

# Weak Q4 – Second best year in history

## October - December 2023

- Sales amounted to SEK 293.6 (332.3) million, corresponding to a decrease of -11.6 per cent.
- The operating profit (EBIT) was SEK 13.2 (39.7) million, with an operating margin (EBIT) of 4.5 (11.9) per cent.
- The operating margin adjusted for non-recurring items was 5.8 per cent.
- Profit after tax was SEK 8.4 (33.8) million.
- Cash flow from operating activities for the period was SEK 46.8 (74.4) million.

Earnings per share after dilution amounted to SEK 0.99 (3.48).

## Other events

- The Board of Directors of B3 Consulting Group AB (publ) has proposed an ordinary dividend of SEK 3.50 per share (8.00), equivalent to SEK 29.3 million (67.7) for the 2023 financial year.
- In mid-December Martin Stenström was appointed as new President and CEO of B3, starting in April 2024

## January - December 2023

- Sales amounted to SEK 1,140.8 (1,148.1) million, corresponding to a decrease of -0.6 per cent.
- The operating profit (EBIT) was SEK 86.1 (137.7) million, with an operating margin (EBIT) of 7.5 (12.0) per cent. The operating margin adjusted for non-recurring items was 8.4 per cent.
- Profit after tax was SEK 68.4 (114.7) million.
- Cash flow from operating activities for the year was SEK 67.8 (151.7) million.
- Earnings per share after dilution amounted to SEK 7.12 (11.79).

Extract of B3's key figures	Q4			Jan-Dec		
	2023	2022	Δ%	2023	2022	Δ%
Net Sales, SEK million	293,6	332,3	-11,6%	1 140,8	1 148,1	-0,6%
EBITDA, SEK million	18,6	44,7	-58,4%	107,3	158,3	-32,2%
EBITDA margin, %	6,3%	13,5%		9,4%	13,8%	
Operating profit (EBIT), SEK million	13,2	39,7	-66,8%	86,1	137,7	-37,5%
Operating margin (EBIT), %	4,5%	11,9%		7,5%	12,0%	
Profit after tax, SEK million	8,4	33,8	-75,1%	68,4	114,7	-40,4%
Earnings per share before dilution, SEK	0,97	2,17	-55,3%	7,12	11,83	-39,8%
Earnings per share after dilution, SEK	0,99	2,14	-53,7%	7,12	11,79	-39,6%
Closing number of co-workers <sup>1</sup>	809	786	2,9%	809	786	2,9%
Average number of co-workers <sup>1</sup>	798	762	4,7%	799	741	7,8%

Alternative key figures with B3 Poland fully consolidated <sup>2</sup>	Q4			Jan-Dec		
	2023	2022	Δ%	2023	2022	Δ%
Net sales incl. B3 Poland, MSEK	333,9	368,7	-9,4%	1 297,3	1 269,5	2,2%
EBITDA incl. B3 Poland, MSEK	25,9	52,4	-50,6%	132,6	180,4	-26,5%
EBITDA margin incl. B3 Poland, %	7,8%	14,2%		10,2%	14,2%	
Operating profit (EBIT) incl. B3 Poland, MSEK	19,9	47,0	-57,7%	110,1	159,0	-30,8%
Operating margin (EBIT) incl. B3 Poland, %	6,0%	12,7%		8,5%	12,5%	

<sup>1</sup> An adjustment was made for the period January-December 2022. The year-end report for 2022 incorrectly reported the opening number of co-workers as 807, which was adjusted to 786 in connection with the interim report for the first quarter of 2023.

<sup>2</sup> The table illustrates alternative key figures as if the 50-per cent owned associated company B3 Consulting Poland (B3 Poland) had been consolidated as a subsidiary of the B3 Group. The Group's share of B3 Poland's profit after tax is currently recognised as profit from investments in associated companies under financial income and expenses. The key figures are based on the assumption of 100 per cent ownership and that no further amortisation/depreciation of additional assets has arisen that is linked to the intended business combination, which is the case if only goodwill is added on such a business combination. In the fourth quarter, net sales in B3 Poland were SEK 40.3 (36.4) million, EBITDA SEK 7.3 (7.7) million, EBIT SEK 6.7 (7.3) million, which in local currency is equivalent to net sales of PLN 15.5 (15.7) million, EBITDA of PLN 2.7 (2.9) million and EBIT of PLN 2.7 (2.6) million. In January-December net sales in B3 Poland were SEK 156.5 (121.4) million, EBITDA SEK 25.3 (22.1) million, EBIT SEK 24.0 (21.2) million, which in local currency is equivalent to net sales of PLN 61.9 (53.5) million, EBITDA of PLN 10.0 (9.7) million and EBIT of PLN 9.5 (9.3) million.

Please see Note 3 for a full table with definitions of all key figures.

## Second-best year in a tougher market

2023 was the second-best year in B3's history, though we can note that conditions in the market became considerably tougher during the year. Sales for the full year were SEK 1,140.8 (1,148.1) million, a decrease of -0.6 per cent. The operating profit (EBIT) for 2023 was SEK 86.1 (137.7) million with an operating margin of 7.5 (12.0) per cent.

### Growth and earnings in the fourth quarter

Sales in the fourth quarter amounted to SEK 293.6 (332.3) million, a decrease of 11.6 per cent compared with the same period in the previous year. EBIT was SEK 13.2 (39.7) million with an operating margin of 4.5 (11.9) per cent. The weaker performance is mainly due to low chargeability at several of our subsidiaries.

At the same time as the market has been weak, several of our subsidiaries strengthened their earnings during the year and we are delighted with successes in B3 Consulting Poland, B3 Financial Consulting, Rebel and Bird, B3 Health Tech, B3 Networks, B3 Indes, B3 Upphandling and B3 Vibe, which are all entering 2024 at a good pace.

### Continued focus on accelerating and braking

In the second half year we worked intensively on introducing Hedgehog, our cost saving programme that was presented in the previous interim report. The target is a marginal improvement in 2024 of 2.2 per cent with 83 per cent effect from Q2 and 100% effect from Q3. In Q4 we also started major work to streamline processes in the Group aimed at further optimising our business resources. We want to be agile and adapt presence and our offer to the industries and regions where there is demand. In view of this, it is gratifying to be able to present a recent new start-up, to strengthen our position in the Linköping-Norrköping region.

The start-up business has been an important part of B3's successes and five of the six companies started in the last five years are performing very well and are ahead of plan. Unfortunately, the sixth, B3 Grit, is an exception that failed, and we must absorb a close-down cost of SEK 2.8 million in the quarter and the total losses in Grit amount to SEK 13.8 million. The process for identifying and stopping unprofitable start-ups has been strengthened.

### We are strengthening our positions in AI

It has not escaped anyone that AI is high on the agenda throughout the business sector and we at B3 are now honing our offer to position us as one of the leading consulting companies in AI. This means that we are gathering proficiency and strengthening skills to ensure that we integrate AI into our day-to-day work at B3 to enhance efficiency and make it a natural part of everyday life while helping our clients to make the same journey. At least 100,000 hours will be invested in training all our co-workers in 2024. In our broadcast for investors our AI pioneer Christian Lauritzen will give more details about this initiative.



Sverre Bjerkeli, Acting President and Chief

### New business and assignments

During the quarter we were awarded several new exciting assignments and also extensions for many clients. We continue to strengthen our positions within banking, finance, and insurance, now manifested through two extended framework agreements with two important clients in the industry. We also have a new framework agreement with a client in the automotive industry. As part of a consortium, B3 has also been awarded a national framework agreement with the Legal, Financial and Administrative Services Agency, which gives the opportunity to support the public sector in its continued digitalisation journey.

### Martin Stenström will be the new CEO of B3

In mid-December Martin Stenström was appointed as new President and CEO of B3. Martin Stenström has long experience of leading and developing B3 as the current Business Area Director of the company and in addition has a sound background from leading positions in the IT industry. Martin is also a highly valued colleague, and we are really pleased that he wants to lead B3 in its continued growth journey. Martin will take over the role in April 2024.

### We are looking forward to 2024

The market is still uncertain, but we are working actively with our focus on accelerating and braking at the same time and strengthening B3 for continued growth. B3 holds a very strong position in the market, and we have high ambitions going forward. I would like to thank all our co-workers, clients and partners for 2023, which despite the tougher market climate could be the second-best year in B3's 20-year history. I look forward with confidence to all that 2024 has to give.

Stockholm, February 2024  
Sverre Bjerkeli

# Events

## In the fourth quarter

- Martin Stenström appointed as new President and CEO of B3 Consulting Group AB. Martin Stenström has long experience of leading and developing B3 as the current Business Area Director of the company and in addition has a sound background from leading positions in the IT industry.
- B3 flagged its holding of own shares. After B3 completed its buyback of own shares in accordance with a repurchase programme decided by the Board, on 11 December 2023 B3 had a total holding of own shares of 451,323 shares, equivalent to 5.09 per cent of the total number of shares and votes in the company. As at 31 December, B3 owns 504,330 own shares, equivalent to 5.69 per cent of the total number of shares and votes in the company
- B3 was again nominated as one of Sweden's Career Companies of 2024. In the citation B3 is praised among other things for its work to build a strong culture and platform for development.
- In a consortium, B3 was awarded the Legal, Financial and Administrative Services Agency framework agreement for Software and Services, System Development as one of seven suppliers. The Legal, Financial and Administrative Services Agency estimates sales within the framework agreement totalling SEK 2.6 billion over its 48-month contract period.
- André Karlsson was appointed new CFO of B3. He was previously Head of Business Control at B3 and before that was Business Controller at Knowit and Cybercom, among others.
- B3 called an extraordinary general meeting of shareholders concerning the introduction of an incentive programme. According to the press release, published on 25 October, the invitation to the extraordinary general meeting was withdrawn. It was planned to hold the general meeting on 8 November.
- On 23 October 2023 the Board of Directors decided on new financial targets to the close of 2025 as well as adopting a new capital allocation policy.
- The Board of Directors decided on 25 October 2023, in accordance with the authorisation by the Annual General Meeting, to initiate repurchase of own shares totalling SEK 25 million during the fourth quarter.
- Daniel Cato was appointed as new CEO of B3's specialist company B3 Dynamics.

### After the close of the period

- At an extraordinary general meeting of shareholders on 7 February it was resolved to issue a maximum of 530,000 warrants to co-workers in the Group.
- B3 broadens its offer in procurement and purchasing. B3 Procurement thereby becomes a comprehensive supplier throughout the procurement and purchasing process.
- B3 receives extended and expanded framework agreement with one of Sweden's major banks.

## In the third quarter

- B3 was named as the IT Consulting Company of the Year when the Developers Day event was arranged for the first time on 13 September.
- B3 started a new partnership with Nordic Leisure Travel Group AB (NLTG) with the brands Ving, Spies and Tjäreborg. A new framework agreement was signed and includes services provided by the entire B3 Group.
- B3 started a new company in cyber security and strengthened its offer in the security area. Emil Gullers has been recruited to lead the new company.
- B3 arranged a keep-fit race for students together with Nackademin and Marathongruppen and launched the interactive app B3 Runtime.
- Johanna Eriksson left her role as CFO of the B3 Consulting Group at her own request.

## In the second quarter

- The Board of directors announced that Anette Billing will leave the role of President and CEO of B3 Consulting Group AB at her own request. The Board of Directors appointed Sverre Bjerkeli as Acting CEO and Daniel Juhlin as Chair of the Board.
- Christian Bratt was appointed as new CEO of B3 Consulting Group's specialist company B3 CodeRight AB.
- Anders Nilsson was recruited as new head of the Digital Experiences & Solutions business area and member of Group Management.
- On 10 May 2023 the Annual General Meeting resolved to exercise the remaining options for the subsidiary B3 Digital Worklife AB. The purchase price for 19,998 shares in B3 Digital Worklife AB was SEK 31.5 million, of which SEK 15.7 million was paid in B3 shares and SEK 15.8 million in cash. The date of possession was 11 May 2023. In connection with possession the Board of Directors decided on a non-cash issue, which increased the share capital by about SEK 11 thousand and the number of shares by 106,696. After the non-cash issue, the total number of shares and votes in B3 was 8,869,794.

## In the first quarter

- B3 started a new partnership with Women in Tech and participated in the largest Nordic technology conference for women, as Co Creating Partner.
- B3 strengthened its collaboration with AWS, Amazon Web Services and took the lead position in the AWS partner network.
- B3 signed a new framework agreement with Verisure and strengthened the earlier partnership. The new framework agreement runs for three years.
- B3 extended and increased team deliveries for several clients in the public sector and eHealth in line with the new business strategy.
- Fredrik Dolléus, CEO of the subsidiary B3 Business Transformation, took over as new head of B3's Digital Management business area and also as a member of the Group Management.

# Group

## October - December 2023

### Revenue and profit

Sales in the fourth quarter amounted to SEK 293.6 (332.3) million, which corresponds to a decrease of -11.6 (22.3) per cent compared with the same period in the previous year. The lower sales compared with the same period in the previous year are mainly attributable to reduced capacity utilisation

(approximately SEK -27 million), revenue from sub-consultants (approximately SEK -11 million), products and licences (approximately SEK -3 million) and one less working day (approximately SEK -3 million). Sales are positively impacted by an increased number of co-workers (approximately SEK +4 million) and increased hourly rates (approximately SEK +4 million). Sub-consultants account for a small part of sales, amounting during the quarter to 5.0 (7.5) per cent. The average number of co-workers in the quarter was 798 (789), which corresponds to an increase of 9 compared with the same period in the previous year.

Other operating income in the quarter amounted to 0.0 (0.9) million. Total operating expenses in the fourth quarter were SEK 280.4 (293.5) million. Staff costs were SEK 225.0 (229.2) million, corresponding to 76.6 (69.0) per cent of sales. The operating profit (EBIT) for the quarter was SEK 13.2 (39.7) million, giving an operating margin (EBIT) of 4.5 (11.9) per cent. The reduced operating margin is mainly attributable to lower capacity utilisation in comparison with the fourth quarter of the previous year and a non-recurring cost for a one-off employee benefit of about SEK 3.8 million. There has been a negative capacity utilisation trend since the start of the year that also continued into the fourth quarter. The adjusted operating margin (EBIT), taking into account non-recurring items was 5.8 per cent.

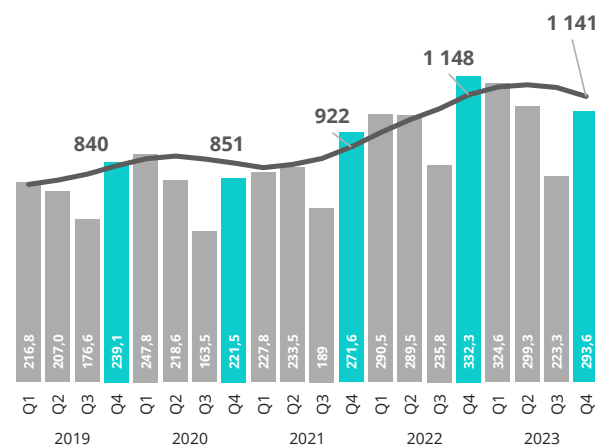
## January - December 2023

### Revenue and profit

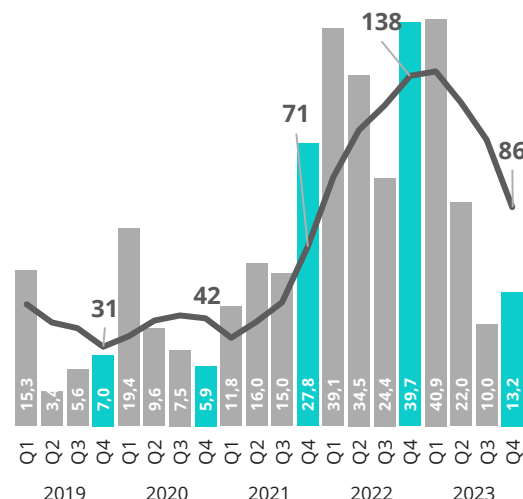
Sales during the year amounted to SEK 1,140.8 (1,148.1) million, which corresponds to a decrease of -0.6 (24.5) per cent compared with the previous year. The decrease in sales compared with the previous year is mainly attributable to reduced capacity utilisation as well as products and licences, but to some extent is offset by an increased number of co-workers and increased hourly rates. Sub-consultants account for a small part of sales, amounting during the year to 5.6 (8.0) per cent. The average number of co-workers for the year was 799 (741), which corresponds to an increase of 58 compared with the previous year. Other operating income for the year amounted to 1.5 (3.1) million. Total operating expenses in the year were SEK 1,056.2 (1,013.5) million. Staff costs were SEK 836.7 (789.9) million, corresponding to 73.3 (68.8) per cent of sales. The operating profit (EBIT) for the year was SEK 86.1 (137.7) million, giving an operating margin (EBIT) of 7.5 (12.0) per cent. The reduced operating margin is mainly attributable to lower capacity utilisation compared with the previous year and non-recurring costs for B3's anniversary celebration of

about SEK 3.5 million, as well as a one-off employee benefit corresponding to about SEK 6.3 million. The adjusted operating margin (EBIT), taking into account non-recurring items, was 8.4 per cent.

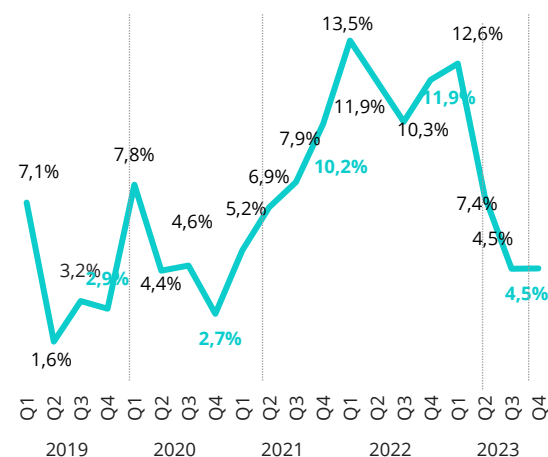
### Sales per quarter and R12 (SEK million)



### Operating profit (EBIT) per quarter and R12 (SEK million)



### Operating margin (EBIT) per quarter (%)





## Financial position and cash flow

The Group's cash flow in the fourth quarter 2023 was SEK 48.9 (9.7) million. Cash flow from operating activities in the fourth quarter 2023 was SEK 46.8 (74.4) million, where the operations had a positive cash flow of SEK 26.2 (51.2) million and working capital changed by SEK 20.6 (23.2) million. Cash flow from investing activities was SEK -3.6 (-3.4) million and is mainly attributable to acquisition of non-current assets. Financing activities affected the cash flow by SEK 5.7 (-61.3) million, which is mainly attributable to a newly raised loan and the negative effect of amortisation of loans and buy back of own shares.

The Group's cash flow for the full year 2023 was SEK -34.5 (29.2) million. Of this, dividend to shareholders is SEK -67.7 (-30.0) million. Cash flow from operating activities for the full year 2023 was SEK 67.8 (151.7) million, where the operations had a positive cash flow of SEK 79.2 (153.2) million and working capital changed by SEK -11.4 (-1.5) million. Cash flow from investing activities was SEK -2.1 (-4.5) million and derives mainly from dividends received from associated companies and shareholder's contributions paid to associated companies. Financing activities affected the cash flow by SEK -100.2 (-118) million. Of this, dividend to shareholders is SEK -67.7 (-30.0) million, loans raised SEK 50.0 (0.0) million, repurchase of own shares SEK -18.7 (-50.0) million and amortisation of loans SEK -34.9 (-34.8) million.

The Group's cash and cash equivalents as at 31 December 2023 amounted to SEK 48.9 (83.4) million. During 2023 the Group extended its overdraft facility from SEK 35.0 million to SEK 50.0 million. As at 31 December 2023, SEK 0.0 million of this credit had been utilised.

Equity as at 31 December 2023 amounted to SEK 180.2 (228.0) million. As at 31 December 2023 the Group had net interest bearing debt (+)/net cash balance (-), excluding impact of IFRS 16 Leases, of SEK 17.1 (-51.4) million. Interest bearing net debt, including IFRS 16, amounts to SEK 122.0 (16.6) million. Increase in debt including IFRS 16 is due to a new 6-year tenancy agreement in Stockholm and new bank loans. The equity/assets ratio is 28.5 (36.6) per cent. The debt/equity ratio amounts to 68 (7) per cent.

## Associated companies

B3's growth strategy is partly based on growth through acquisition and through establishment of entrepreneur-driven companies (called start-ups). For these an agreement on options on remaining holdings is normally made between B3 and the entrepreneurs concerned. The purchase price for these holdings is based on the performance of the company in question for a three-to-five-year period and can be paid either in cash and/or in the form of shares in B3.

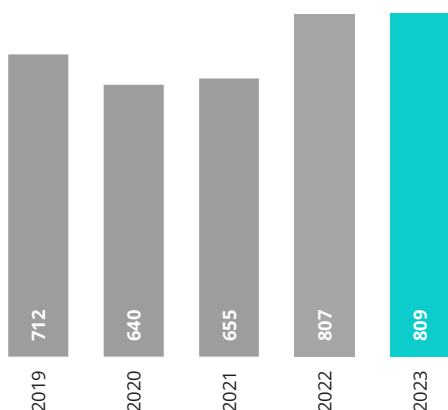
The entrepreneur-driven companies start as associated companies. As associated companies, the results of these investments are recognised in the B3 Group's net financial income with B3's shareholding in accordance with the equity method. Companies that report particularly good growth and profitability potential are consolidated into the Group in the long term as B3 gradually increases its shareholding. See page 1 and Note 3 for alternative performance measures linked to associated companies.

On 1 December 2023 the remaining shares in the associated company Grit AB were acquired and the company is thereby a wholly owned subsidiary as of 1 December 2023. The purchase price was SEK 0.0 million.

## Subsidiaries

On 10 May 2023 the Annual General Meeting resolved to exercise the remaining options for the subsidiary B3 Digital Worklife AB. The purchase price for 19,998 shares in B3 Digital Worklife AB was SEK 31.5 million, of which SEK 15.7 million in B3 shares and SEK 15.8 million in cash. The date of possession was 11 May 2023. In connection with possession the Board of Directors decided on a non-cash issue, which increased the share capital by about SEK 11 thousand and the number of shares by 106,696. After the non-cash issue, the total number of shares and votes in B3 was 8,869,794.

## Number of co-workers on 31 December 2019-2023



### Co-workers

Since the turn of the year B3 has continued to report growth in the number of co-workers, mainly consisting of an increase in the number of employed consultants.

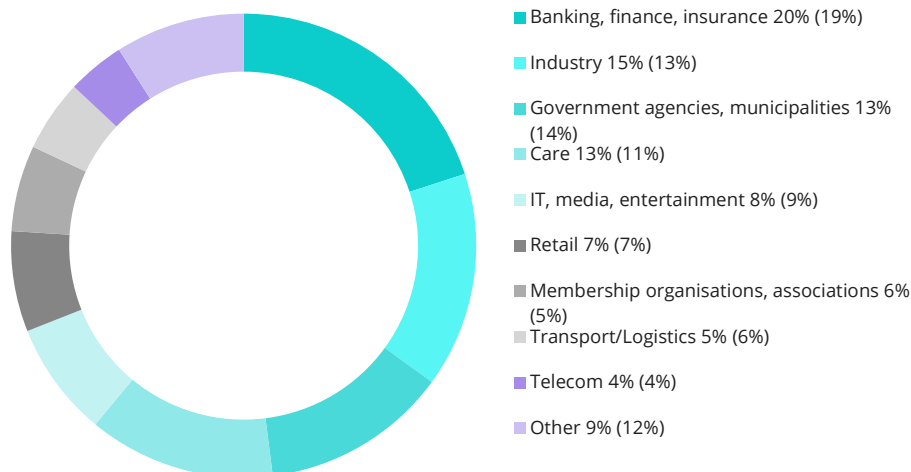
As at 31 December 2023 the number of co-workers was 809 (786)

## Clients

At the close of the fourth quarter 2023, B3 had no individual client that represents more than five per cent of the Group's total sales. B3's ten largest clients together account for about 29 per cent of the Group's sales and the 40 next largest clients represent about 39 per cent of sales. About 50 per cent of B3's sales are related to industries with low or moderate cyclical dependence. In addition, revenues from our own framework agreements constitute about 28 per cent of the Group's sales.

In the fourth quarter B3 continued to strengthen its positions in banking and insurance and at the end of the year was awarded an extended framework agreement with Länsförsäkringar until the end of 2024, as well as an extended and expanded framework agreement with one of Sweden's major banks until the beginning of 2027. B3 has also been awarded a new framework agreement with a prominent manufacturer in the vehicle industry. In a consortium of seven suppliers, B3 was awarded the Legal, Financial and Administrative Services Agency framework agreement for Software and Services, System Development. Authorities, higher education institutions as well as Regions and Municipalities may use the framework agreement. The Legal, Financial and Administrative Services Agency estimates sales within the framework agreement totalling SEK 2.6 billion over its 48-month contract period. B3 also continues to grow in Sweden's Regions, which are introducing new journal systems, including through the Sussa project. Many assignments have been extended by several existing clients.

## Share of revenue per industry sector, Jan-Dec 2023 (Jan-Dec 2022)



# Segment reporting

As of January 2023, B3 has changed the names of its business areas as well as restructuring three subsidiaries between business areas to streamline our service offer better. The change is not deemed to have any material impact on the financial statements. For a detailed list of the segments' revenue and profit with restated comparative figures, please see Note 2.

## Digital Experience & Solutions business area (formerly Digital Innovation)

The business area focuses on development of applications, digital customer experiences, products and services. Digital Experience & Solutions accounts for 38.0 (40.0) per cent of the Group's sales in 2023.

In the fourth quarter of 2023 sales amounted to SEK 112.7 (128.1) million, corresponding to a decrease of -12.0 (15.9) per cent. The operating profit (EBIT) was SEK -3.8 (13.4) million, giving an operating margin (EBIT) of -3.4 (10.5) per cent.

The reduced sales and operating margin in the year's fourth quarter is mainly attributable to lower capacity utilisation and a greater number of consultants in 2022.

For the full year sales amounted to SEK 450.6 (480.9) million, corresponding to a decrease of -6.3 (15.3) per cent. The operating profit (EBIT) was SEK 21.9 (55.8) million, giving an operating margin (EBIT) of 4.8 (11.6) per cent.

## Digital Management business area

The business area focuses on services in digitalisation and operations development, agile transformation, change leadership, security, decision support and eHealth. Digital Management accounts for 30.4 (30.4) per cent of the Group's sales in 2023.

In the fourth quarter of 2023 sales amounted to SEK 99.2 (101.5) million, corresponding to a decrease of -2.3 (21.8) per cent. The operating profit (EBIT) was SEK 8.8 (10.2) million, giving an operating margin (EBIT) of 8.9 (10.0) per cent.

The lower sales in the fourth quarter of the year are explained by a greater number of consultants in 2023 but lower chargeability. The lower operating margin is mainly due to lower capacity utilisation.

For the full year 2023 sales amounted to SEK 360.9 (350.7) million, corresponding to an increase of 2.9 (28.0) per cent. The operating profit (EBIT) was SEK 26.9 (38.8) million, giving an operating margin (EBIT) of 7.5 (11.1) per cent.

## Cloud & Technology Platforms business area (formerly Cloud & Tech)

The business area focuses on services relating to effective, secure, scalable and accessible infrastructure. The market is largely driven by the transfer of new and existing solutions to the cloud, where IT security issues are in focus. Cloud & Technology Platforms accounts for 31.6 (29.6) per cent of the Group's sales in 2023.

In the fourth quarter of 2023 sales amounted to SEK 99.4 (102.5) million, corresponding to a decrease of -3.0 (37.3) per cent. The operating profit (EBIT) was SEK 5.1 (13.1) million, giving an operating margin (EBIT) of 5.1 (12.8) per cent.

The reduced operating margin is mainly due to lower capacity utilisation and impairment loss on projects.

For the full year 2023 sales amounted to SEK 375.3 (355.8) million, corresponding to an increase of 5.5 (38.8) per cent. The operating profit (EBIT) was SEK 32.4 (47) million, giving an operating margin (EBIT) of 8.6 (13.2) per cent.

**Sales, share per business area, R12. Q1 23-Q4 23 (Q1 22-Q4 22)**



Digital Experience & Solutions	38,0%	(40,0%)
Digital Management	30,4%	(30,4%)
Cloud & Technology Platforms	31,6%	(29,6%)

**EBIT, share per business area, R12 Q1 23-Q4 23 (Q1 22-Q4 22)**



Digital Experience & Solutions	27,0%	(39,7%)
Digital Management	33,1%	(26,8%)
Cloud & Technology Platforms	39,9%	(33,5%)

# Parent company

The B3 Consulting Group AB (publ), corporate identity number 556606-3300, is the parent company for the operations in all the subsidiaries. The parent company is responsible for group-wide services such as IT, accounting, administration, people and culture, business development and marketing. The parent company is also responsible for the overall offer in relation to major framework agreement clients.

## October - December 2023

### Revenue and profit

The parent company's net sales in the fourth quarter amounted to SEK 76.4 (78.9) million, which derive from framework agreements with clients common to the Group and invoiced via B3 Consulting Group AB. The parent company's total operating income amounted to SEK 115.9 (110.9) million. The difference between the parent company's sales and total operating income consists of re-invoicing to subsidiaries of group-wide services. The operating profit (EBIT) in the fourth quarter amounted to SEK 0.5 (2.2) million. Impairment loss on shares in associated companies amounted to SEK -7.2 (0.0) million.

## January - December 2023

### Revenue and profit

The parent company's net sales in 2023 amounted to SEK 285.8 (275.9) million, which derive from framework agreements with clients common to the Group and invoiced via B3 Consulting Group AB. The parent company's total operating income amounted to SEK 418.0 (377.3) million. The difference between the parent company's sales and total operating income consists of re-invoicing to subsidiaries of group-wide services. The operating profit (EBIT) for 2023 was SEK -0.3 (-5.0) million. Impairment loss on shares in associated companies amounted to SEK -7.2 (0.0) million.

### Financial position

Cash and cash equivalents as at 31 December 2023 amounted to SEK 47.8 (83.4) million. The parent company has overdraft facilities with a limit of SEK 50.0 (35.0) million, of which SEK 0.0 (0.0) million has been used. The company has bank credit amounting to SEK 66.0 (32.0) million. In 2023 SEK 50.0 (0.0) million was raised in new loans and SEK 16.0 (16.0) million was amortised. The interest expense is based on STIBOR + margin. The parent company's equity as at 31 December 2023 amounted to SEK 218.7 (246.2) million.





# Other information

## Outlook and financial targets

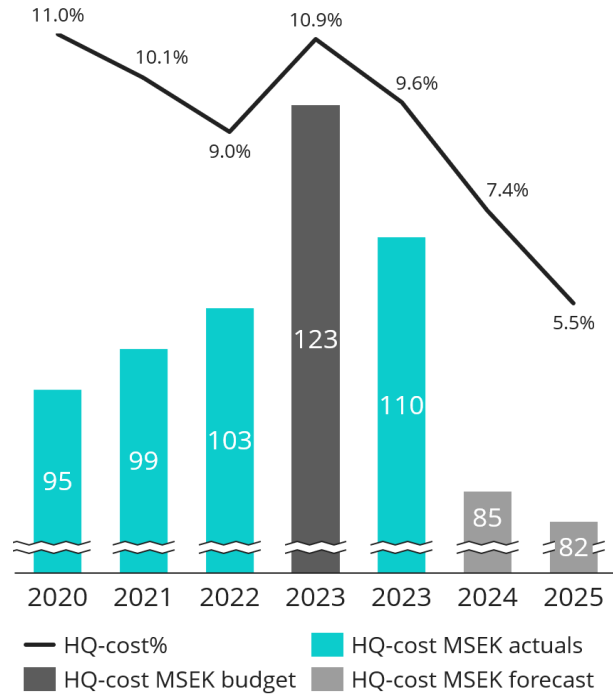
The B3 Group will develop in pace with improved delivery capacity as a result of recruitment, start-ups and company acquisitions, based on client demand and the general investment climate. The Group makes no forecasts.

The market was very favourable in 2022 and market prospects have weakened more than could be foreseen. In view of this, the Board of Directors has decided to adjust the financial targets for the period 2023-2025. Previous targets in brackets.

The Board of Directors has communicated the following financial targets:

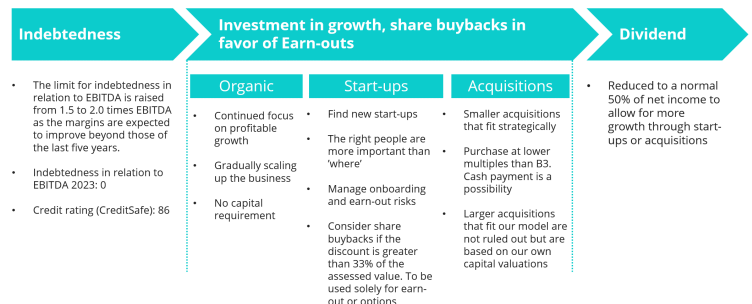
- Reach SEK 1.5 (1.7) billion in annual sales at the close of 2025.
- Report a 10 (12) per cent operating margin (EBIT) over time.
- Borrowings should normally be less than 2.0 (1.5) times EBITDA.
- The aim of the company is to distribute annually up to 50 per cent (2/3) of the company's profit after tax attributable to shareholders in the B3 Consulting Group AB. However, this must take into account the Group's capital requirements for dealing with changes in working capital and for investments, mainly acquisitions.
- In addition, the company, via the authorisation of the Annual General Meeting, can distribute value to the shareholders via buy back of own shares. The purpose is to give the Board of Directors greater room for manoeuvre in working on the company's capital structure, as well as the ability to manage supplementary purchase prices.

Due to the prevailing market situation, with reduced sales and lower margins, the Group has introduced a cost savings programme called Hedgehog. The programme aims to achieve an annual cost saving of about SEK 41 million by 2025. The objective of this savings programme is to limit the cost of the Group's central functions to a maximum of 5 per cent of total annual turnover. To achieve the target the Group has taken measures in the form of resource optimisation and staff reductions in the people & culture, accounting and IT functions, among others. The diagram in the upper right corner of the page shows the expected result, assuming zero per cent growth in 2024 and sales of SEK 1.5 billion in 2025, where B3 Consulting Poland's operations are fully consolidated in the Group's earnings.



At the same time, the Group is investing in marketing and start-up functions by recruiting a coordinator for digital marketing channels and investing in new start-ups. Apart from the above, Group Management roles are being reviewed and consolidated.

Together with these targets, a new overall capital allocation policy has been adopted. The new policy consists of the following components in the model below.



## Risks and uncertainties

In its operations the B3 Group may be exposed to various risks. Some of these the company can control while others lie outside the control of the company. The Group's material business risks consist of reduced demand for consulting services in the client market, price pressure and the ability to recruit and retain competent co-workers. The B3 Group is also subject to financial risks such as currency risk, interest rate risk, credit risk, liquidity risk and risk of cost increases linked to high inflation. The B3 Group makes regular assessments of its risk exposure and works to minimise it. Material risks and uncertainties are described in the Annual Report for 2022 in the section "Risks and risk management" in the administration report and under Note 3.

The war in Ukraine with subsequent energy crisis, increased inflation and higher interest rates, as well as other unrest in the world that may impact financial stability, are generating major uncertainty in many sectors. B3's assessment is that the consequent market situation has deteriorated since the turn of the year. The Board of Directors and Group Management are following developments carefully and will take action as needed.

## The B3 share

The B3 share has been listed on Nasdaq Stockholm since December 2016. On 31 December 2023 there was a total of 8,869,794 shares, of which 504,330 shares held by the company. The average number of shares for the fourth quarter is 8,499,964. For the full year 2023 the average number of shares is 8,500,880. In May 2023 the Annual General Meeting resolved to authorise the Board of Directors for the period up to the next Annual General meeting to decide on acquisition and transfer of the company's own shares. The number of shares held by the company may not exceed 10 per cent of the company's total

issued shares. Each share entitles the holder to one vote. The shares are distributed among 5,806 owners as at 31 December 2023. The share capital amounted to SEK 886,979.4.

## Annual General Meeting

The Annual General Meeting will take place on 8 May 2024, at 14.00 at B3's premises in Stockholm. Notice to attend the Annual General Meeting is published at the latest four weeks before this date on the company's website and in Post & Inrikes Tidningar (the Swedish Official Gazette) and announced in Dagens Industri. The annual report will be published and made available on B3's website [www.b3.se](http://www.b3.se) from 4 April 2024.

The Board of Directors will propose a dividend of SEK 3.50 per share (8.00) to the Annual General Meeting. This corresponds to a total amount of SEK 29.3 (67.7) million. B3's dividend policy is to annually distribute up to 50 (67) per cent of the profit after tax attributable to the company's shareholders. The proposed dividend corresponds to 42.8 (59.2) per cent of the year's net profit in the previous year.

Ahead of the coming Annual General Meeting a Nominations Committee has been appointed in accordance with a resolution on procedure made by B3's Annual General Meeting on 10 May 2023. The Nominations Committee consists of Dag Mauris Nereng, representative of Protector Forsikring ASA, David Bjerkeli, representative of Hvaler Invest AS, Claes Wiberg, representative of Claes Wiberg AB and Daniel Juhlin, Chair of the Board of B3 Consulting Group AB. The Nominations Committee thus corresponds to about 38 per cent of the total number of outstanding shares and votes.

# Signing of the report

The Board of Directors and President certify that the interim report for the period January-December 2023 gives a fair presentation of the Group's and the Parent Company's operations, financial position and performance and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, 14 February 2024

The report has not been subject to review by the company's auditor.

The Board of Directors of B3 Consulting Group AB (publ)

Daniel Juhlin  
Chair of the Board

Mikael Cato  
Member of the Board

Leif Frykman  
Member of the Board

Kristin Lindmark  
Member of the Board

Marika Skärvik  
Member of the Board

Sverre Bjerkeli  
Member of the Board and Chief Executive Officer

# Consolidated financial statements

## Consolidated income statement

SEK million	Not	Q4		Jan-Dec	
		2023	2022	2023	2022
Net sales	2	293,6	332,3	1 140,8	1 148,1
Other operating income		0,0	0,9	1,5	3,1
<b>Operating revenue</b>		<b>293,6</b>	<b>333,2</b>	<b>1 142,3</b>	<b>1 151,2</b>
Engagement-specific external expenses		-28,6	-38,6	-123,5	-139,1
Other external expenses		-21,4	-20,7	-74,8	-63,9
Staff costs		-225,0	-229,2	-836,7	-789,9
Depreciation and impairment of tangible and intangible assets		-5,4	-5,0	-21,2	-20,6
<b>Operating profit</b>		<b>13,2</b>	<b>39,7</b>	<b>86,1</b>	<b>137,7</b>
<b>Profit from financial investments</b>					
Financial income		1,3	0,2	1,4	2,1
Profit from investments in associated companies	4	-1,9	2,7	4,7	7,0
Financial expenses		-1,1	-0,8	-3,9	-2,9
<b>Profit after financial items</b>		<b>11,5</b>	<b>41,8</b>	<b>88,3</b>	<b>143,9</b>
Taxes		-3,1	-8,0	-19,9	-29,2
<b>PROFIT FOR THE PERIOD</b>		<b>8,4</b>	<b>33,8</b>	<b>68,4</b>	<b>114,7</b>
<b>Income for the period attributable to:</b>					
Parent company´s shareholders		8,0	30,1	60,5	103,3
Non-controlling interests		0,4	3,7	7,9	11,4
<b>PROFIT FOR THE PERIOD</b>		<b>8,4</b>	<b>33,8</b>	<b>68,4</b>	<b>114,7</b>
Earnings per share before dilution, SEK		0,97	3,49	7,12	11,83
Earnings per share after dilution, SEK		0,99	3,48	7,12	11,79

## Consolidated statement of comprehensive income

SEK million	Q4		Jan-Dec	
	2023	2022	2023	2022
Profit for the period	8,4	33,8	68,4	114,7
Other comprehensive income for the period	0,0	0,0	0,0	0,0
<b>Comprehensive income for the period</b>	<b>8,4</b>	<b>33,8</b>	<b>68,4</b>	<b>114,7</b>
<b>Comprehensive income for the period attributable to:</b>				
Parent company´s shareholders	8,0	30,1	60,5	103,3
Non-controlling interests	0,4	3,7	7,9	11,4
<b>Comprehensive income for the period</b>	<b>8,4</b>	<b>33,8</b>	<b>68,4</b>	<b>114,7</b>



## Consolidated balance sheet

SEK million	31 Dec	
	2023	2022
<b>ASSETS</b>		
<i>Non-current assets</i>		
Intangible non-current assets	214,0	215,5
Right-of use, assets	105,7	62,3
Property, plant and equipments	6,1	2,5
Investments in associated companies	18,0	16,5
Deferred tax assets	4,5	2,8
Other non-current receivables	2,9	3,6
<b>Total non-current assets</b>	<b>351,2</b>	<b>303,2</b>
<i>Current assets</i>		
Trade receivables	183,4	199,8
Receivables from associated companies	2,2	1,4
Current tax assets	10,9	6,8
Other receivables	0,4	0,3
Prepaid expenses and accrued income	35,6	28,1
Cash and cash equivalents	48,9	83,4
<b>Total current assets</b>	<b>281,4</b>	<b>319,8</b>
<b>TOTAL ASSETS</b>	<b>632,6</b>	<b>623,0</b>
<b>EQUITY AND LIABILITIES</b>		
<i>Equity</i>		
Share capital	0,9	0,9
Other contributed capital	114,1	98,5
Retained earnings including profit for the year	41,7	95,6
<b>Equity attributable to the parent company shareholder</b>	<b>156,7</b>	<b>195,0</b>
Non-controlling interests	23,5	33,0
<b>Total equity</b>	<b>180,2</b>	<b>228,0</b>
<i>Non-current liabilities</i>		
Other provisions	3,5	0,4
Interest-bearing non-current liabilities	106,3	55,9
Other non-current liabilities	-	0,1
<b>Total non-current liabilities</b>	<b>109,8</b>	<b>56,4</b>
<i>Current liabilities</i>		
Interest-bearing current liabilities	64,7	44,1
Trade payables	42,2	37,0
Liabilities to associated companies	0,4	0,2
Current tax liabilities	-	3,4
Other current liabilities	157,5	178,9
Accrued expenses and deferred income	77,8	75,0
<b>Total current liabilities</b>	<b>342,6</b>	<b>338,6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>632,6</b>	<b>623,0</b>

## Changes in equity

CHANGES IN EQUITY Group (SEK million)	SHARE CAPITAL	OTHER CONTRIBUTED CAPITAL	RETAINED EARNINGS INCLUDING PROFIT FOR THE YEAR	TOTAL EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	NON-CONTROLLING INTERESTS	TOTAL EQUITY
<b>Opening equity as at 1 jan 2023</b>	<b>0,9</b>	<b>98,5</b>	<b>95,6</b>	<b>195,0</b>	<b>33,0</b>	<b>228,0</b>
Profit for the year			60,5	60,5	7,9	68,4
Other comprehensive income for the year			-	-	-	-
<b>Comprehensive income for the year</b>			<b>60,5</b>	<b>60,5</b>	<b>7,9</b>	<b>68,4</b>
Transaction with shareholders						
Non-cash issue	0,0	15,7		15,7	-	15,7
Transaction costs		-0,1		-0,1	-	-0,1
Dividend			-67,7	-67,7	-9,3	-77,0
Buy back warrants			-1,0	-1,0	-	-1,0
Repurchase own shares			-18,3	-18,3	-	-18,3
Change in shareholders in subsidiaries			-27,4	-27,4	-8,1	-35,5
<b>Total transactions with shareholders</b>	<b>0,0</b>	<b>15,6</b>	<b>-114,4</b>	<b>-98,8</b>	<b>-17,4</b>	<b>-116,2</b>
<b>Closing equity as at 31 Dec 2023</b>	<b>0,9</b>	<b>114,1</b>	<b>41,7</b>	<b>156,7</b>	<b>23,5</b>	<b>180,2</b>

CHANGES IN EQUITY Group (SEK million)	SHARE CAPITAL	OTHER CONTRIBUTED CAPITAL	RETAINED EARNINGS INCLUDING PROFIT FOR THE YEAR	TOTAL EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	NON-CONTROLLING INTERESTS	TOTAL EQUITY
<b>Opening equity as at 1 jan 2022</b>	<b>0,9</b>	<b>98,5</b>	<b>75,0</b>	<b>174,3</b>	<b>20,3</b>	<b>194,6</b>
Profit for the year			103,3	103,3	11,4	114,7
Other comprehensive income for the year			-	-	-	-
<b>Comprehensive income for the year</b>			<b>103,3</b>	<b>103,3</b>	<b>11,4</b>	<b>114,7</b>
Transaction with shareholders						
Dividend			-30,0	-30,0	-3,2	-33,2
Repurchase own shares			-50,0	-50,0	-	-50,0
Change in shareholders in subsidiaries			-2,7	-2,7	4,5	1,9
<b>Total transactions with shareholders</b>			<b>-82,7</b>	<b>-82,7</b>	<b>1,3</b>	<b>-81,3</b>
<b>Closing equity as at 31 Dec 2022</b>	<b>0,9</b>	<b>98,5</b>	<b>95,6</b>	<b>195,0</b>	<b>33,0</b>	<b>228,0</b>

## Consolidated cash flow statement

SEK million	Not	Q4		Jan-Dec	
		2023	2022	2023	2022
<b>Operating activities</b>					
Operating profit		13,2	39,7	86,1	137,7
Adjustment for non-cash items	5	7,0	7,1	22,8	32,5
Interest received		1,0	0,4	1,5	2,8
Interest paid		-0,7	-1,0	-3,9	-3,6
Income tax paid		5,7	5,0	-27,3	-16,2
<b>Cash flow from operating activities</b>					
before change in working capital		26,2	51,2	79,2	153,2
Increase (-) Decrease (+) in operating receivables		5,7	-22,3	13,2	-32,4
Increase (-) Decrease (+) in operating liabilities		14,9	45,5	-24,6	30,9
<b>Cash flow from operating activities</b>		<b>46,8</b>	<b>74,4</b>	<b>67,8</b>	<b>151,7</b>
<b>Investing activities</b>					
Acquisition of property, plant and equipment		-3,8	0,0	-4,6	-0,5
Acquisition of intangible non-current assets		-0,1	0,4	-0,3	-0,3
Dividend received from associated companies		3,3	-0,1	7,4	0,0
Shareholders' contributions paid to associated companies		-3,8	-3,7	-5,4	-3,7
Acquisition of group companies		0,8	0,0	0,8	0,0
<b>Cashflow from investing activities</b>		<b>-3,6</b>	<b>-3,4</b>	<b>-2,1</b>	<b>-4,5</b>
<b>Financial activities</b>					
Amortisation of loans		-4,0	-4,0	-16,0	-16,0
Amortisation of leasing liabilities		-5,5	-7,3	-18,9	-18,8
New loans		50,0	0,0	50,0	0,0
Amortisation/utilised bank overdraft facility		-15,5	0,0	0,0	0,0
Dividend paid to parent company shareholders		0,0	0,0	-67,7	-30,0
Deposits		0,0	0,0	0,7	0,0
Buy back own shares		-18,3	-50,0	-18,3	-50,0
Dividend paid to non-controlling interests		0,0	0,0	-9,3	-3,2
Repayments warrants		-1,0	0,0	-1,0	0,0
Transactions with non-controlling interests		0,0	0,0	-19,7	0,0
<b>Cash flow from financing activities</b>		<b>5,7</b>	<b>-61,3</b>	<b>-100,2</b>	<b>-118,0</b>
<b>Cash flow for the period</b>		<b>48,9</b>	<b>9,7</b>	<b>-34,5</b>	<b>29,2</b>
<b>Reconciliation of change in cash and cash equivalents</b>					
Opening balance cash and cash equivalents		0,0	73,7	83,4	54,2
Closing balance cash and cash equivalents		48,9	83,4	48,9	83,4
<b>Change in liquid assets</b>		<b>48,9</b>	<b>9,7</b>	<b>-34,5</b>	<b>29,2</b>

# Parent company financial statements

## Parent company income statement

SEK million	Q4		Jan-Dec	
	2023	2022	2023	2022
Net sales	76,4	78,9	285,8	275,9
Other operating income	39,5	32,0	132,2	101,4
<b>Operating revenue</b>	<b>115,9</b>	<b>110,9</b>	<b>418,0</b>	<b>377,3</b>
<b>Operating expenses</b>				
Engagement-specific external expenses	-88,2	-82,0	-309,8	-284,5
Other external expenses	-10,3	-9,8	-38,5	-32,7
Staff cost	-16,4	-16,4	-67,9	-62,9
Depreciation/amortisation and impairment	-0,5	-0,5	-2,1	-2,2
Other operating expenses	0,0	0,0	0,0	0,0
<b>Operating profit</b>	<b>0,5</b>	<b>2,2</b>	<b>-0,3</b>	<b>-5,0</b>
<b>Profit from financial investments</b>				
Profit from investments in group companies	40,7	71,5	45,0	72,9
Other interest and similar profit/loss items	4,7	0,3	9,2	2,5
Write-downs of participations in associated companies	-7,2	0,0	-7,2	0,0
Interest expenses and similar profit/loss items	-0,5	-0,4	-1,8	-1,2
<b>Profit after financial items</b>	<b>38,2</b>	<b>73,6</b>	<b>44,9</b>	<b>69,2</b>
Taxes	-0,4	-0,6	-1,0	0,8
<b>PROFIT FOR THE PERIOD</b>	<b>37,8</b>	<b>73,0</b>	<b>43,9</b>	<b>70,0</b>



## Parent company balance sheet

SEK million	31 Dec	
	2023	2022
<b>ASSETS</b>		
<i>Non-current assets</i>		
Intangible non-current assets	2,3	3,8
Property, plant and equipments	3,4	0,4
	<b>5,7</b>	<b>4,2</b>
<i>Financial assets</i>		
Investments in group companies	361,4	328,5
Receivables from group companies	0,0	-
Investments in associated companies	3,6	6,6
Deferred tax assets	1,6	1,8
Other non-current receivables	2,1	2,8
	<b>368,7</b>	<b>339,7</b>
<b>Total non-current assets</b>	<b>374,4</b>	<b>343,9</b>
<i>Current assets</i>		
<i>Current receivables</i>		
Trade receivables	45,4	49,5
Receivables from group companies	87,5	130,8
Receivables from associated companies	0,0	0,1
Tax assets	1,9	0,4
Other receivables	0,2	-
Prepaid expenses and accrued income	12,3	8,2
	<b>147,3</b>	<b>189,0</b>
<b>Cash and bank balances</b>	<b>47,8</b>	<b>83,4</b>
<b>Total current assets</b>	<b>195,1</b>	<b>272,4</b>
<b>TOTAL ASSETS</b>	<b>569,5</b>	<b>616,3</b>
<b>EQUITY AND LIABILITIES</b>		
<i>Equity</i>		
<i>Restricted equity</i>		
Share capital	0,9	0,9
	<b>0,9</b>	<b>0,9</b>
<i>Non-restricted equity</i>		
Retained earnings	173,9	175,3
Profit for the period	43,9	70,0
	<b>217,8</b>	<b>245,3</b>
<b>Total equity</b>	<b>218,7</b>	<b>246,2</b>
<i>Non-current liabilities</i>		
Liabilities to credit institutions	33,3	16,0
<b>Other non-current liabilities</b>	<b>33,3</b>	<b>16,0</b>
<i>Current liabilities</i>		
Liabilities to credit institutions	32,7	16,0
Trade payables	11,4	10,3
Liabilities to group companies	251,0	288,9
Liabilities to associated companies	0,4	4,0
Other current liabilities	9,9	20,9
Accrued expenses and deferred income	12,1	14,0
<b>Total current liabilities</b>	<b>317,5</b>	<b>354,1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>569,5</b>	<b>616,3</b>

# Notes

## Not 1. Accounting policies and valuation principles

B3 applies International Financial Reporting Standards (IFRS) as adopted by the EU. The year-end report is prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU, and interpretations of current standards, IFRIC, as adopted by the EU. Further, the recommendation RFR 1, Supplementary Accounting Rules for Groups, issued by the Swedish Financial Reporting Board, has been applied. Apart from in the financial statements and their accompanying notes, disclosures under IAS 34.16A are also presented in other parts of the year-end report. This report for the Group was prepared in accordance with IAS 34 Interim financial reporting and applicable provisions in the Swedish Annual Accounts Act. A complete description of accounting policies and valuation principles can be found in the Annual Report for 2022 under Note 2.

The year-end report for the parent company was prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim Reports and the Swedish Financial Reporting Board recommendation RFR 2 and applies the same accounting policies and valuation principles as in the Annual Report for 2022.

## Not 2. Operating segments and breakdown of revenue

An operating segment is a part of the Group that conducts operations from which it can generate income and incur expenses, and for which separate financial information is available. For further description of the operating segments, please refer to page 7.

As of January 2023, B3 has changed the names of its segments as well as restructuring three subsidiaries between segments to better streamline the service offer. The change is not deemed to have any material impact on the financial statements.

### Segment reporting

	Digital Experience & Solutions		Digital Management		Cloud & Technology Platforms		Other <sup>1</sup>		Total	
	Q4		Q4		Q4		Q4		Q4	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external clients	108,1	125,6	95,0	97,3	87,5	94,9	3,0	14,5	293,6	332,3
Revenue from other segments	4,6	2,5	4,2	4,2	11,9	7,6	-20,7	-14,3	-	-
<b>Total revenue</b>	<b>112,7</b>	<b>128,1</b>	<b>99,2</b>	<b>101,5</b>	<b>99,4</b>	<b>102,5</b>	<b>-17,7</b>	<b>0,2</b>	<b>293,6</b>	<b>332,3</b>
<b>Operating profit</b>	<b>-3,8</b>	<b>13,4</b>	<b>8,8</b>	<b>10,2</b>	<b>5,1</b>	<b>13,1</b>	<b>3,1</b>	<b>3,0</b>	<b>13,2</b>	<b>39,7</b>
<b>Operating margin</b>	<b>-3,4%</b>	<b>10,5%</b>	<b>8,9%</b>	<b>10,0%</b>	<b>5,1%</b>	<b>12,8%</b>	<b>n/a</b>	<b>n/a</b>	<b>4,5%</b>	<b>11,9%</b>

	Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Revenue from external clients	427,8	461,3	346,2	335,3	331,5	320,7	35,3	30,8	1 140,8
Revenue from other segments	22,8	19,6	14,7	15,4	43,8	35,1	-81,3	-70,1	-	-
<b>Total revenue</b>	<b>450,6</b>	<b>480,9</b>	<b>360,9</b>	<b>350,7</b>	<b>375,3</b>	<b>355,8</b>	<b>-46,0</b>	<b>-39,3</b>	<b>1 140,8</b>	<b>1 148,1</b>
<b>Operating profit</b>	<b>21,9</b>	<b>55,8</b>	<b>26,9</b>	<b>38,8</b>	<b>32,4</b>	<b>47,0</b>	<b>4,9</b>	<b>-3,9</b>	<b>86,1</b>	<b>137,7</b>
<b>Operating margin</b>	<b>4,8%</b>	<b>11,6%</b>	<b>7,5%</b>	<b>11,1%</b>	<b>8,6%</b>	<b>13,2%</b>	<b>n/a</b>	<b>n/a</b>	<b>7,5%</b>	<b>12,0%</b>

<sup>1</sup> Other includes group eliminations, group adjustments and parent company.

As of January 2023, two companies have changed segment from Digital Management to Digital Experience & Solutions and one company from Digital Experience & Solutions to Cloud & Technology Platforms. Key figures have been restated for 2022 to correspond to the structure from January 2023. For January-December 2022 this means an increase in revenue for Digital Experience & Solutions of SEK 44.5 million, for Cloud & Technology Platforms this means an increase in revenue of SEK 44.1 million.

## Revenue broken down by segment

	Digital Experience & Solutions		Digital Management		Cloud & Technology Platforms		Other <sup>1</sup>		Total	
	Q4		Q4		Q4		Q4		Q4	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external clients	108,1	125,6	95,0	97,3	87,5	94,9	3,0	14,5	293,6	332,3
Revenue from other segments	4,6	2,5	4,2	4,2	11,9	7,6	-20,7	-14,3	-	-
<b>Total revenue</b>	<b>112,7</b>	<b>128,1</b>	<b>99,2</b>	<b>101,5</b>	<b>99,4</b>	<b>102,5</b>	<b>-17,7</b>	<b>0,2</b>	<b>293,6</b>	<b>332,3</b>
<b>Industry sector</b>										
Government agency, municipality	19,4	7,4	7,3	18,5	13,0	16,7	0,1	1,6	39,8	45,8
Banking, finance, insurance	8,8	12,5	34,4	25,8	17,5	16,4	0,5	1,8	61,2	59,7
Care	6,1	7,3	28,4	22,3	2,8	3,7	-0,8	0,6	36,4	38,4
IT, media, entertainment	16,1	19,6	0,8	3,5	5,1	9,9	0,0	1,9	22,0	32,6
Industry	33,7	29,9	3,9	5,7	8,9	8,6	1,0	2,4	47,6	44,1
Transport/Logistics	7,3	9,1	4,3	6,2	3,9	5,4	0,2	1,8	15,8	22,6
Telecoms	0,9	0,8	0,4	1,1	9,2	12,8	0,7	0,8	11,1	13,8
Retail	10,2	13,4	2,5	2,4	4,9	5,5	0,1	1,2	17,6	21,2
Membership organisations and associations	1,1	11,0	5,1	2,7	13,6	2,1	1,0	0,5	20,8	15,6
Other	4,6	14,6	7,9	9,0	8,7	13,8	0,2	1,9	21,4	38,4
<b>Total revenue</b>	<b>108,1</b>	<b>125,6</b>	<b>95,0</b>	<b>97,2</b>	<b>87,5</b>	<b>94,9</b>	<b>3,0</b>	<b>14,5</b>	<b>293,6</b>	<b>332,2</b>

	Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external clients	427,8	461,3	346,2	335,3	331,5	320,7	35,3	30,8	1 140,8	1 148,1
Revenue from other segments	22,8	19,6	14,7	15,4	43,8	35,1	-81,3	-70,1	-	-
<b>Total revenue</b>	<b>450,6</b>	<b>480,9</b>	<b>360,9</b>	<b>350,7</b>	<b>375,3</b>	<b>355,8</b>	<b>-46,0</b>	<b>-39,3</b>	<b>1 140,8</b>	<b>1 148,1</b>
<b>Industry sector</b>										
Government agency, municipality	74,6	29,2	23,8	67,3	50,2	58,8	5,4	3,1	153,9	165,3
Banking, finance, insurance	38,5	54,7	122,9	91,0	63,4	60,1	4,6	2,8	229,4	219,0
Care	24,2	25,7	107,5	72,2	12,0	9,5	-1,8	-0,7	141,8	122,0
IT, media, entertainment	60,5	67,7	5,6	10,3	24,0	28,3	3,2	4,4	93,3	103,0
Industry	115,7	100,1	15,5	23,2	32,2	29,3	7,4	6,9	170,8	151,9
Transport/Logistics	27,5	29,4	18,5	20,7	13,7	16,5	2,1	3,1	61,8	70,1
Telecoms	4,1	2,9	2,3	3,1	35,5	37,7	3,8	3,6	45,8	42,6
Retail	44,9	57,2	10,1	10,1	19,0	20,3	2,3	2,3	76,4	84,3
Membership organisations and associations	4,9	38,6	14,3	9,9	43,5	8,0	4,4	1,0	67,2	55,4
Other	32,9	55,8	25,7	27,4	37,9	52,3	3,8	4,4	100,3	134,5
<b>Total revenue</b>	<b>427,8</b>	<b>461,3</b>	<b>346,2</b>	<b>335,3</b>	<b>331,5</b>	<b>320,7</b>	<b>35,3</b>	<b>30,8</b>	<b>1 140,8</b>	<b>1 148,1</b>

<sup>1</sup> Other includes group eliminations, group adjustments and parent company.

### Not 3. Key figures - Group

	Q4		Jan-Dec	
	2023	2022	2023	2022
Net sales, MSEK	293,6	332,3	1 140,8	1 148,1
Sales growth %	-11,6%	22,3%	-0,6%	25,7%
Operating profit before depreciation/amortisation and impairment (EBITDA), MSEK	18,6	44,7	107,3	158,3
Operating margin before depreciation/amortisation and impairment (EBITDA) %	6,3%	13,5%	9,4%	13,8%
Operating profit (EBIT), MSEK	13,2	39,7	86,1	137,7
Operating margin (EBIT) %	4,5%	11,9%	7,5%	12,0%
Equity-assets ratio %	28,5%	36,6%	28,5%	36,6%
Average number of employees <sup>1</sup>	778	771	780	724
Average number of co-workers <sup>1</sup>	798	789	799	741
Closing number of employees <sup>1</sup>	789	768	789	768
Closing number of co-workers <sup>1</sup>	809	786	809	786
Balance sheet total, MSEK	632,6	623,0	632,6	623,0
Return on equity %	4,6%	14,3%	33,5%	54,3%
Average number of shares	8 499 964	8 647 335	8 500 880	8 733 919
Earnings per share before dilution, SEK	0,97	3,49	7,12	11,83
Earnings per share after dilution, SEK	0,99	3,48	7,12	11,79
<b>Alternative key figures with B3 Poland fully consolidated</b>				
Net sales incl. B3 Poland, MSEK	333,9	368,7	1 297,3	1 269,5
EBITDA incl. B3 Poland, MSEK	25,9	52,4	132,6	180,4
EBITDA margin incl. B3 Poland %	7,8%	14,2%	10,2%	14,2%
Operating profit (EBIT) incl. B3 Poland, MSEK	19,9	47,0	110,1	159,0
Operating margin (EBIT) % incl. B3 Poland, %	6,0%	12,7%	8,5%	12,5%

<sup>1</sup> An adjustment has been made for the period January-December 2022



## Derivation of certain key figures

	Q4		Jan-Dec	
	2023	2022	2023	2022
Net sales	293,6	332,3	1 140,8	1 148,1
Increased net sales compared with previous year	-38,7	60,7	-7,3	226,2
<b>Sales growth</b>	<b>-11,6%</b>	<b>22,3%</b>	<b>-0,6%</b>	<b>24,5%</b>
Operating profit (EBIT)	13,2	39,7	86,1	137,7
Depreciation and impairment of tangible and intangible assets	5,4	5,0	21,2	20,6
<b>Operating profit before depreciation and impairment EBITDA</b>	<b>18,6</b>	<b>44,7</b>	<b>107,3</b>	<b>158,3</b>
Operating profit before depreciation and impairment EBITDA	18,6	44,7	107,3	158,3
Net sales	293,6	332,3	1 140,8	1 148,1
<b>Operating margin before depreciation and impairment (EBITDA), %</b>	<b>6,3%</b>	<b>13,5%</b>	<b>9,4%</b>	<b>13,8%</b>
Operating profit (EBIT)	13,2	39,7	86,1	137,7
Net sales	293,6	332,3	1 140,8	1 148,1
<b>Operating margin (EBIT), %</b>	<b>4,5%</b>	<b>11,9%</b>	<b>7,5%</b>	<b>12,0%</b>
Operating profit (EBIT)	13,2	39,7	86,1	137,7
Depreciation and impairment of intangible assets <sup>1</sup>	0,5	0,4	1,8	1,7
<b>Operating profit before depreciation and impairment of intangible assets, EBITA</b>	<b>13,7</b>	<b>40,1</b>	<b>87,9</b>	<b>139,4</b>
Equity including non-controlling interests	180,2	228,0	180,2	228,0
Balance sheet total	632,6	623,0	632,6	623,0
<b>Equity-assets ratio</b>	<b>28,5%</b>	<b>36,6%</b>	<b>28,5%</b>	<b>36,6%</b>
Profit after tax	8,4	33,8	68,4	114,7
Equity including non-controlling interests opening balance	182,1	244,2	228,0	194,6
Equity including non-controlling interests closing balance	180,2	228,0	180,2	228,0
Average equity	181,2	236,1	204,1	211,3
<b>Return on equity, %</b>	<b>4,6%</b>	<b>14,3%</b>	<b>33,5%</b>	<b>54,3%</b>
Interest-bearing non-current liabilities	106,3	55,9	106,3	55,9
Interest-bearing current liabilities	64,7	44,1	64,7	44,1
Cash and cash equivalents	-48,9	-83,4	-48,9	-83,4
<b>Net debt(+)/Net cash balance(-) incl. IFRS 16<sup>2</sup></b>	<b>122,1</b>	<b>16,6</b>	<b>122,1</b>	<b>16,6</b>
Interest-bearing non-current liabilities <sup>2</sup>	33,3	16,0	33,3	16,0
Interest-bearing current liabilities <sup>2</sup>	32,7	16,0	32,7	16,0
Cash and cash equivalents	-48,9	-83,4	-48,9	-83,4
<b>Net debt(+)/Net cash balance(-) excl. IFRS 16<sup>2</sup></b>	<b>17,1</b>	<b>-51,4</b>	<b>17,1</b>	<b>-51,4</b>
<b>Derivation of alternative key figures with B3 Poland fully consolidated</b>				
Net sales	293,6	332,3	1 140,8	1 148,1
Net sales B3 Poland	40,3	36,4	156,5	121,4
<b>Net sales incl. B3 Poland</b>	<b>333,9</b>	<b>368,7</b>	<b>1 297,3</b>	<b>1 269,5</b>
EBITDA	18,6	44,7	107,3	158,3
EBITDA B3 Poland	7,3	7,7	25,3	22,1
<b>EBITDA incl. B3 Poland</b>	<b>25,9</b>	<b>52,4</b>	<b>132,6</b>	<b>180,4</b>
<b>EBITDA margin incl. B3 Poland, %</b>	<b>7,8%</b>	<b>14,2%</b>	<b>10,2%</b>	<b>14,2%</b>
Operating profit (EBIT)	13,2	39,7	86,1	137,7
Operating profit (EBIT) B3 Poland	6,7	7,3	24,0	21,2
<b>Operating profit (EBIT) incl. B3 Poland</b>	<b>19,9</b>	<b>47,0</b>	<b>110,1</b>	<b>158,9</b>
<b>Operating margin (EBIT) % incl. B3 Poland</b>	<b>6,0%</b>	<b>12,7%</b>	<b>8,5%</b>	<b>12,5%</b>

<sup>1</sup>From Q4 2023, B3's definition of EBITA has changed and now also includes impairment of intangible non-current assets.

<sup>2</sup>Comparative figures for 2022 referring to Interest-bearing liabilities and Net debt/Net cash balance excluding IFRS 16 are adjusted. The liabilities were previously reported including lease liabilities for cars. These are now excluded so that all IFRS 16 liabilities are excluded.

## Not 4. Profit from investments in associated companies

SEK MILLION	Q4		Jan-Dec	
	2023	2022	2023	2022
Profit share from investments in associated companies	1,7	2,7	8,3	8,4
Proceeds from sale of associated companies	-	-	-	-1,4
Impairment loss on investments in associated companies	-3,6	-	-3,6	-
<b>Profit from investments in associated companies</b>	<b>-1,9</b>	<b>2,7</b>	<b>4,7</b>	<b>7,0</b>

## Not 5. Adjustment for non-cash items

SEK MILLION	Q4		Jan-Dec	
	2023	2022	2023	2022
Depreciation and impairment of tangible and intangible assets	5,6	5,0	21,2	20,3
Capital gains/losses on non-current assets	1,2	-0,9	0,4	1,6
Other	0,2	3,0	1,2	10,6
<b>Adjustments for non-cash items</b>	<b>7,0</b>	<b>7,1</b>	<b>22,8</b>	<b>32,5</b>

## Not 6. Business acquisitions

The Annual General Meeting resolved on 10 May 2023 to acquire the outstanding subsidiary shares from the minority shareholders of B3 Digital Worklife AB, thereby increasing ownership to 100 per cent. The acquisition was completed on 11 May with a purchase price of SEK 31.5 million divided between SEK 15.7 million in shares in B3 and SEK 15.8 million in cash. For more information, please refer to the notice to attend the Annual General Meeting and appendices on the Group's website <https://ir.b3.se/>.

On 1 December 2023 the remaining shares in the associated company Grit AB were acquired and the company is thereby a wholly owned subsidiary as of 1 December 2023. The purchase price was SEK 0.0 million. As at 31 December the number of employees was 23.

## Not 7. Supplementary disclosures concerning financial assets and liabilities

The fair value of the Group's other financial assets and liabilities, which are not measured at fair value on the balance sheet, are estimated in all material respects to correspond to the carrying amounts.

*Level 1:* Fair value is determined in accordance with prices quoted in an active market for the same instruments

*Level 2:* Fair value is determined on the basis of either direct (for example price) or indirect (derived from prices) observable market data that is not included in level 1

*Level 3:* Fair value is determined on the basis of inputs that are not based on observable market data

## Not 8. Transactions with related parties

On 10 May 2023 the Annual General Meeting resolved to acquire the remaining shares in the subsidiary B3 Digital Worklife AB. The acquisition was completed on 11 May and the sellers, Martin Stenström and Per-Ola Löwing, received the purchase price of SEK 31.5 million divided between SEK 15.7 million in shares in B3 and SEK 15.8 million in cash. The transaction was on commercial terms.

Acting CEO Sverre Bjerkeli has invoiced his remuneration from Hvaler Invest AS. The remuneration is on commercial terms.

Apart from the above, none of the shareholders, board members, senior management or related parties of B3 Consulting Group AB had any direct or indirect participation in any business transactions with the company that are or were unusual by their nature or in terms of their conditions. Nor has the company granted loans, issued guarantees or surety bonds to or for the benefit of any of the shareholders, board members, senior management or related parties. Agreements on services with related parties, including associated companies, are on a commercial basis. No other transactions that have had a material impact on the Group's financial position and performance have taken place between B3 Consulting Group AB and related parties.

## Not 9. Seasonal variations

In general, the first and second quarters have a relatively even work rate. The third quarter includes most of the holiday period and the fourth quarter is the most work-intensive. Revenue and earnings outcome are closely linked to the work intensity. The number of working days in the fourth quarter 2023 amounted to 62 as compared with 64 in the same period of the previous year and in the full year 2023 there were 251 as compared with 253 in the previous year.

# Definitions of key figures

B3 presents some financial measures that are not defined in accordance with IFRS, called alternative performance measures. B3 considers that these measures provide valuable supplementary information to investors and the company's management, as they enable evaluation of trends and the company's performance. Since not all companies calculate financial measures in the same way, these are not always comparable with those used by other companies. These financial measures should therefore not be regarded as a replacement for measures defined in accordance with IFRS.

## **Number of employees at the close of the period.**

Definition: Number of employees at the close of the period.

Use: As the company's costs and revenues are largely dependent on its employees the company considers that the key figure contributes to understanding the company's development.

## **Number of co-workers at the close of the period**

Definition: The number of employees and the number of associated consultants (who only work for B3) at the close of the period.

Use: As the company's costs and revenues are largely dependent on its co-workers the company considers that the key figure contributes to understanding the company's development.

## **Return on equity**

Definition: Profit after tax as a percentage of average equity including non-controlling interests. If the key figure is calculated for a period shorter than one year the result is used for that period. Average equity capital has been calculated as opening balance plus closing balance of equity capital, including non-controlling interests, divided by two.

Use: The company considers that this key figure provides a good picture of the company's historical profitability.

## **Balance sheet total**

Definition: Total of the company's assets on the balance sheet.

Use: The balance sheet total provides a picture of the company's assets at a certain point in time. The balance sheet total is used when calculating other key figures, such as equity/assets ratio.

## **EBITA**

Definition: The operating profit before impairment loss on goodwill and depreciation/amortisation and impairment of other intangible assets.

Use: The key figure is presented as it is a measure of a company's financial performance. The company considers that the key figure contributes to investors' understanding of the company's performance if there has been depreciation

or amortisation or impairment of intangible assets during the period and over time.

## **Average number of shares**

Definition: Weighted average of the number of outstanding shares during the period.

## **Average number of employees**

Definition: The number of employees at the start of the period plus the number of employees at the close of the period divided by two. For the full year each quarter's closing balances are added together and divided by the number of quarters.

Use: As the company's costs and revenues are largely dependent on its employees the company considers that the key figure contributes to understanding the company's development.

## **Average number of co-workers**

Definition: The number of co-workers at the start of the period plus the number of co-workers at the close of the period divided by two. For the full year each quarter's closing balances are added together and divided by the number of quarters.

Use: As the company's costs and revenues are largely dependent on its co-workers the company considers that the key figure contributes to understanding the company's development.

## **Net sales**

Definition: The company's revenue during the period.

Use: The key figure is used to provide a picture of the company's total revenue for services and goods sold during the period.

## **Net sales including B3 Poland**

Definition: The Group's net sales in the period with the addition of net sales, excluding sales to the B3 Group, in the associated company B3 Consulting Poland.

Use: The measurement is intended to illustrate the extent of and growth in B3 operations, including major associated companies for which there is an intention in the future to take control and consolidate as subsidiaries. At present the only such associated company is B3 Consulting Poland.

## **Net debt (+)/Net cash balance (-), excluding IFRS 16**

Definition: Interest-bearing current and non-current debt excluding IFRS 16 leasing liabilities less cash and cash equivalents and other interest-bearing assets (blocked funds, deposits).

Use: The measure provides a picture of how fast the company can repay its debts.

## **Sales growth**

Definition: The percentage change in net sales in the past period compared with the same period in the previous year.

Use: The key figure is assessed by the company to contribute to understanding of the company's historical development.

#### **Earnings per share**

Definition: Profit for the period attributable to the parent company's shareholders net after tax, divided by the average number of outstanding shares in the company.

Use: The company considers that this measure provides a good picture of the company's performance.

#### **Operating margin before depreciation/amortisation and impairment (EBITDA)**

Definition: EBITDA in relation to net sales for the same period.

Use: The key figure is reported as it is a commonly used measure of a company's financial performance. The company considers that the key figure contributes to investors' understanding of the company's performance during the period and over time.

#### **Operating margin before depreciation/amortisation and impairment (EBITDA) including B3 Poland**

Definition: EBITDA including the associated company B3 Consulting Poland in relation to net sales including B3 Consulting Poland for the same period.

Use: See Operating profit before depreciation/amortisation and impairment (EBITDA) including B3 Consulting Poland.

#### **Operating margin (EBIT)**

Definition: Operating profit in relation to net sales for the same period.

Use: The key figure is presented to provide a picture of the company's performance generated in operating activities during the period and over time. The measure reflects the profitability of the operations. It is useful for monitoring effectiveness of operations before taking tie-up of capital into account. The key figure is used both internally in governance and monitoring of operations and for comparison with other companies in the industry.

#### **Operating margin (EBIT) including B3 Poland**

Definition: Operating profit including the associated company B3 Consulting Poland in relation to net sales including the associated company B3 Consulting Poland for the same period.

Use: See Operating profit (EBIT) including B3 Consulting Poland.

#### **Operating profit before depreciation/amortisation and impairment (EBITDA)**

Definition: Operating profit for the period before depreciation/amortisation and impairment of property, plant and equipment and intangible non-current assets.

Use: The key figure is reported as it is a commonly used measure of a company's financial performance. The

company considers that the key figure contributes to investors' understanding of the company's performance during the period and over time. Put simply, the measure shows the profit generating cash flow in the operations.

#### **Operating profit before depreciation/amortisation and impairment (EBITDA) including B3 Poland**

Definition: Operating profit for the period before depreciation/amortisation and impairment of property, plant and equipment and intangible non-current assets, including the associated company B3 Consulting Poland for the same period.

Use: The measurement is intended to illustrate the profitability of B3 operations, including major associated companies for which there is an intention in the future to take control and consolidate as subsidiaries. At present the only such associated company is B3 Consulting Poland.

#### **Operating profit (EBIT)**

Definition: Profit before tax for the period, interest expense, interest income and profit from interests in associated companies.

Use: The key figure is presented to provide a picture of the company's performance generated in operating activities during the period and over time.

#### **Operating profit (EBIT) including B3 Poland**

Definition: The Group's operating profit with the addition of the entire operating profit for the associated company B3 Consulting Poland.

Use: The measurement is intended to illustrate the profitability of B3 operations, including major associated companies for which there is an intention in the future to take control and consolidate as subsidiaries. At present the only such associated company is B3 Consulting Poland.

#### **Equity-assets ratio**

Definition: Closing equity including non-controlling interests as a percentage of the balance sheet total.

Use: The company considers that the key figure contributes to investors' understanding of the company's financial position at the close of the period. A sound equity/assets ratio enables preparation for downturns and provides financial preparedness for growth.

#### **Debt/equity ratio**

Definition: Interest-bearing net debt in relation to equity including holdings without controlling interest

Use: The company considers that the key figure contributes to assessing the financial risk in a company. The key figure reflects the potential for dividend and investments as well as for assessing the Group's ability to live up to financial commitments.





## Presentation of the report

A webcast presentation will be available for investors, analysts and the media on 15 February at 09.00. The webcast can be accessed via [www.b3.se/ir](http://www.b3.se/ir). Select "See all" under "Reports and presentations". It is possible to email questions via the webcast, as well as in advance via [ir@b3.se](mailto:ir@b3.se)

Shortly after publishing this quarterly report, it will also be available in English. Please click on "En" in the top menu on our website [www.b3.se](http://www.b3.se)

## About B3

*B3 Consulting Group is an expansive consulting company with about 800 co-workers. With deep technical expertise and a passion for innovation, we help Sweden's foremost companies and organisations to create tomorrow's opportunities using digital transformation and operations development. B3 has an award-winning corporate culture that values our diversity, experiences and shared energy. We also endeavour to be an ethical and transparent company with a positive impact on society, people and the environment. B3 is found in nine locations in Sweden and in Poland, with its head office in Stockholm. The company was founded in 2003 and since 2016 has been listed on Nasdaq Stockholm on the Small Cap list (B3). Sales in 2023 amounted to SEK 1,141 million, with an operating profit (EBIT) of SEK 86 million. More information can be found at [www.b3.se](http://www.b3.se)*

## Calendar

Annual Report 2023	4 April 2024
Interim report January-March 2024	24 April 2024
Annual General Meeting for 2023	8 May 2024
Interim report January-June 2024	16 July 2024
Interim report January-September 2024	23 October 2024

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