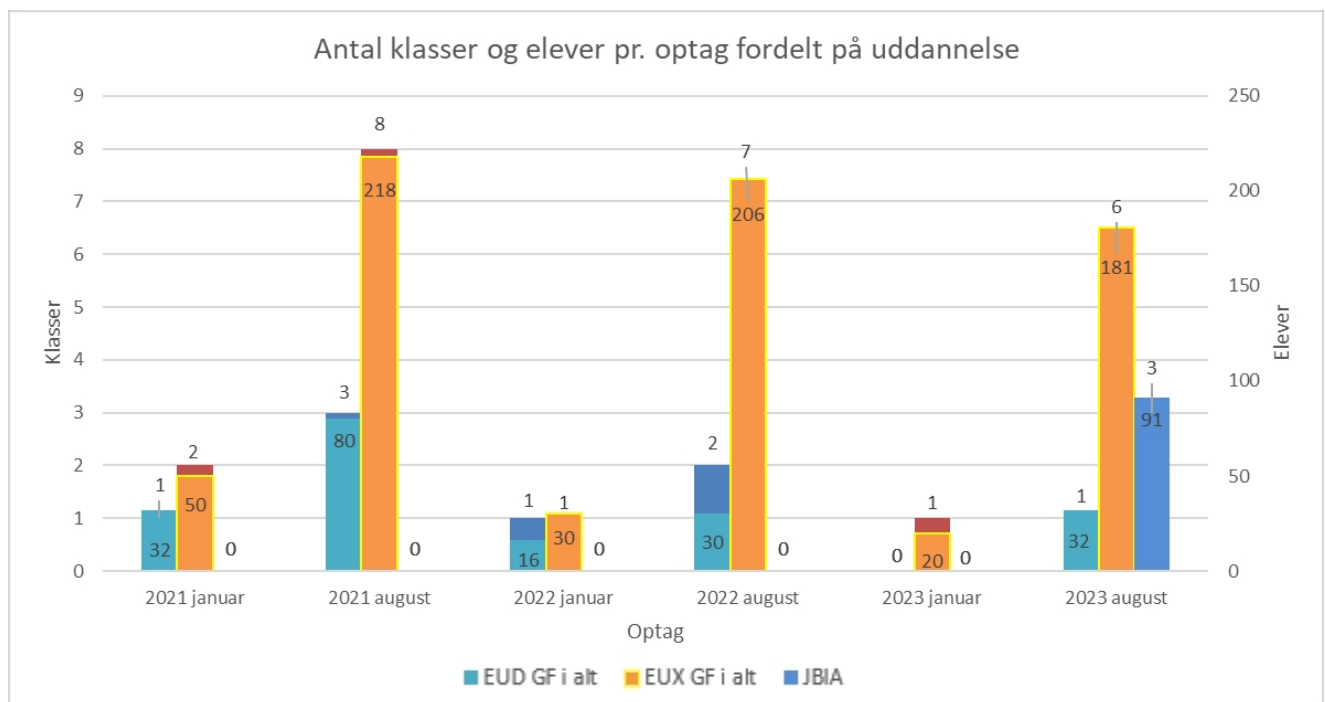


7.3.2 Admissions - EUD

The table and graph below shows the number of students who have started, broken down by course and start date. Please note that these are headcounts and not full-year students.

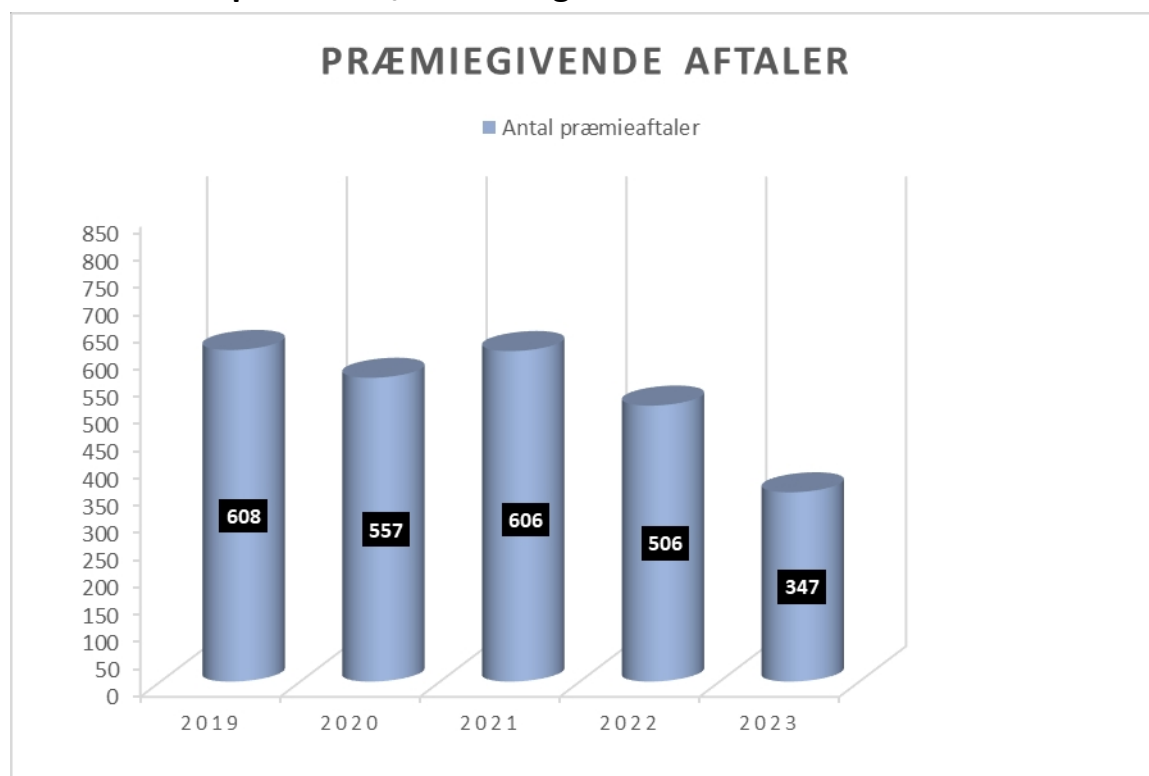
The general picture is that activity is declining for both young people and adults in VET. VET does not provide access to many main courses, which is why activity here is declining. Adults and young adults are less likely to seek vocational education and training, which is due to the situation on the labor market, where unskilled workers find it easier to find work.

EUX GF (basic course) enrollment has also been declining, but with the establishment of Jesper Buch's Entrepreneurship Academy, it seems that the trend is reversing, although it is still early to conclude.



Source: Internal data

7.3.3 Internship rewards / reward agreements



Source: Internal data

The graph above shows the development in the premium agreements (internship premiums). The school receives DKK 7,210 per agreement up to the target figure of 509 agreements, and for agreements above the target figure DKK 14,430. There are also bonuses for early contracting and contracts with companies that have not had any trainees in the last 5 years.

A total of DKK 5.7 million has been received in 2023 - which is DKK 1.3 million less than in 2022. The decrease is partly due to the fact that the online department, which had many students through, has been closed, so now only physical students receive apprenticeships.

In 2022, a special bonus was introduced for agreements made before the student had completed their basic course, which the department has been working hard to make happen.

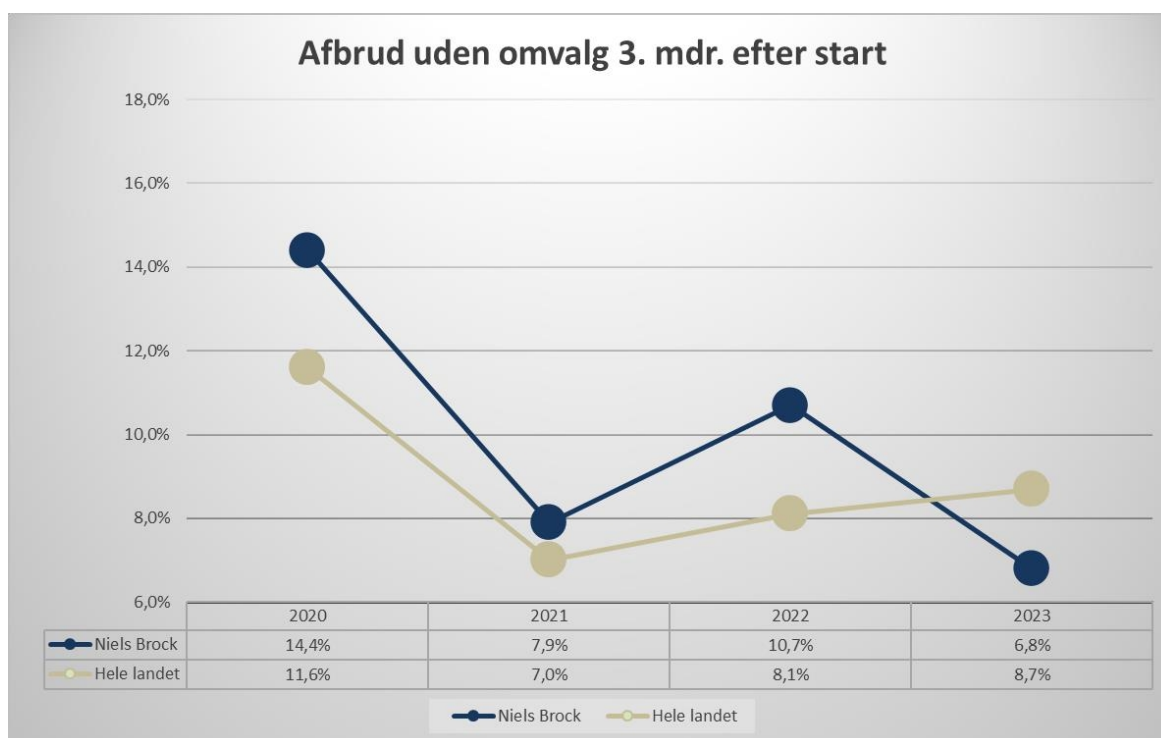
7.3.4 Benchmarking dropout rates - EUD

The data in the table below is taken from Uddannelsesstatistik.dk and shows the dropout rate at the schools that Niels Brock normally compares itself to. The comparison is made on "dropout without re-selection" 3 months after the start of the basic course. It can be seen below that Niels Brock has one of the highest dropout rates of all the comparison schools in the period 2018 to 2021 and also higher than the national average. The reason for this can be found in the school's "short fuse policy". However, in 2022 and 2023, the dropout rate has been below the national average and also below some of the selected comparison schools.

Institution	2018	2019	2020	2021	2022	2023
CPH West/ NEXT	14,1%	13,7%	7,3%	9,1%	8,9%	10,5%
IBC International Business College	9,7%	10,9%	5,8%	5,0%	6,5%	5,7%
Copenhagen North/Unord	4,9%	6,3%	4,8%	6,2%	7,8%	9,4%
Køge Business School	9,4%	8,0%	1,7%	7,2%	2,1%	0,0%
Niels Brock	12,0%	14,4%	7,9%	10,7%	6,8%	8,3%
Roskilde Business School	9,2%	7,7%	6,3%	6,7%	4,3%	8,8%
TietgenSchools	11,2%	11,1%	4,3%	5,6%	5,5%	3,6%
Aalborg Business School	15,2%	16,4%	10,6%	9,7%	10,3%	12,7%
Aarhus Business College	17,3%	9,8%	3,8%	4,2%	8,3%	10,7%
Nationwide	11,5%	11,6%	7,0%	8,1%	8,7%	9,0%

Source: Uddannelsesstatistik.dk (Discontinuation without re-selection 3 months after starting the course)

Below are Niels Brock's figures compared to the national average.



Source: *Uddannelsesstatistik.dk*

7.3.5 Internal dropout - EUD

The tables below show dropout rates at Niels Brock. Withdrawals due to transferring to another program are counted as dropouts in this statement, which was not the case in the previous graphic. The tables show the dropout rate for both January intake and August intake and calculate the dropout rate from the start to the end of the class.

Semester Aug 22 - Jan 23					Semester Jan 23 - Jun 23				
	1st week	Final week	Dropout rate	%		1st week	Final week	Dropout rate	%
EUD youth GF1	30	26	4	13,3%	EUD youth GF1	0	0	0	0,0%
EUD youth GF2	0	0	0	0,0%	EUD youth GF2	23	20	3	13,0%
EUX youth GF1	176	164	12	6,8%	EUX youth GF2	164	153	11	6,7%
EUX adult GF2	30	22	8	26,7%	EUX adult GF	20	20	0	0,0%
EUX youth SF	131	121	10	7,6%	EUX youth SF	113	107	6	5,3%
EUX adult SF	60	55	5	8,3%	EUX adult SF	49	50	-1	-2,0%
In total	427	388	39	9,1%	In total	369	350	19	5,1%
<i>Source: Internal data</i>					<i>Source: Internal data</i>				

EUD Young has a relatively high dropout rate, which is largely due to "short fuse", where students are withdrawn if, for example, their absence is too high. However, there has been an improvement compared to the 2021/2022 school year, where the dropout rate was 25%.

EUX adult students have a higher dropout rate in the August intake than EUD youth students, which may reflect that students may be less focused, as they may not yet have found the "right path" - likewise, the EUD program is difficult for many of the adult students to grasp. The level is high and there are many assignments etc. which makes it difficult to keep up, especially if you also have many obligations at home.

7.3.6 Assisted/unassisted dropout

Niels Brock has chosen to divide dropouts into two categories:

- Assisted dropout: The school helps the student out of school - used in relation to students with excessive absenteeism, lack of study activity, etc.
- Unassisted dropout: The student does not want to attend Niels Brock for various reasons.

School year 22/23	EUX high school	
	<i>Wheeled</i> <i>ed</i>	<i>Unwheel</i> <i>ed</i>
Q3 22	7	13
4th quarter 22	3	7
1. quarter 23	15	9
Q2 23	0	1
	25	30

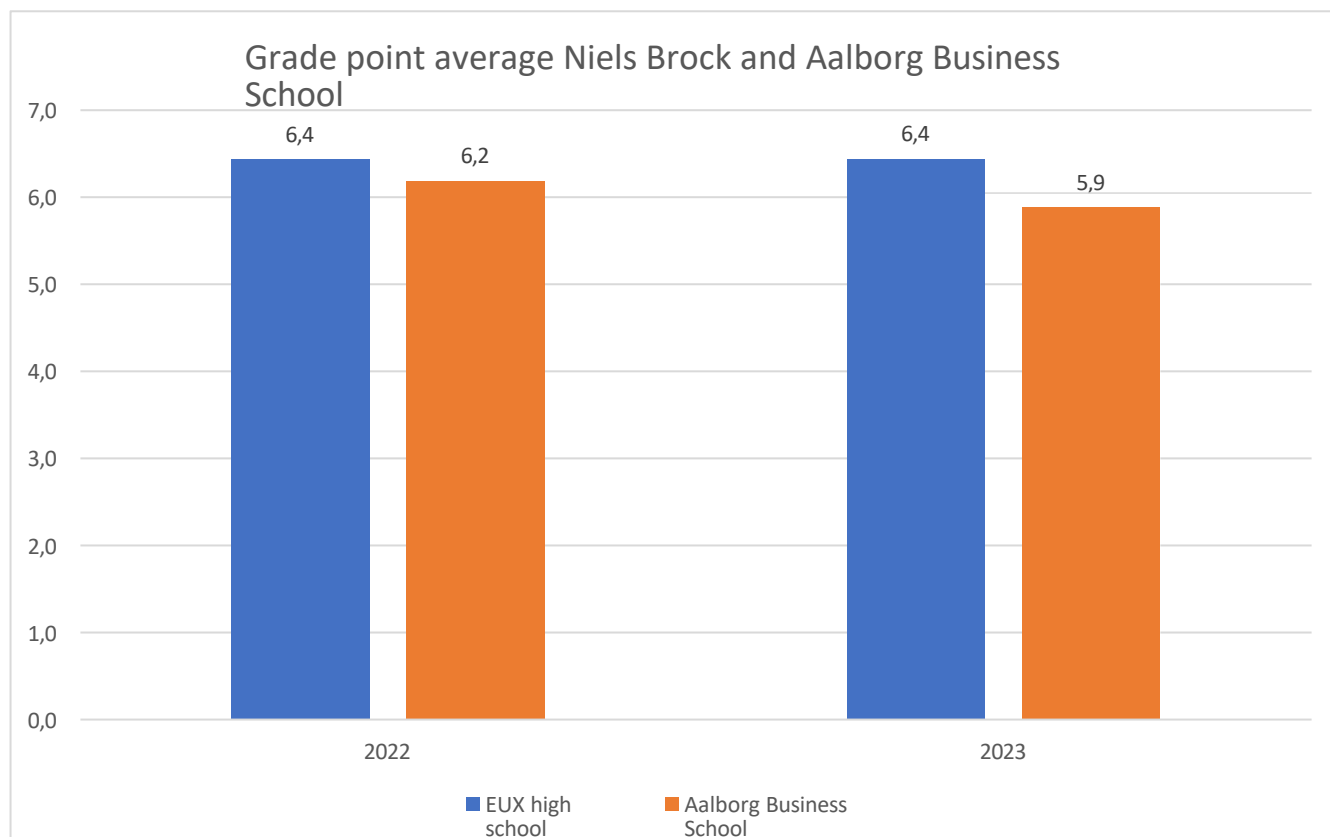
Source: Internal data

In the table above, EUX gymnasium consists of all physical education programs. The figures show all dropouts.

In the EUX high school, 427 students started classes in the fall of 2022, while the figure for January 2023 was 362.

7.3.7 Characters

As seen in the graph below, Niels Brock has the highest grades in both 2022 and 2023 compared to Aalborg Business School. Unfortunately, it has not been possible to obtain data from other schools, as there is no data on uddannelsesstatistik.dk



7.3.8 Transition to education

The table below shows in percent what EUX students from Niels Brock are employed in 15 months after completing EUX.

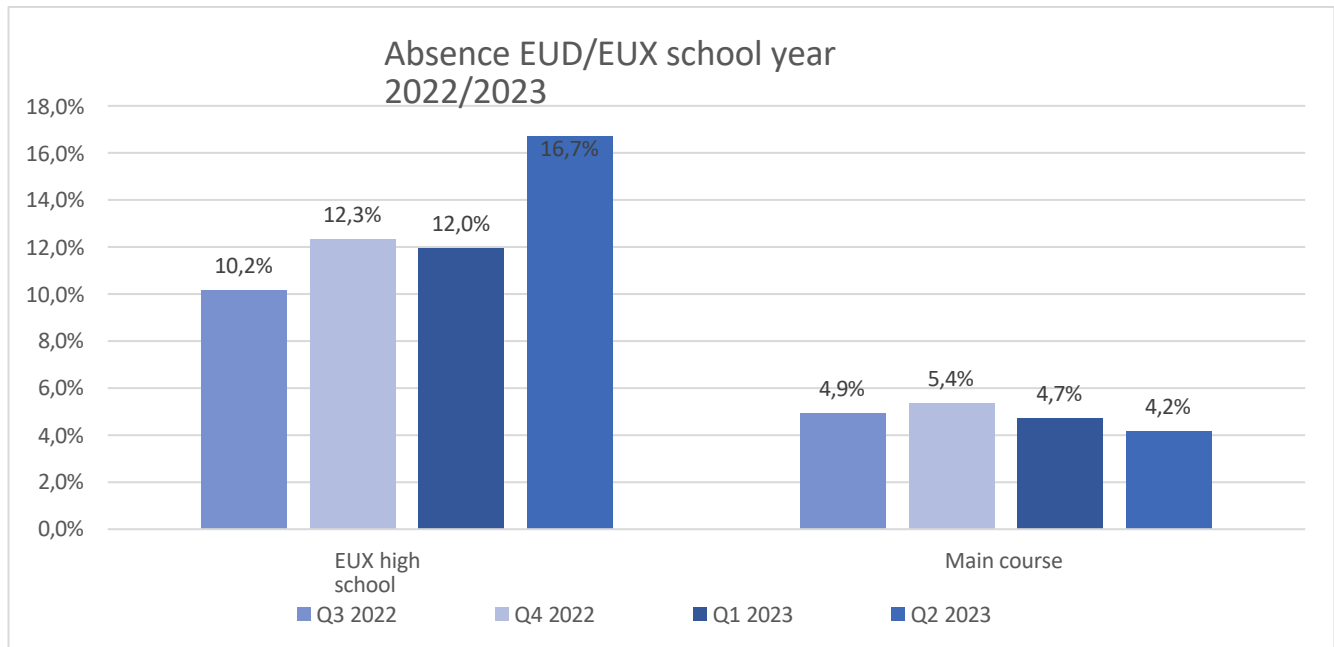
Of the students who graduated in 2019, 49% had an apprenticeship 15 months later. By 2023, the figure has risen to 60%. The share of students enrolled in short tertiary education has dropped sharply in 2023. The share of students enrolled in medium tertiary education and bachelor's degrees is very low in all years. Unfortunately, the proportion of young people not in education has increased in 2023.

Summer graduates	2019	2020	2021	2022
Total graduates	148	169	223	222
Has an apprenticeship	49%	57%	55%	60%
Short-term higher education	14%	8%	13%	5%
Intermediate higher education	7%	4%	2%	5%
Bachelor programs	2%	4%	1%	0%
Not in education	27%	27%	29%	30%
In total	100%	100%	100%	100%

7.3.9 Absence EUD

The two charts below show the absence recorded for students in all quarters in 2023, for the EUD high school and the main course.

Absence rates are only an expression of the absence that has occurred during the period and do not say anything about the consequences of the absence.



In the above chart, you can see the absence rate broken down by the different departments under the Vocational Education and Training (EUD). In the EUD high school, the absence rate has increased slightly compared to 2022, while it has decreased in the main course. (Going forward, we will calculate these figures for Jesper Buch's Entrepreneurship Academy separately).

In general, absenteeism is lower in the first semester of the program, then increases in the second semester and is highest in the last quarter of the school year.

On average, the main course has the lowest absenteeism of all EUD programs, indicating that students are very goal-oriented.

7.3.10 Financial terms - taximeter

In many ways, the EUX program addresses the same target group as HF, but is allocated far fewer resources. Adjusted for the hourly requirement, the difference is 30%.

Comparison hf and eux - cf. FFL24 from August 31, 2023

FFL2024	§20.42.02	§20.31.01	§20.31.02	Weighted taximeter them	Difference per year	Difference after 2 years
2024-pl	hf	eux mercantile (reason)	eux mercantile (study)			
Grants in DKK.	1.517.400.000	422.000.000	191.700.000			
Year students	16.463	5.677	2.142			
Subsidy per full-year student in DKK.	92.170	74.335	89.496	81.915	10.255	20.510
Percentage difference					12,5%	12,5%

Source: FFL24, §20.31.01, page 112-113, §20.31.02, page 122 and §20.42.02, page 162

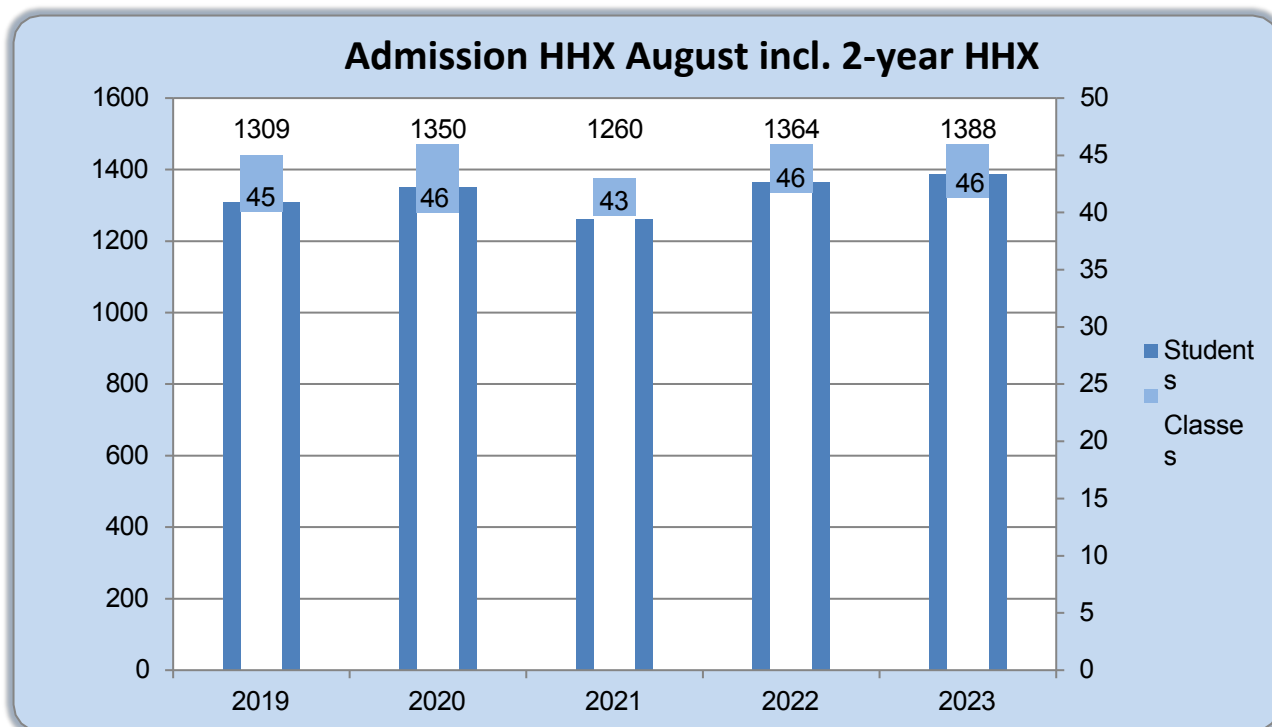
Comparison of hf and eux - cf. FFL24 with correction for difference in hours to be covered by the taximeter and with focus on both years

FFL2024	§20.42.02	§20.31.01	§20.31.02	Weighted taximeter them	Difference
2024-pl	hf	eux mercantile (reason)	eux mercantile (study)		
Subsidy per student in DKK for 2 years	184.341			163.831	
Number of hours incl. immersion time	2.030			2.343	
Subsidy per student per hour in DKK.	91			70	30%

Source: Submitted timetable for Merkantil EUX and the hf-ekendtgørelsen

7.4 HHX

7.4.1 Admissions - HHX



Source: Uddannelsesstatistik.dk

The intake at HHX in 2023 was 1,388 students and 46 classes were created. The decrease from 2020 to 2021 is due to the fact that there was no new intake for the 2-year HHX in 2021 because the Ministry of Education did not approve the continuation of the program, which was established as a trial.

Recording	2019	2020	2021	2022	2023
HHX:					
<u>International Gym</u>	383	367	351	365	367
<u>Innovation high school</u>	343	341	341	347	357
<u>JTP Business School</u>	316	359	359	354	363
<u>NVG Business School</u>	201	208	209	298	301
<u>2-year HHX</u>	66	75	0	0	0
In total	1309	1350	1260	1364	1388

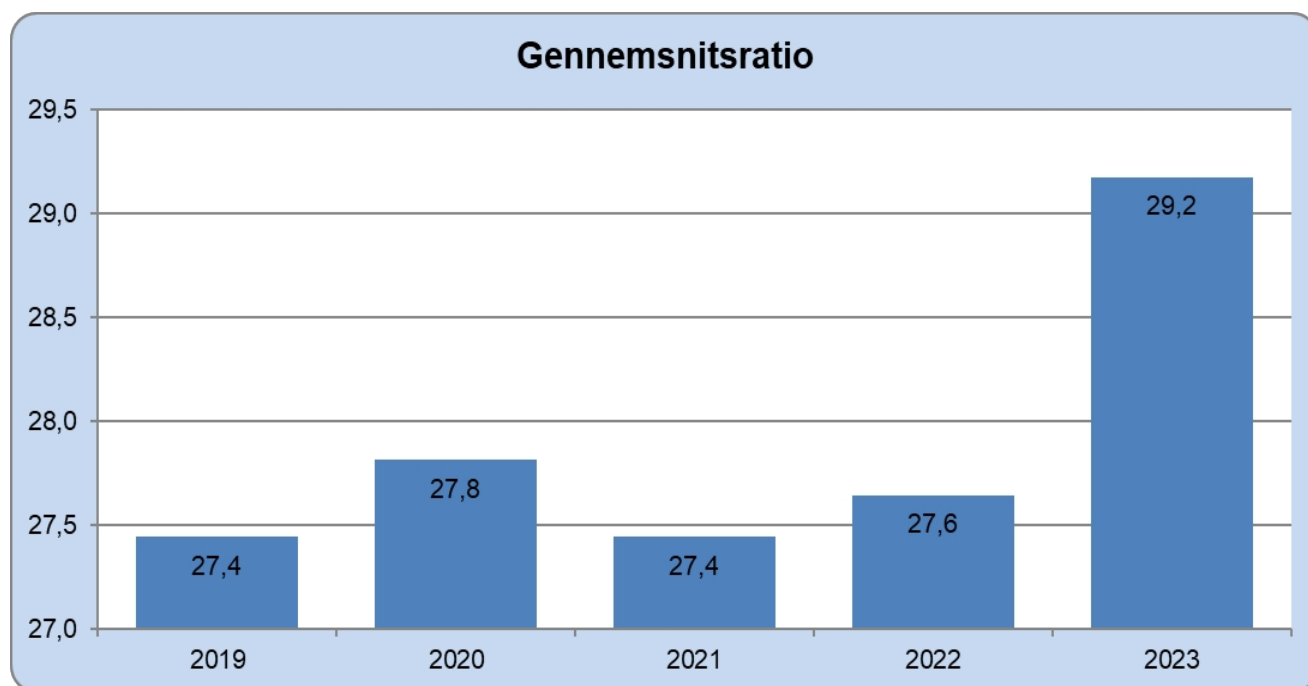
Source: Internal data

Students spend the first few months at HHX on the basic course, and in November they start their chosen field of study. The distribution of the 1st year class of 2023 by field of study is shown in the table on the next page.

			As of 11/11 by choice of field of study	
High school	Field of study	Number of classes	Number of students	
The International High School	Business & International Culture	3	86	
	Business & Economics Elite	1	25	
	Business Elite	2	59	
	International Business B. Shipping	1	29	
	International Business B.	5	142	
Innovation high school	Innovation	9	269	
	Project management	2	55	
	E-business	1	32	
JTP Business School	Sports	3	87	
	Economy	5	146	
	Business, Finance and Mathematics	2	60	
	Society, Economics and Global Studies	2	62	
Nørrevoldgade	Marketing	5	146	
	UX Design	2	62	
	Future Business	3	82	
In total		46	1342	

Source: Internal data and flexible class cap reporting

The bars below show the average class quotient for the 1st year at the time of reporting to the Ministry of Education (November). The class quotient is compared to the political ceiling of 28. In 2023, the average class quotient at Niels Brock is above the 28 ceiling due to our uncertainty about the new student distribution model.



Source: Internal data

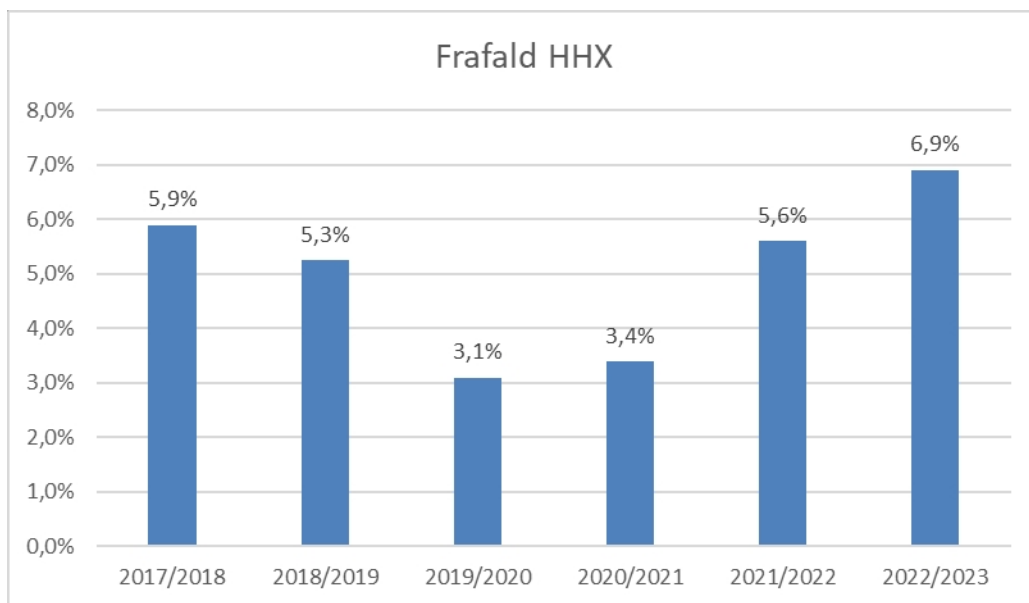
7.4.2 Dropout - HHX

Compared to vocational education, the dropout rate at HHX is much lower. This is partly due to the fact that HHX students are traditionally more focused. In the 2022/2023 school year, the total dropout rate is 6.9%, which is an increase compared to the 2021/2022 school year, where the dropout rate was 5.6%. There is a big difference in dropout rates between the individual years and high schools, as shown in the table below.

HHX	School year Aug 22- Jun 23			%
	1.week	final week	Dropout	
Commercial high school JTP 1st year	351	335	16	4,6%
Commercial high school JTP 2nd year	341	320	21	6,2%
Commercial high school JTP 3rd year	312	301	11	3,5%
Innovation high school 1st year	351	320	31	8,8%
Innovation high school 2nd year	297	264	33	11,1%
Innovation high school 3rd year	294	288	6	2,0%
International High School 1st year	349	324	25	7,2%
International High School 2nd year	323	301	22	6,8%
International High School 3rd year	307	303	4	1,3%
NVG 1st year of business school	288	225	63	21,9%
Commercial training NVG 2nd year	158	150	8	5,1%
Commercial training NVG 3rd year	145	142	3	2,1%
Total 1st year	1339	1204	135	10,1%
Total 2nd year	1119	1035	84	7,5%
Total 3rd year	1058	1034	24	2,3%
Total dropout rate	3516	3273	243	6,9%

Source: Internal data

The dropout rate over the last 5 years is shown below. The school's admission requirements and "short fuse" have resulted in the recruitment of more targeted students who want to make an effort to graduate from Niels Brock. In the 2022/2023 school year, there is a slight increase in the proportion of dropouts compared to the 2021/2022 school year so that the dropout rate is above the level from before the Corona years. The high dropout rate in the first year at Handelsgymnasiet NVG is due to the fact that the high school, unlike the other high schools, admits students who do not have NVG high school as their first priority. These students tend to move to their first priority high school as soon as a place becomes available there.



Source: Internal data

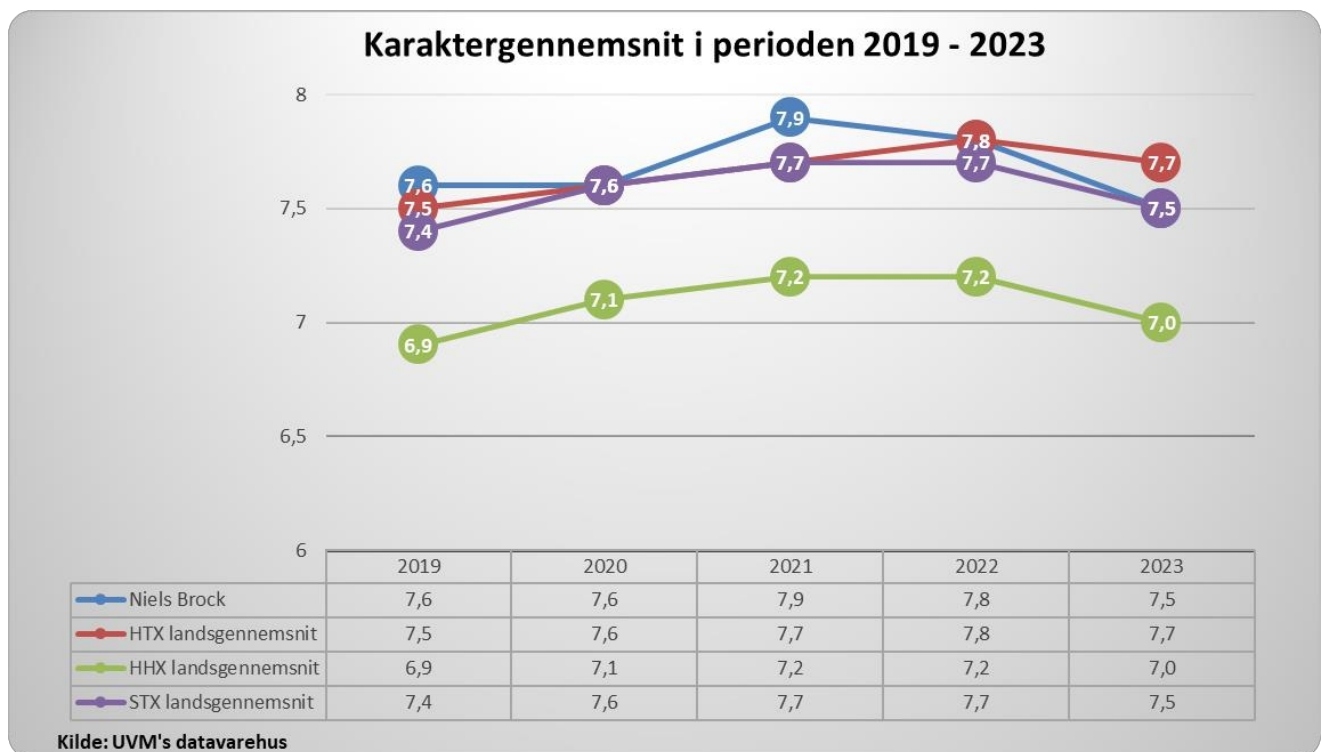
The dropout rate is registered as Helped and Unhelped, which gives the following picture broken down by HHX JTP (Handelsgymnasiet JTP), HHX DIG (Det Internationale Gymnasium), HHX INNO (Innovationsgymnasiet), HHX NVG (Handelsgymnasiet NVG) and the 2-year HHX.

School year 22/23	HHX JTP		HHX DIG		HHX INNO		HHX NVG	
	Wheeled	Unwheeled	Wheeled	Unwheeled	Wheeled	Unwheeled	Wheeled	Unwheeled
Q3 22	12	0	7	0	6	0	8	0
4th quarter 22	17	2	12	1	14	4	7	0
1. quarter 23	15	0	14	0	18	2	6	1
Q2 23	5	0	25	0	10	1	15	0
	49	2	58	1	48	7	36	1

Source: Internal data

The numbers in the table above are higher than the numbers in the table with the study programs/line specifications. This is because this report shows all dropouts, whereas the previous report showed the net dropout rate. The net dropout rate does not show the dropout rate if a dropped-out student is replaced by a student from another school.

7.4.3 Grades - HHX



The graph above shows the grade point average for the years from 2019 to 2023. It is clear that Niels Brock has had an increase in the grade point average from 2019-2022. In 2023, however, there is a decrease, so the average is lower than in 2019.

With an average of 7.5 in 2023, Niels Brock is above the national average for HHX, while it is the same as the national average for STX. The national average for STX is 7.1 for men, while it is 7.7 for women. The national average for HHX is 6.5 for men and 7.5 for women

The grades at Det Internationale Gymnasium, Handelsgymnasiet JTP and Innovationsgymnasiet and Handelsgymnasiet NVG are shown in the following tables.

International High School		
Average exam result - summer 2023		
Class	Class average	Number of students
3a - BIC	7,83	22
3b - BIC	8,50	28
3rd - Elite	9,80	22
3n - The elites	8,77	19
3o - IBB	8,65	25
3p - IBB	8,20	29
3r - The elites	9,41	24
3s - The elites	9,88	16
3h - IBB	7,87	30
3x - IBB	8,03	26
3y - IBB	7,73	29
3z - IBB	8,27	26
Overall average	8,58	296
Weighted average	8,49	
<i>Source: internal data</i>		

International High School		
Average exam result - summer 2023		
Line	Average per line	Number of students
BIC	8,20	50
The elites	9,46	81
IBB	8,11	165
<i>Source: internal data</i>		

JTP Business School		
Average exam result - summer 2023		
Class	Class average	Number of students
3a - Sports	6,82	31
3b - Sports	6,69	26
3c- Sports	7,24	22
3d - Economy	6,46	25
3e - Economy	6,98	26
3f - Economy	7,82	29
3l - Economy	7,48	18
3m - Economy	7,44	26
3x - Business, Finana	8,06	15
3y - Business, Finana	7,18	25
3z - Business, Finana	7,77	23
3q - Eco/social	8,12	32
<u>Overall average</u>	<u>7,34</u>	<u>298</u>
Weighted average	7,32	
<i>Source: internal data</i>		

JTP Business School		
Average exam result - summer 2023		
Line	Average per line	Number of students
Sports	<u>6,89</u>	79
Economy	<u>7,33</u>	124
Business, Finance	<u>7,60</u>	63
Eco/social	<u>8,12</u>	32
<i>Source: internal data</i>		

Innovation high school		
Average exam result - summer 2023		
Class	Class average	Number of students
3rd - Innovation	6,49	20
3f - Innovation	7,08	23
3g - Innovation	6,45	23
3h - Innovation	6,95	22
3i - Innovation	7,05	23
3j - Innovation	6,64	27
3k - Innovation	7,75	22
3l - Innovation	7,14	28
3r - Project management	7,20	24
3s - Project management	8,21	27
3w- E-Business	7,57	23
3v - E-Business	7,07	20
<u>Overall average</u>	<u>7,13</u>	<u>282</u>
Weighted average	7,15	
<i>Source: internal data</i>		

Innovation high school		
Average exam result - summer 2023		
Line	Average per line	Number of students
Innovation	6,95	188
Project management	7,74	51
E-business	7,33	43
<i>Source: internal data</i>		

NVG Business School		
Average exam result - summer 2023		
Class	Class average	Number of students
3a - Marketing	6,75	25
3b - Marketing	6,27	31
3d - Marketing	6,64	27
3i -UX-design	8,34	24
3m -UX-design	6,96	33
<u>Overall average</u>	6,99	140
Weighted average	6,95	
<i>Source: internal data</i>		

NVG Business School		
Average exam result - summer 2023		
Line	Average per line	Number of students
Marketing	6,54	83
UX design	7,54	57
<i>Source: internal data</i>		

7.4.4 Socio-economic references

The socio-economic reference is a statistical expression of how students nationwide with the same background as the department's students have performed on the tests.

It is an assessment of each school's grade point average in relation to the students' social background. The socio-economic data is obtained by comparing the actual grade point average achieved with a statistically calculated expression of what students nationwide with similar backgrounds achieve.

The socio-economic assessment is based on, among other things:

- Student gender
- Student's age
- Learner's provenance and country of origin
- Parents' highest completed education
- Parents' labor market status
- Parents' gross income
- Parents' unemployment rate
- Family type
- Number of children and position in the group

The four tables on the following pages show the socio-economic reference for the students who graduated in 2022 (the figures for 2023 are not yet available on the ministry's website - uddannelsesstatistik.dk) at Niels Brock for respectively Handelsgymnasiet JTP, Handelsgymnasiet NVG, Det Internationale Gymnasium and Innovationsgymnasiet.

In the tables, the asterisk in the last column indicates that the difference between the actual grade point average and the socioeconomic reference is statistically significant.

The departments will be discussed individually below. Data is from uddannelsesstatistik.dk

International High School

Socioeconomic reference 2022						
Education and training	Fag	Evaluation form	Level	Socioeconomic Reference	Test grades	Difference
HHX	Danish	Written	A	7,2	7,1	-0,1
	Exam results (incl. bonus A)	Overall	-	8,7	8,8	0,1
	Study area project	Task/Project	-	8,9	8,9	0

In 2022, all subjects are very close to the modelled socio-economic reference and there are no subjects where the difference is statistically significant.

JTP Business School

Socioeconomic reference 2022						
Education and training	Fag	Evaluation form	Level	Socioeconomic s	Test grades	Difference
HHX	Danish	Written	A	6,3	6,2	-0,1
	Exam results (incl. bonus A)	Overall	-	7,5	7,5	0
	Study area project	Task/Project	-	7,6	7,1	-0,5 *

In 2022, both Danish and exam results are largely equal to the model-calculated socio-economic reference. In the study area project, however, there is a negative deviation of 0.5 marks, which is also statistically significant. The students at Handelsgymnasiet JTP have thus performed worse in this area than the ministry expected them to.

Nørre Voldgade Business School

Socioeconomic reference 2022						
Education and training	Fag	Form of evaluation	Level	Socioeconomic s k Reference	Test grades r	Difference
HHX	Danish	Written	A	6	6,3	0,3
	Exam results (incl. bonus A)	Overall	-	7,1	7,2	0,1
	Study area project	Task/Project	-	7,3	7,3	0

In 2022, all subjects are very close to the modelled socio-economic reference and there are no subjects where the difference is statistically significant.

Innovation high school

Socioeconomic reference 2022						
Education and training	Fag	Evaluation form	Level	Socioeconomic s	Test grades	Difference
HHX	Danish	Written	A	6,3	6,8	0,5 *
	Exam results (incl. bonus A)	Overall	-	7,4	7,4	0
	Study area project	Task/Project	-	7,6	7,3	-0,3

In 2022, both the exam result and the study area project are largely similar to the model-calculated socioeconomic reference. In Danish, however, there is a positive deviation of 0.5 marks, which is also statistically significant. Students at Innovationsgymnasiet have thus performed better in this subject than the ministry expected them to.

Compared to schools we normally compare ourselves to, Niels Brock does very well in the Danish subject.

Socioeconomic reference 2022							
Institution	Department	Fag	Evaluation form	Level	Socioeconomic Reference	Test grades	Difference
IBC	Fredericia	Danish	Written	A	6,2	5,8	-0,4
	Kolding	Danish	Written	A	6,4	6,8	0,4 *
	Aabenraa	Danish	Written	A	6,1	6,7	0,6 *
Niels Brock	Det Internationale Gymnasium	Danish	Written	A	7,2	7,1	-0,1
	Handelsgymnasiet JTP	Danish	Written	A	6,3	6,2	-0,1
	Handelsgymnasiet Nørre Voldgade	Danish	Written	A	6	6,3	0,3
	Innovation high school	Danish	Written	A	6,3	6,8	0,5 *
Tietgen	Tietgen	Danish	Written	A	6,4	6,7	0,3 *
U/North	Elsinore	Danish	Written	A	6,3	7	0,7
	Hillerød	Danish	Written	A	6,2	6,3	0,1
Aalborg Business school	Saxogade	Danish	Written	A	6,3	6,1	-0,2
	Tourist street	Danish	Written	A	6,3	6,4	0,1
Aarhus Business College	Vejlby	Danish	Written	A	6,1	5,9	-0,2
	Viemosevej	Danish	Written	A	6,2	6,4	0,2

The table shows that IBC has a statistically significant positive deviation of 2/3 departments, while Niels Brock has 1/4 departments. Tietgen has 1/1, but neither U/Nord, Aalborg Business School and Aarhus Business College have departments where the deviation is statistically significant.

7.4.5 Transition to education

The goal for HHX is for students to continue studying. The table below shows in percent what HHX students from Niels Brock are employed in 27 months after completing HHX. The table is compared with the entire country - however, HD students are not reported nationally.

Of the students who graduated in 2020, 56% (43%+13%) in 2022 - 27 months after graduation - are enrolled in a medium-cycle higher education program (including bachelor's programs), which is significantly above the national average (for 2020 graduates) for all upper secondary education. It is not possible to differentiate between medium-cycle higher education and bachelor's degree programs at a national level. Furthermore, 3% of Niels Brock's students are studying HD - this is not included in the national figures.

Compared to the country as a whole, Niels Brock has more students continuing their studies in short-term higher education. In 2020, 27% at Niels Brock and 39% nationwide are undisclosed, which means that they are working or otherwise outside of education in Denmark.

Transition to education 27 months after completing HHX	Niels Brock				Nationwide
	2017	2018	2019	2020	2020
Vocational education and training	6%	5%	4%	3%	7%
Short-term higher education	11%	13%	11%	10%	7%
Intermediate higher education	9%	8%	6%	13%	48%
Bachelor programs	44%	41%	46%	43%	0%
Long higher education	0%	0%	0%	0%	0%
HD	3%	4%	4%	3%	
Not stated/unknown	24%	30%	28%	27%	39%

Source: special features (Statistics Denmark)

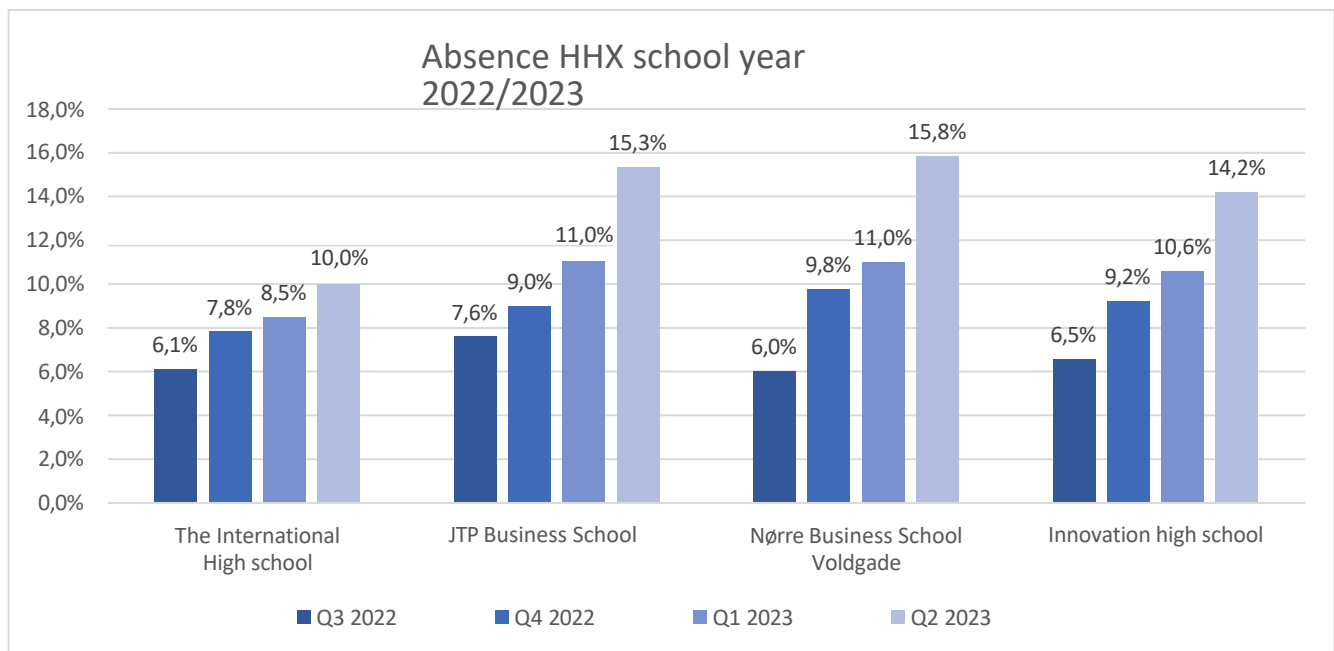
The table below shows the percentage distribution of students who continue their studies, broken down by the four upper secondary schools that Niels Brock had in 2020.

	NVG	DIG	INNO	JTP	Total share
Total summer 2020 graduates	16%	33%	30%	21%	100%
Vocational education and training	3%	3%	4%	4%	3%
Short-term higher education	11%	8%	18%	4%	10%
Intermediate higher education	21%	9%	13%	13%	13%
Bachelor programs	34%	54%	31%	51%	43%
Long-term higher education	0%	0%	0%	0%	0%
HD	5%	2%	2%	5%	3%
Not stated/unknown	26%	25%	33%	24%	27%

Source: special features (Statistics Denmark)

The figures show, unsurprisingly, that a higher proportion of students from the Innovation High School do not continue their studies, but probably start their own business.

7.4.6 Absence HHX



In the chart above, you can see the absence rate broken down by the different HHX departments and for all years.

In the chart, you can see that for all high schools, absenteeism is lowest right at the start of the school year. Absenteeism then increases steadily throughout the year, reaching its absolute highest in the last quarter of the school year. Three of the four HHX departments are roughly at the same level, while Det Internationale Gymnasium is lower, but all follow the same pattern throughout the year.

7.5 Financial terms - taximeter

The commercial high school educates young people for higher education, just like STX and HTX, but is allocated significantly fewer resources.

Today, an hhx student receives DKK 8,578 less than a stx student, which is probably the upper secondary education most similar to HHX. This corresponds to a difference of 11.7% (a Stx student receives an average annual subsidy of DKK 81,961). An hhx student only receives DKK 73,383.

Comparison stx and hhx - FFL24 from August 31, 2023

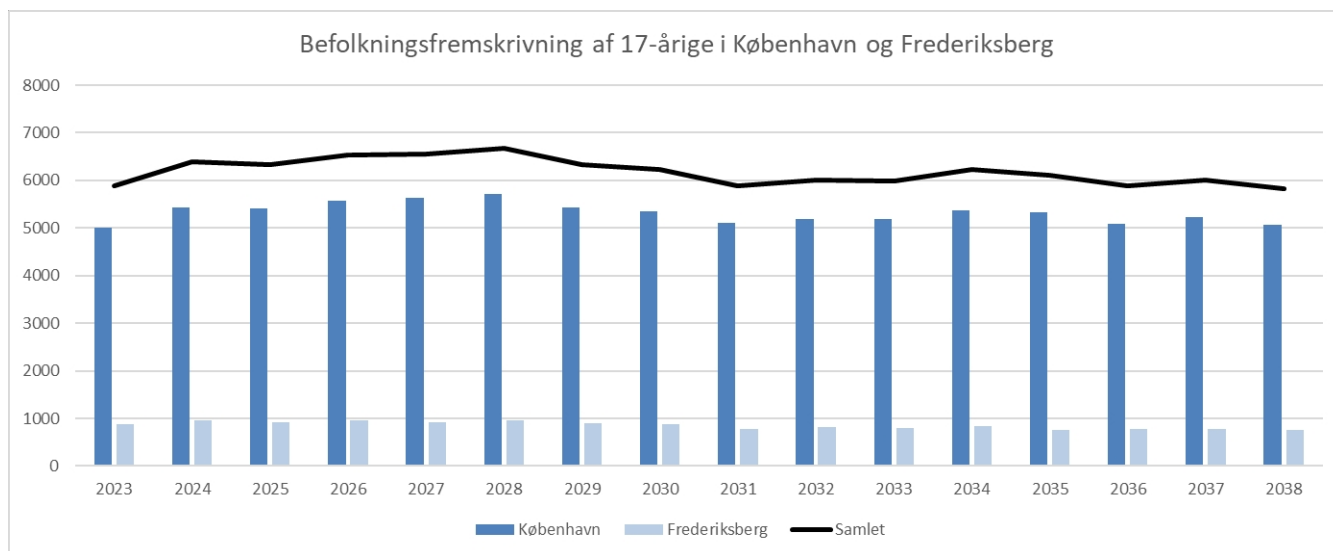
FFL2024	§20.42.02	§20.41.01	Difference
2024-pl	stx	hhx	
Grants in DKK.	6.057.300.000	2.196.500.000	
Year students	73.905	29.932	
Subsidy per full-year student in DKK.	81.960,6	73.383,0	8.578
Percentage difference			11,7%

Source: FFL24 presented 31.8.23, §20.41.01, page 158 and §20.42.02, page 162

8. Learner projection

In 2023, Niels Brock received applications from students from a total of 48 different municipalities. The three municipalities that provide the most students to Niels Brock are Copenhagen, Frederiksberg and Hvidovre.

Demographics naturally play a major role in future recruitment, and for Niels Brock as a whole, HHX and EUX, many students are recruited from Copenhagen and Frederiksberg, which is why we zoom in on the development in the number of 17-year-olds in these two municipalities until 2038.



Source: Statistics Denmark

The overview shows that the number of 17-year-olds will increase by around 500 from 2023 to 2028, peaking at almost 6,650 17-year-olds, after which the number drops slightly until 2031. There is then an increase again until 2034, after which the number of 17-year-olds remains largely constant. However, if you look at the Capital Region, the trend is more dramatic, with a larger drop towards 2030.

9. Productivity

The table below shows the three staff groups: Teaching, Educational Management and Management and Administration. The table shows a total increase in FTEs of 26.3 from 2022 to 2023.

Full-time equivalents	2022	2023	Deviation
Teaching incl IV	353,1	371,9	18,8
Library	1,5	1,9	0,4
IT	7,3	8,2	0,9
Grading bank/supervised exams	6,5	8,6	2,1
Teaching	368,4	390,6	22,2
Educational Leadership	14,9	15,5	0,6
Educational Leadership	14,9	15,5	0,6
Management	2,0	2,0	0,0
Administration	46,8	50,2	3,4
Marketing	1,0	1,0	0,0
Building management	18,5	18,6	0,1
Management and administration	68,3	71,8	3,5
<i>Of which social clauses/flex employees</i>	<i>7,2</i>	<i>11,0</i>	<i>3,8</i>
Total incl. Flex	451,7	478,0	26,3

Source: Internal data (ØSLDV)

The FTE figure is not directly comparable to the FTEs reported in the school's annual report. This is due to new guidelines for how employees on social clauses are to be included. In the annual report, such an employee counts as an FTE, regardless of employment grade. In the management note, the actual employment rate has been used.

Teaching increases by 22.2 FTEs, which should be seen in relation to a general increase in activity compared to 2022 and a changed product mix, where activity decreases in EUD/EUX, where relatively more teacher resources are used per annual student, but increases in IV, where relatively fewer teacher resources are used per annual student. If the product mix from 2022 had been maintained, the increase in teaching FTEs would have increased even more.

The graph below shows the development in total FTEs from 2019 to 2023.



Source: Internal data

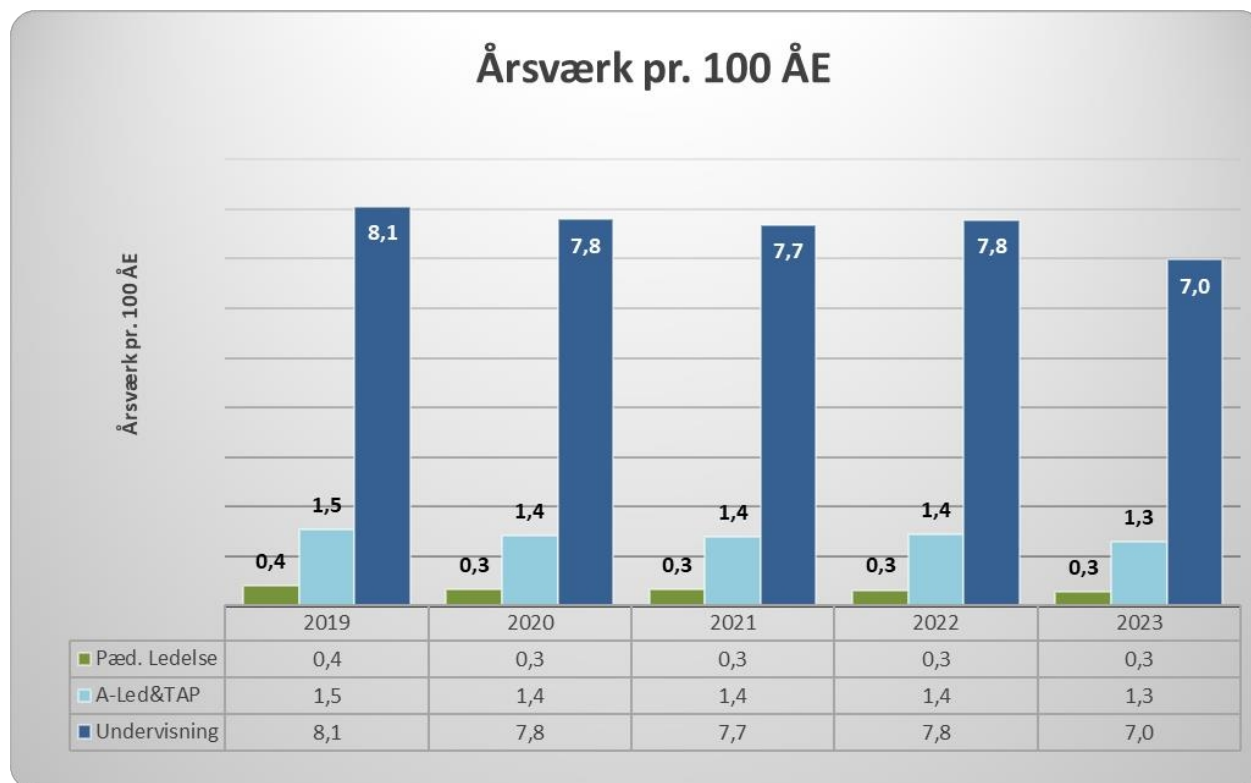
There is a decrease in the number of FTEs from 2019 to 2020 of 8.2 FTEs. From 2020 to 2021, the number increases by a further 2.4. The decrease from 2019 to 2020 is due to reduced FTEs in IT, management and administration as well as less FTEs for censorship due to Covid-19 and fewer FTEs for pedagogical management. The increase until 2021 is mainly due to a general increase in activity. In 2022, there is a decrease that reflects the decline in activity. While in 2023 there is a significant increase in FTEs, partly due to the slightly increased activity at HHX and GSK, but mostly due to the significantly increased activity at CBC.

The development in FTEs per employee in total at the school is shown in the graph below as productivity. From 2020-2022, the development is very cash, while there is a significant jump in 2023, which is due to the increase in the International Department (CBC), which uses fewer FTEs per FTE compared to the taximeter-funded programs.



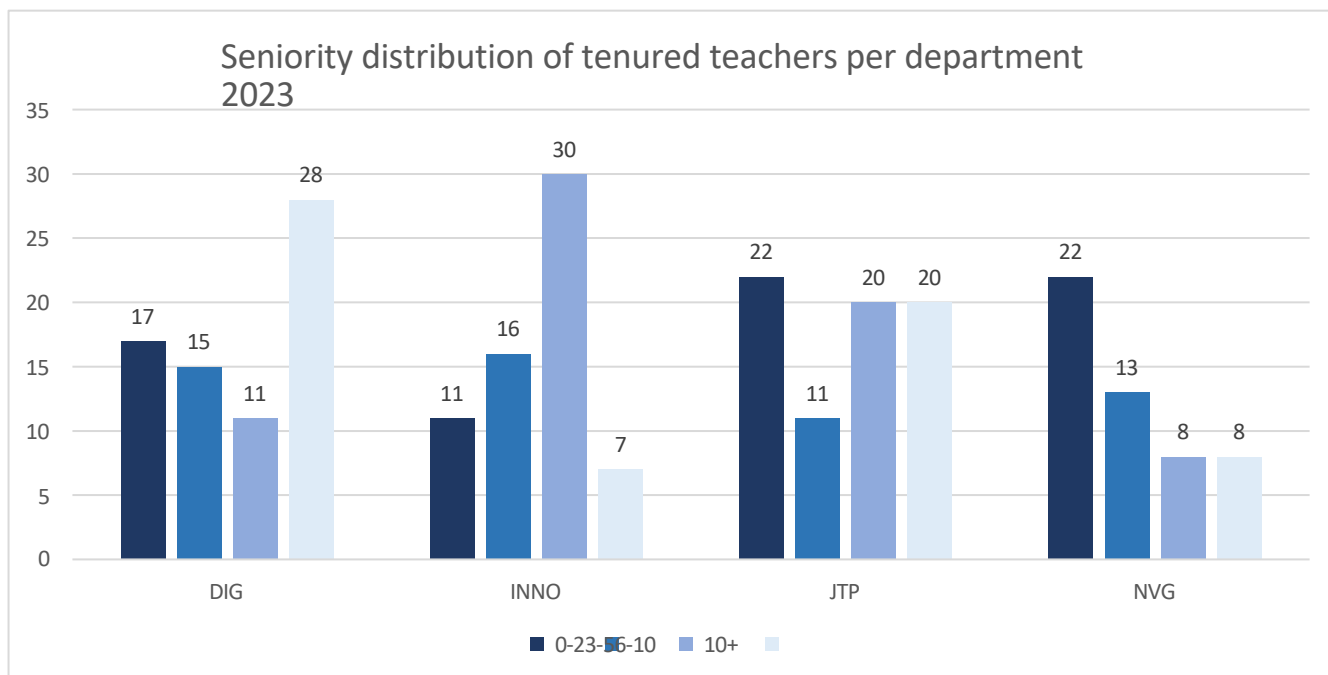
Source: Internal data

Another way to look at productivity is staff consumption per 100 FTEs. The development is shown for 3 staff categories.



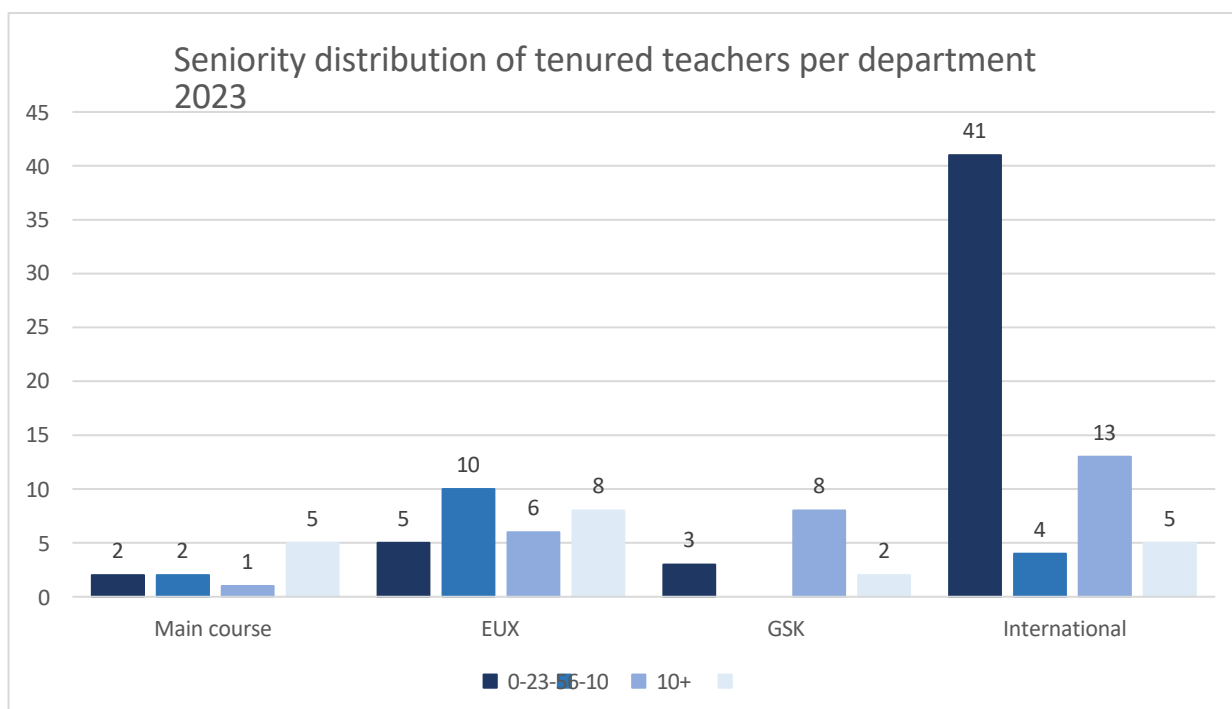
Source: Internal data

The seniority of employment at Niels Brock among the permanent teachers at the four colleges at the end of 2023 was as follows:



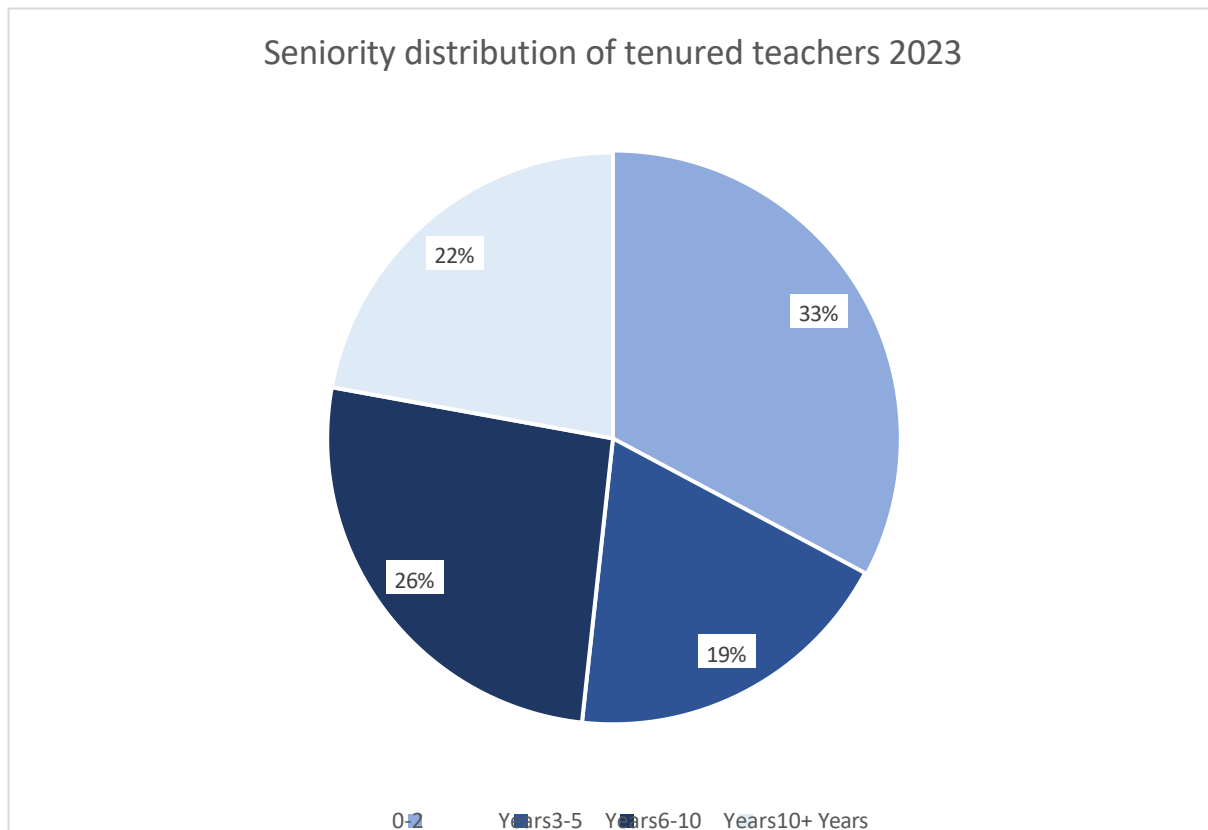
As the chart shows, the distribution varies greatly from high school to high school. At Det Internationale Gymnasium, there are more teachers with +10 years of seniority, while at Innovationsgymnasiet there are fewer teachers with +10 years of seniority. Handelsgymnasiet JTP and Handelsgymnasiet Nørre Voldgade both have the most employees with 0-2 years of seniority.

For the remaining departments, the breakdown is as follows:



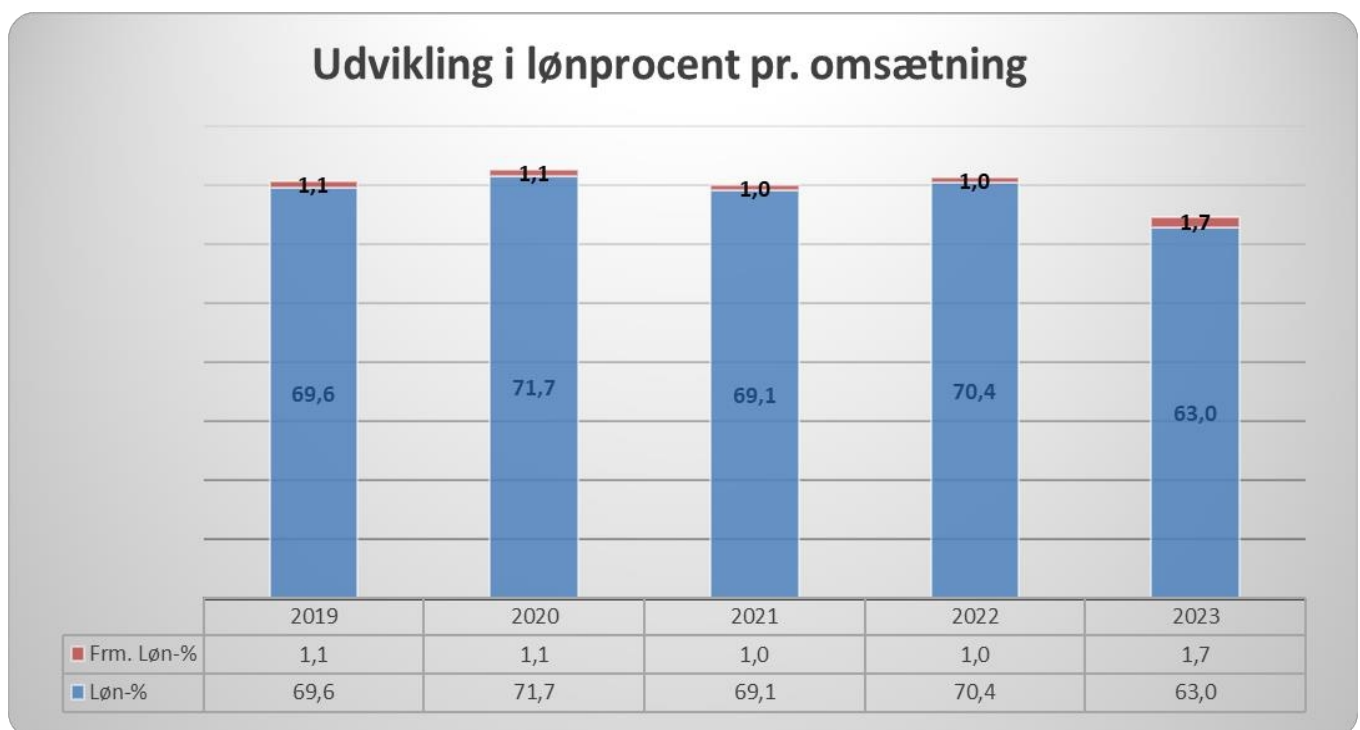
EUX has the most people with 10+ years of seniority, while International has the most people with 6-10 years of seniority. International also has by far the most new hires.

If you look at all departments together, there are more teachers with less than 2 years of seniority, due to the large number of new teachers at International.



9.1 Salary percentage

Employees are the school's most important resource and, financially speaking, also the largest cost. The figure below shows the development in salary as a percentage of revenue over the past 5 years. In 2019, the trend of increasing salary percentages is due to the politically agreed 2% reductions in the tax parameters. In addition, at Niels Brock we experienced a decrease in the "lower salary" educations. In the fall of 2019, the hourly factors were reduced by 5% to counter the rising salary percentage - at that time, the overall taximeter had been reduced by 8% in all areas other than VET, where the reduction amounted to 6% - but a further decline in activity among the lower-paying educations combined with an increase in the higher-paying educations meant a further increase in the salary percentage from 2019 to 2020. From 2020 to 2021, the wage rate decreased, primarily due to the end of the taximeter reduction (rolled back to 2018 levels (6%)). The salary percentage increases minimally from 2021 to 2022, but decreases in 2023 primarily because the number of teachers per FTE is significantly lower in the IV area (fewer teaching hours), and combined with the large growth, the International department (CBC) pulls the overall average down.



Source: Internal data (Frm: = Salary for foreign teachers and teaching consultants)

9.2 Staff allocations

For planning reasons, among other things, it makes sense to follow the development in average age. The number of employees is calculated based on the people who were employed in December 2022 and 2023, respectively, and who worked more than 60 hours per month, corresponding to just over 1/3 of the normal norm.

Teaching:

	2023			2022				
	Female	Mand	In total	Female	Mand	In total		
Academic educators	153	195	348	138	161	299		
Commercial teachers	10	11	21	12	13	25		
Professional coordinator	4	3	7	6	4	10		
Pedagogical professional coordinator.	2	2	4	0	1	1		
Student counselor	3	0	3	2	0	2		
Hourly teacher	7	7	14	5	10	15		
Total tuition	<30	8	6	14	<30	4	4	8
	30-49	96	97	193	30-49	102	81	183
	>50	75	115	190	>50	57	104	161
	Average age	47	49	48	Average age	47	49	48
Total tuition	179	218	397	163	189	352		

The table shows that 397 teachers were employed, of which 55% were male and 45% female. The average age was 48 years. Compared to 2022, there is an increase of 45 people. This increase is primarily in the number of assistant professors and associate professors.

Men make up 53% of the over 50s, while the 30-49 year olds are more evenly split between the genders. The under 30s are split between the genders, with 8 women and 6 men.

For women, more than half (54%) are aged 30-49, while women over 50 make up around 42%. The opposite is true for men, with 44% between 30-49 and 53% over 50, respectively.

Administration:

	2023			2022				
	Female	Mand	In total	Female	Mand	In total		
Administrative	44	8	52	39	5	44		
Office student	3	1	4	3	1	4		
Total administration	<30	9	3	12	<30	5	1	6
	30-49	22	4	26	30-49	21	3	24
	>50	16	2	18	>50	16	2	18
	Average age	42	39	41	Average age	44	40	44
Total administration	47	9	56	42	6	48		

The table shows that there were 56 people employed in administration, of which 84% are women. Compared to 2022, there is an increase of 8 people. The average age in administration is generally lower than among teachers, partly due to the number of office students, who are typically very young. The average age in administration has decreased slightly, as it is 41 years in 2023 compared to 44 in 2022.

Management:

	2023			2022		
	Female	Mand	In total	Female	Mand	In total
Managing Director	1	0	1	1	0	1
Head of HR	1	0	1	0	0	0
Building inspector	0	1	1	0	1	1
Head of IT	0	0	0	0	1	1
Office manager	3	0	3	3	0	3
Chief Financial Officer	0	1	1	0	1	1
Rector/education director	4	2	6	4	1	5
Vice principal/head of education	9	2	11	6	3	9
Team leader	0	1	1	0	0	0
Director of Business Development	1	0	1	1	0	1
Vice President	1	0	1	1	0	1
Total management						
	<30	0	0	<30	0	0
	30-49	9	2	30-49	3	2
	>50	11	5	>50	13	5
	Average age	52	52	Average age	54	53
Total management		20	7		16	7
			27			23

The table shows that 27 managers were employed - 20 women and 7 men in 2023. The average age is 52 years. There is an increase in women of 4 people compared to 2022.

Other:

	2023			2022		
	Female	Mand	In total	Female	Mand	In total
Librarian	3	0	3	2	0	2
Executive secretary	1	0	1	0	0	0
Electrician	0	1	1	0	1	1
IT employee	0	6	6	0	5	5
IT support student	0	2	2	0	2	2
Chief Legal Counsel	0	1	1	0	1	1
Communications Officer	0	0	0	1	0	1
Consultant	1	1	2	1	1	2
Project employee	2	0	2	2	0	2
Cleaning assistant	10	0	10	8	0	8
Cleaning manager	0	1	1	0	1	1
Plumber	0	2	2	0	0	0
School crossing guard	1	6	7	1	3	4
System administrator	1	2	3	1	1	2
System consultant	0	0	0	0	1	1
Carpenter	0	3	3	0	3	3
Web editor	1	0	1	1	0	1
Other total						
	<30	2	6	<30	3	3
	30-49	11	9	30-49	9	7
	>50	7	10	>50	5	9
	Average age	47	42	Average age	44	44
Other total		20	25		17	36

As seen in the table for other staff, 44 people were employed in 2023 compared to 36 people in 2021. Cleaning, school janitors and IT staff make up the largest part of the group. The group employs slightly more men than women and the average age is 44 years. Approximately 40% of employees are 50 years or older in 2023.

9.3 IT and other hardware

In 2023, the IT department was placed under the Director of Business Development and, due to the transition to the ESIS operating community, has a team leader instead of an actual IT manager. The IT department continues to focus on the increased need for security, both in relation to systems and applications as well as physical locations. New, stricter requirements for passwords, encryption of disks/devices, new access systems (door locks) and replacement and upgrading of cameras and surveillance systems are some of the measures implemented in 2023.

The software robot "Roberta" runs around 70 processes. The RPA team is part of the digital team, which in addition to RPA also includes the Learning Hub. The tasks are focused on optimizing daily operations, maintaining existing processes and, not least, exploring what AI can be used for in this context. The use of PowerBi is being explored and reports have already been created for easier access to data and building shared insights. This work is done in close collaboration with the finance department.

The school's IT equipment is distributed across a physical network and a number of logically separated networks. The network at the 5 locations is connected in an MPLS network supplied by GlobalConnect on the Danish Government Procurement Agreement. All connections have a minimum capacity of 1 Gbps. Perimeter security (firewalls) and the internet connection, along with server operations, have been transferred to ESIS, which has raised the security level as there are now dedicated full-time employees to handle the task.

The number of PCs is distributed with 122 in administration and 4,336 in teaching, a total of 4,458. Tablets are being phased out in favor of touch screens and small laptops.

The need for printing and copying is still generally declining. Even though the return to physical teaching has increased the need for printing and copying, the need is still well below the 2023 target of 1,500 copies per employee and 50 copies per student.

All common multifunction machines are now both black and white and color and are set up to run in Eco color mode as standard, which further reduces consumption by 30%. Compared to the old models, it is estimated that consumption (carbon footprint) can be reduced by up to 50%.

Niels Brock has 262 video surveillance cameras and 332 access points for the wireless network, distributed across the 5 locations.

There are 30 info screens across the locations.

On the educational network, almost 12,000 users are managed annually, all of whom receive a Niels Brock email in Office365, a home drive for documents and access to MitNielsBrock. Users can access their email, MitNielsBrock and their data and programs via RDS from anywhere.

Number of PCs at Niels Brock	2019	2020	2021	2022	2023
EY	4733	4861	4965	4736	5596
PCs (UV) (incl. laptops)	2468	2564	2685	2637	4336
PC/EA	0,52	0,53	0,54	0,56	0,77
PCs (admin)	176	176	193	208	122
Total PCs	2644	2740	2878	2845	4458

9.4 Buildings and utilization

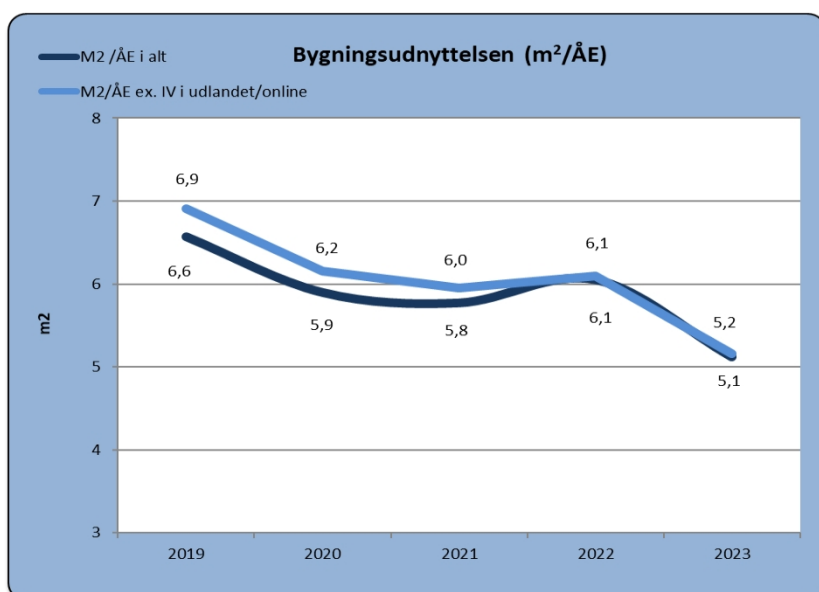
The school's second largest expense (the largest is salaries) is the operating and maintenance costs associated with the building stock.

The table below shows the property stock for the years 2018 to 2023. The figures in the table indicate the number of square meters for each individual building, calculated on the basis of BBR notification or rental contract, excluding basements. The square meters are proportional to the number of months the school has had the address available.

Addresses	2018	2019	2020	2021	2022	2023
Commercial space minus basements						
Julius Thomsens plads 10	3.959	3.959	3.959	3.959	3.959	3.959
Julius Thomsens plads 6	5.698	5.698	5.698	5.698	5.698	5.698
Købmagergade 42						
Fiolstræde						
Nørrevoldgade T house	5.775	5.775	5.775	5.775	5.775	5.775
Nørrevoldgade K house	1.041	1.041	1.041	1.041	1.041	1.041
Nørrevoldgade H house	1.876	1.876	1.876	1.876	1.876	1.876
Kultorvet 2	5.545					
Linnésgade 2	3.740	3.740	3.740	3.740	3.740	3.740
HCA	3.610	3.610	3.610	3.610	3.610	3.610
Bispetorvet 1-3	987	2.959	2.959	2.959	2.959	2.959
Total square meters	32.232	28.658	28.658	28.658	28.658	28.658
Total buildings	6	6	6	6	6	6

The figure below contains two graphs. The dark blue graph (m² per student year including IV-year students) shows an improvement in square meter utilization from 2019 - 2021, which is due to growth in the number of student years while the building area has been maintained. In 2022, building utilization deteriorates due to the decrease in FTEs with the same building area, but in 2023, building utilization improves again as the number of FTEs increases without more buildings.

The light blue graph shows the development when adjusted for online education and IV abroad.



10. Quality

The quality work at Niels Brock must promote a good teaching and working environment where both students and employees thrive and are challenged - both professionally and personally.

The overall goal of the school is:

- 1) World-class education
- 2) Attractive education offerings
- 3) Timeliness and relevance in vocational education
- 4) Exciting, stimulating and attractive workplace
- 5) Smart institutional operations

Based on measurements and evaluations, the school works purposefully towards achieving the above goals. The following surveys and measurements are important benchmarks in the strategy and quality work:

- Evaluation of teaching - students evaluate teaching in a concrete way
- Student satisfaction survey - done quarterly via large ETU and mini ETUs
- Employee satisfaction surveys - via large MTU every two years, as well as mini MTUs
- Analysis of completion and dropout rates - sections 7.3.4 - 7.3.6 and 7.5.2.
- Grades - sections 7.3.7 and 7.5.3

10.1 Ongoing evaluation

Throughout the year, evaluations of student well-being have been carried out. The purpose of the evaluations is to serve as a temperature measurement of the students' well-being. Based on the answers, the results are marked with the colors green, yellow or red, where green indicates high satisfaction and red the opposite.

Each evaluation is followed up by a dialog in the classroom so everyone gets feedback. Classes with green answers receive feedback from the class/contact teachers, classes with yellow results are visited by the Head of Education/Vice Principal and classes with red results are visited by the Principal.

10.1.1 Student satisfaction - EUD/EUX

The quality goals for VET are, among other things, to create better vocational education and training in the trade and office area, including that more students complete and that better and continuous contact with the business community is created. As part of the vocational education and training reform, a mandatory ETU questionnaire (Student Satisfaction Survey) was established in the VET area. In 2019, it also became mandatory that the survey had to be conducted via STIL (the Danish Agency for IT and Learning), which meant that it was not possible to incorporate questions beyond the mandatory questionnaire.

In the tables below, the responses in 2023 are compared to the responses from 2022.

EUD/EUX UNG	2023	2022
Motivation for learning	56%	57%
I am happy with my school	65%	65%
Conditions in the school as a whole	79%	74%
EUD/EUX ADULT	2023	2022
Motivation for learning	70%	91%
I am happy with my school	56%	79%
Conditions in the school as a whole	60%	82%

The ETU results for 2023 are not satisfactory and a major effort has been initiated to improve the results going forward. The goal is for the school to be above the national average in 2024 and in 2026 in the top 3.

10.1.2 Student satisfaction - HHX

The main purpose of an HHX education is to provide young people with general study skills. An HHX degree gives access to apply for admission to higher education. In this context, grades and subject composition are crucial parameters. However, a good teaching environment at the school is crucial to the students' learning. Every year, the temperature of student well-being is therefore taken in a student satisfaction survey (ETU). The survey is conducted via STIL's (a department of the Ministry of Education) centrally developed system. Below are the results of a number of key questions. On some of the questions, students must answer using a scale from 1 to 10, where 1 is the worst and 10 is the best, while on other questions they must assess how much they agree with a given statement, where the scale goes from "completely agree" to "completely disagree". It is also possible to answer "don't know".

In the tables below, the responses in 2023 are compared to the responses from 2022.

JTP Business School	2023	2022
Motivation for learning	55%	56%
I am happy with my school	82%	82%
I am making good academic progress	68%	69%

The International Gymnasiu	2023	2022
Motivation for learning	63%	65%
I am happy with my school	81%	80%
I am making good academic progress	73%	76%

NVG Business School	2023	2022
Motivation for learning	50%	53%
I am happy with my school	74%	79%
I am making good academic progress	69%	71%

Innovation high school	2023	2022
Motivation for learning	53%	53%
I am happy with my school	80%	75%
I am making good academic progress	68%	70%

The ETU results for 2023 are not satisfactory and a major effort has been initiated to improve the results going forward. The goal is for the school to be above the national average in 2024, only Det internationale Gymnasium does it this year, and in 2026 in the top 3.

10.1.3 Employee wellbeing

Employee satisfaction surveys (MTU) are conducted every 2 years and provide a snapshot of how employees experience everyday life. The latest MTU is from 2022 and the survey is sensitive to major changes such as reform changes, organizational changes, etc. The survey is an important temperature measurement in terms of identifying where action may need to be taken.

The 2022 employee satisfaction survey had a participation of 365 permanent employees responding out of 551 possible, resulting in a response rate of approximately 66.2%.

The table below shows selected questions that were included in the surveys and the answers in 2022 are compared to the answers from 2020.

MTU	2022	2020
I am happy with my work	81%	87%
I value the school's personnel policy	72%	80%
Our pupils/students/trainees get a good education	84%	91%
I know the school's goals and strategy	70%	81%
I feel motivated in my work	77%	74%
I feel that my work is meaningful	86%	87%
I am satisfied with the quality of my work	78%	82%
There is a good collaboration between me and my colleagues	87%	85%
We are good at sharing knowledge and experiences with each other	80%	79%
Percentage of employees who answered "To a very high degree" and "To a high degree" to the respective questions.		

Source: Internal data, Aspekt R&D