

Growth -5.3% and operating margin (EBIT) 4.5% in the third quarter

Third quarter, July - September 2023

- Sales amounted to SEK 223.3 (235.8) million, corresponding to a decrease of -5.3 per cent
- The operating profit (EBIT) was SEK 10.0 (24.4) million, with an operating margin (EBIT) of 4.5 (10.3) per cent. The operating margin adjusted for non-recurring items was 5.6 per cent.
- Profit after tax was SEK 9.7 (20.8) million.
- Cash flow from operating activities for the period was SEK -41.2 (-11) million.
- Earnings per share after dilution amounted to SEK 1.05 (2.14).

Other events

- Long-term financial targets up to and including 2025 are being adjusted to annual sales of SEK 1.5 (1.7) billion and an operating margin (EBIT) of 10 per cent (12 per cent).

January – September 2023

- Sales amounted to SEK 847.2 (815.8) million, corresponding to an increase of 3.8 per cent
- The operating profit (EBIT) was SEK 72.9 (98.0) million, with an operating margin (EBIT) of 8.6 (12.0) per cent. The operating margin adjusted for non-recurring items was 9.3 per cent.
- Profit after tax was SEK 60 (80.9) million
- Cash flow from operating activities for the period was SEK 21.0 (77.3) million.
- Earnings per share after dilution amounted to SEK 6.13 (8.38).

Extract of B3's key figures	Q3			Jan-Sep			Jan-Dec
	2023	2022	Δ%	2023	2022	Δ%	2022
Net Sales, SEK million	223,3	235,8	-5,3%	847,2	815,8	3,8%	1 148,1
EBITDA, SEK million	15,5	29,4	-47,3%	88,7	113,6	-21,9%	158,3
EBITDA margin, %	6,9%	12,5%		10,5%	13,9%		13,8%
Operating profit (EBIT), SEK million	10,0	24,4	-59,0%	72,9	98,0	-25,6%	137,7
Operating margin (EBIT), %	4,5%	10,3%		8,6%	12,0%		12,0%
Profit after tax, SEK million	9,7	20,8	-53,4%	60,0	80,9	-25,8%	114,7
Profit per share, SEK	1,05	2,17	-51,6%	6,15	8,53	-27,9%	11,83
Profit per share, SEK	1,05	2,14	-50,9%	6,13	8,38	-26,8%	11,79
Closing number of co-workers ¹	793	791	0,3%	793	791	0,3%	786
Average number of co-workers ¹	799	762	4,9%	796	730	9,0%	741

Alternative key figures with B3 Poland fully consolidated ²	Q3			Jan-Sep			Jan-Dec
	2023	2022	Δ%	2023	2022	Δ%	2022
Net sales incl. B3 Poland, MSEK	264,0	269,0	-1,9%	963,4	900,8	6,9%	1 269,5
EBITDA incl. B3 Poland, MSEK	22,4	36,3	-38,3%	106,7	128,0	-16,6%	180,4
EBITDA margin incl. B3 Poland, %	8,5%	13,5%		11,1%	14,2%		14,2%
Operating profit (EBIT) incl. B3 Poland MSEK	16,5	31,2	-47,1%	90,2	111,9	-19,4%	159,0
Operating margin (EBIT) incl. B3 Poland, %	6,3%	11,6%		9,4%	12,4%		12,5%

¹ 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.

² 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 third quarter net sales in B3 Poland were SEK 40.7 (33.2) million, EBITDA SEK 6.9 (6.9) million, EBIT SEK 6.5 (6.8) million, which in local currency is equivalent to net sales of PLN 15.6 (14.9) million, EBITDA of PLN 2.5 (3.6) million and EBIT of PLN 2.4 (3.6) million. In January-September net sales in B3 Poland were SEK 116.2 (85) million, EBITDA SEK 18.0 (14.4) million, EBIT SEK 17.3 (13.9) million, which in local currency is equivalent to net sales of PLN 46.4 (37.8) million, EBITDA of PLN 7.1 (6.8) million and EBIT of PLN 6.8 (6.7) million. In January-December 2022 net sales in B3 Poland amounted to SEK 121.4 million, EBITDA SEK 22.1 million and EBIT 21.2 million.

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

A challenging market gives negative growth

Growth and earnings

Sales in the second quarter were SEK 223.3 million (-5.3%). The negative growth is mainly attributable to lower capacity utilisation where we see that on average it takes longer to get consultants onto assignments. The operating profit (EBIT) was SEK 10.0 million (-59.0 per cent), and the operating margin was 4.5 per cent.

Weak Swedish market, streamlining and cost savings

The weak market situation from the end of Q2 has continued into Q3. In Q3 we have therefore worked more on optimising the organisation to add the greatest possible value, but at a lower cost. We have identified and started the introduction of a cost savings programme that we call HedgeHog, aimed at achieving savings of 1.6 per cent in 2024. The full effect is expected to be reached at the beginning of Q3 in 2024, and further effects are expected in 2025. The improvement will be measured against the 2023 EBIT margin. The figure is based on 0 growth in 2024, 10 per cent organic growth in 2025 and full consolidation of the associated company B3 Consulting Poland in 2025. It is only intended as an illustration and does not represent any guidance as to volume or EBIT in 2024 and 2025, but we believe the information is useful to investors.

Adjusted targets for 2025 and introduction of a new share repurchase programme

Based on the market being tougher and earnings reflecting that situation, we have reduced our long-term financial targets for the period to 2025. We are now aiming for a volume of SEK 1.5 billion in 2025 (previously 1.7) and an EBIT margin for this three-year period of 10 per cent (previously 12 per cent). Together with these targets a new overall capital allocation policy has been adopted. It is described later in this report with information on start-ups, growth ambitions, debt levels, dividends, repurchase and our approach to M&A opportunities in the market. The Board of Directors has also decided to propose a new buy-back programme of up to SEK 25 million to buy shares to be used later in connection with our earn-out commitments (that mainly occur in 2025).

We accelerate where there is demand

While the market is weak, there are areas where demand continues to be strong. 10 of our 23 invoicing subsidiaries report stronger earnings for Q3 2023 compared with the same period in the previous year. Two of the companies that are growing and growing very well are B3 Skilled and B3 Kodify, both based in Malmö. They will participate and introduce themselves at our Q3 presentation to the market. During the quarter we have also had the pleasure of welcoming a new start-up company with a focus on maximising business benefit in terms of cloud-based standard platforms. The company will go live on 1 January 2024. There are also ongoing dialogues with several competent entrepreneurs, and we look forward to presenting more start-ups in future, in line with our strategy. We do not know when the market will turn, but we are working hard to adapt to the market we have now, and opportunities abound.



President and Chief Executive Officer Sverre Bjerkeli

New business and assignments

During the quarter we continued to strengthen our positions at several of Sweden's major banks with consultants from several of our specialist companies, where the team mix of expertise and background has been a sought-after asset. We also continue to grow in Sweden's regions and private care providers with assignments including development and project management. We have also recently won new framework agreements. B3 has a broad client portfolio with many strong client relations, and we work constantly to be close to our clients to quickly identify their needs and navigate to the areas where there is a demand.

B3 is the IT Consulting Company of the Year

On 1 September B3 was named as IT Consulting Company of the Year when Developers Day was arranged for the first time. During the quarter we also made it to the final of Career Company of the Year as one of 16 among more than 200 nominees, and Pernilla Brolin was named as HR Manager of the Year. We are very proud that B3 as a workplace is being noticed and winning awards, but we are not resting on our laurels but continuing the work of living our vision; to be Sweden's best consulting company for our co-workers, clients and owners.

Confidence and high ambitions going forward

We do not yet know when the market will turn, but we are adapting our business to the prevailing situation with continued focus on accelerating and braking at the same time. B3 holds a very strong position in the market with our entrepreneur driven subsidiaries, where together we are preparing to get through tougher times to be at the forefront when the economy picks up. It is also a fact that the first nine months of 2023 gave the second best nine-month earnings of B3's 20-year history. Therefore, our high ambitions should not come as a surprise to anyone, and I look forward to the future with confidence.

Stockholm October 2023

Sverre Bjerkeli

Events

In the third quarter

- B3 was named as IT Consulting Company of the Year when Developers Day was arranged for the first time on 13 September. The award aims to celebrate a company that has proved over many years to be attractive and create value for both co-workers, clients and partners.
- 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 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. Daniel Juhlin took over as Chair of the Board.
- Christian Bratt was appointed as new CEO of B3 Consulting Group's specialist company B3 CodeRight AB. Christian Bratt is an experienced leader with a 30-year background of working in IT and the consulting industry.
- Anders Nilsson was recruited as new head of the Digital Experiences & Solutions business area and member of the company's Group Management. Anders Nilsson has sound experience of the IT consulting industry.
- 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.

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. Tommy Liikamaa was recruited to lead the AWS initiative and to help broaden B3's Cloud business. B3 has a number of ongoing business activities in AWS including with the SGDS Group.
- B3 signed a new framework agreement with Verisure and strengthened the earlier partnership. The new framework agreement includes consulting services in systems development, project management, business intelligence and cloud and 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 took over as new head of B3's Digital Management business area and also as a member of the Group Management. Fredrik Dolléus has more than 20 years' experience of digital development in leading roles, as well as a long history in the IT consulting industry.

After the close of the period

- Daniel Cato was appointed as new CEO of B3's specialist company B3 Dynamics. Daniel Cato is an experienced leader with a sound background in sales and business development with more than 15 years' experience of Microsoft Dynamics 365.
- B3 reached the final of Career Company of the Year and Pernilla Brolin won an award as HR Manager of the Year at the Stora Karriärdagen award event.
- B3 gave notice to attend an extraordinary general meeting of shareholders in regards of a new incentive programme. In a press release, published on 25 October, it was informed that the extraordinary general meeting is cancelled. The extraordinary general meeting was planned to occur on 8 November.
- On 25 October 2023 the Board of Directors decided on new financial targets to the close of 2025, see page 9.
- The Board of Directors decided on 25 October to adopt a new capital allocation policy, see page 9.
- The Board of Directors decided on 25 October 2023, in accordance with the authorisation by the Annual General Meeting in May 2023, to initiate repurchase of own shares totalling SEK 25 million during the fourth quarter.
- André Karlsson was appointed new permanent CFO of B3. André Karlsson has worked as Head of Business Control at B3 since August 2022, as acting CFO since July 2023 and before that worked as Business Controller of Knowit and Cybercom, among others.

Group

July - September 2023

Revenue and profit

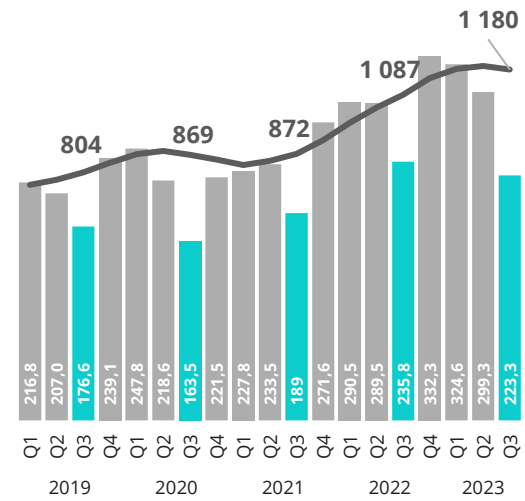
Sales in the third quarter amounted to SEK 223.3 (235.8) million, which corresponds to a decrease of -5.3 (24.8) per cent compared with the same period in the previous year. The lower sales figure in comparison with the same period of the previous year is attributable to an increase in the number of co-workers (about SEK +14 million) and increased hourly rates (about SEK +7 million). Conversely, sales were negatively affected by reduced sales from products and licences (about SEK -1 million), reduced capacity utilisation (about SEK -22 million), reduced sales related to sub-consultants (about SEK -8 million) and one less working day compared with the same period in the previous year (about SEK -3 million). Sub-consultants account for a small part of sales, amounting during the quarter to 7.8 (8.3) per cent. The average number of co-workers in the quarter amounted to 799 (762), which corresponds to an increase of 37 compared with the same period in the previous year. Other operating income in the quarter amounted to 0.4 (0.1) million. Total operating expenses in the third quarter were SEK 213.7 (211.5) million. Staff costs were SEK 167.5 (160.7) million, corresponding to 75.0 (68.2) per cent of sales. The operating profit (EBIT) for the quarter was SEK 10.0 (24.4) million, giving an operating margin (EBIT) of 4.5 (10.3) per cent. The reduced operating margin is mainly attributable to lower capacity utilisation in comparison with the third quarter of the previous year and a non-recurring cost for a one-off employee benefit of about SEK 2.5 million. There has been a negative capacity utilisation trend since the start of the year that also continued into the third quarter. The adjusted operating margin (EBIT), taking into account non-recurring items was 5.6 per cent.

January – September 2023

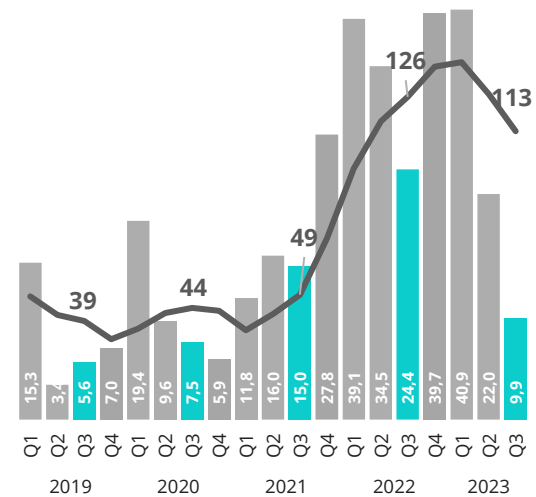
Revenue and profit

Sales in the period January-September amounted to SEK 847.2 (815.8) million, which corresponds to growth of 3.8 (25.4) per cent compared with the same period in the previous year. Sales growth in comparison with the same period of the previous year is mainly attributable to the increase in the number of co-workers and hourly rates, while reduced capacity utilisation had a negative impact on sales growth. Sub-consultants account for a small part of sales, amounting during the quarter to 7.8 (8.3) per cent. The average number of co-workers in the period amounted to 796 (730), which corresponds to an increase of 66 compared with the same period in the previous year. Other operating income in the period amounted to 1.5 (2.2) million. Total operating expenses in the period January-September were SEK 775.8 (720.0) million. The cost rate has risen, given the investments made. Staff costs were SEK 611.7 (560.7) million, corresponding to 72.2 (68.7) per cent of sales. The operating profit (EBIT) for the period was SEK 72.9 (98.0) million, giving an operating margin (EBIT) of 8.6 (12.0) per cent. The reduced operating margin is mainly attributable to lower capacity utilisation in comparison with the same period in 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 2.5 million. The adjusted operating margin (EBIT), taking into account non-recurring items was 9.3 per cent.

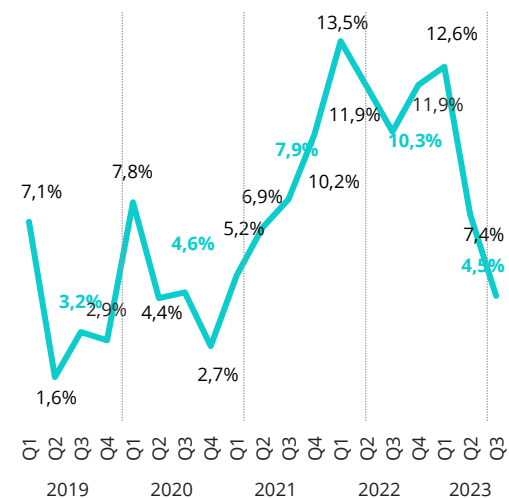
Sales per quarter and R12 (SEK million)



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 third quarter 2023 was SEK -35.6 (-20.2) million. Cash flow from operating activities in the third quarter 2023 was SEK -41.2 (-11) million, where the operations had a positive cash flow of SEK 1.5 (24.4) million and working capital changed by SEK -42.7 (-35.4) million. Cash flow from investing activities was SEK -0.8 (-1) million and is mainly attributable to acquisition of non-current assets. Financing activities affected the cash flow by SEK 6.4 (-8.2) million, which is mainly attributable to amortisation of loans and utilisation of the Group's bank overdraft facility.

The Group's cash flow in the period January-September 2023 was SEK -83.4 (19.5) million. Of this, dividend to shareholders is SEK 67.7 million. Cash flow from operating activities in the period January-September 2023 was SEK 21.0 (77.3) million, where the operations had a positive cash flow of SEK 53.0 (102) million and working capital changed by SEK -32 (-24.7) million. Cash flow from investing activities was SEK 1.5 (-1.1) 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 -105.9 (-56.7) million, which is mainly attributable to dividends and acquisition of shares in subsidiaries.

The Group's cash and cash equivalents as at 30 September 2023 amounted to SEK 0 (73.7) million. During the quarter the Group extended its overdraft facility from SEK 35 million to SEK 50 million. As at 30 September 2023, SEK 15.5 million of this credit had been utilised.

Equity as at 30 September 2023 amounted to SEK 191.1 (244.2) million. As at 30 September 2023 the Group had a net debt (+)/net cash balance (-), excluding impact of IFRS 16 Leases, of SEK 35.4 (-37.7) million. Net debt (excluding IFRS 16)/EBITDA on rolling 12-month basis amounts to SEK 0.3. The equity/assets ratio is 35.2 (41.3) 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.

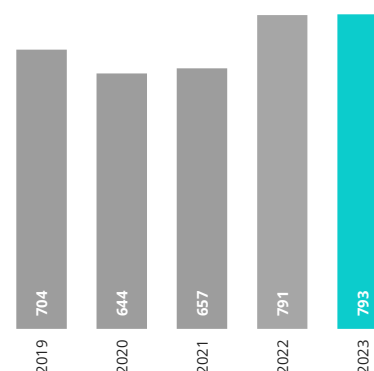
Subsidiaries

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.

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 30 September 2023 the number of co-workers was 793 (791).

Number of co-workers on 30 September 2019-2023

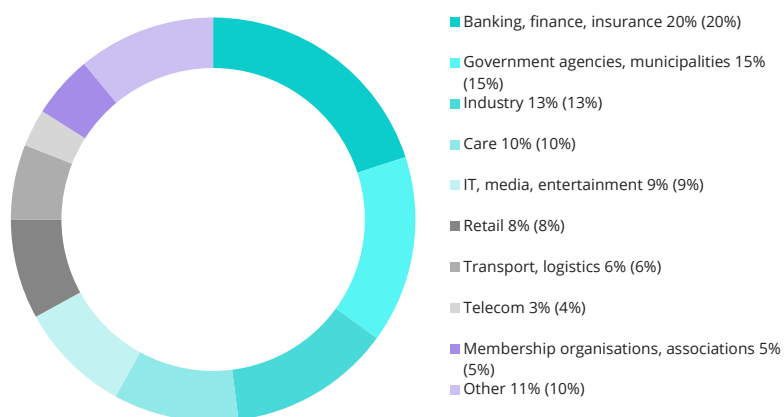


Clients

At the close of the third 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 27 per cent of the Group's sales.

During the quarter we continued to strengthen our positions at several of Sweden's major banks with consultants from several of our specialist companies, where the team mix of expertise and background has been a sought-after asset. Several new assignments have also been started in Sweden's regions as well as private care providers including development and project management. B3 has signed new agreements and started assignments at several member organisations. During the quarter B3 has also won new assignments with clients such as Preem, Almi, Parks&Resorts and Filmstaden. B3 has also been awarded a new framework agreement in the area of app development in SVT's (Swedish public television company) procurement of IT consultants and was recently awarded a contract in SVT's procurement of IT consultants in Operations.

Share of revenue per industry sector, Jan-Sep 2023 (Jan-Sep 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 38.5 (41.3) per cent of the Group's sales in a rolling twelve-month period, October 2022 – September 2023.

In the third quarter of 2023 sales amounted to SEK 85.9 (102.7) million, corresponding to a decrease of -16.4 (17.1) per cent. The operating profit (EBIT) was SEK 3.3 (11.8) million, giving an operating margin (EBIT) of 3.8 (11.5) per cent.

The reduced sales and operating margin in the year's third quarter is mainly attributable to lower capacity utilisation.

Sales in the period January-September amounted to SEK 337.9 (352.8) million, corresponding to a decrease of -4.2 (18.7) per cent. The operating profit (EBIT) was SEK 25.7 (42.4) million, giving an operating margin (EBIT) of 7.6 (12.0) 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 30.2 (30.1) per cent of the Group's sales in a rolling twelve-month period, October 2022 – September 2023.

In the third quarter 2023 sales amounted to SEK 69.9 (64.5) million, corresponding to an increase of 8.4 (29.1) per cent. The operating profit (EBIT) was SEK 2.7 (7.3) million, giving an operating margin (EBIT) of 3.9 (11.3) per cent.

The increased sales in the third quarter are mainly due to the increased number of co-workers and higher hourly rates. The reduced operating margin is mainly attributable to lower capacity utilisation.

Sales in the period January-September amounted to SEK 261.7 (249.2) million, corresponding to an increase of 5.0 (29.1) per cent. The operating profit (EBIT) was SEK 18.1 (28.6), giving an operating margin (EBIT) of 6.9 (11.5) 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 31.3 (28.6) per cent of the Group's sales in a rolling twelve-month period, October 2022 – September 2023.

In the third quarter of 2023 sales amounted to SEK 75.7 (77.5) million, corresponding to a decrease of -2.3 (36.9) per cent. The operating profit (EBIT) was SEK 3.7 (8.9) million, giving an operating margin (EBIT) of 4.9 (11.5) per cent.

The reduced sales and operating margin in the year's third quarter is mainly attributable to lower capacity utilisation.

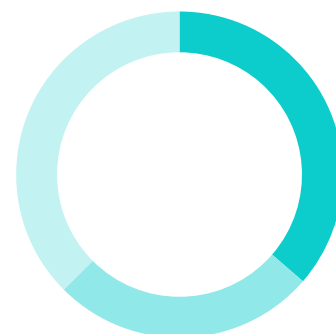
Sales in the period January-September amounted to SEK 275.9 (253.3) million, corresponding to an increase of 8.9 (39.6) per cent. The operating profit (EBIT) was SEK 27.3 (33.9) million, giving an operating margin (EBIT) of 9.9 (13.4) per cent.

Sales, share per business area, R12. Q4 22-Q3 23 (Q4 21-Q3 22)



■ Digital Experience & Solutions 38,5% (41,3%)
■ Digital Management 30,2% (30,1%)
■ Cloud & Technology Platforms 31,3% (28,6%)

EBIT, share per business area, R12. Q4 22-Q3 23 (Q4 21-Q3 22)



■ Digital Experience & Solutions 36,4% (39,6%)
■ Digital Management 26,2% (27,8%)
■ Cloud & Technology Platforms 37,5% (32,7%)

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, employer branding, HR, business development and marketing. The parent company is also responsible for the overall offer in relation to major framework agreement clients.

July - September 2023

Revenue and profit

The parent company's net sales in the third quarter amounted to SEK 56.2 (58.1) million, which derives 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 90.1 (79.6) 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 third quarter amounted to SEK -0.6 (-3.4) million.

January – September 2023

Revenue and profit

The parent company's net sales in the period January-September amounted to SEK 209.4 (197.0) 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 302.1 (266.4) 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 the period January-September was SEK -0.8 (-7.2) million.

Financial position

Cash and cash equivalents amounted to SEK 0 (73.7) million as at 30 September 2023. The parent company has overdraft facilities with a limit of SEK 50.0 (35.0) million, of which SEK 15.5 (0.0) million has been used. The company has a loan raised in 2021 for SEK 48 million. The loan will be amortised over a three-year period. As at 30 September 2023 the remaining debt is SEK 20 million. The interest expense is based on STIBOR plus 2.25 per cent. The parent company's equity as at 30 September 2023 amounted to SEK 200.2 (223.1) million.



Other information

Outlook and financial targets

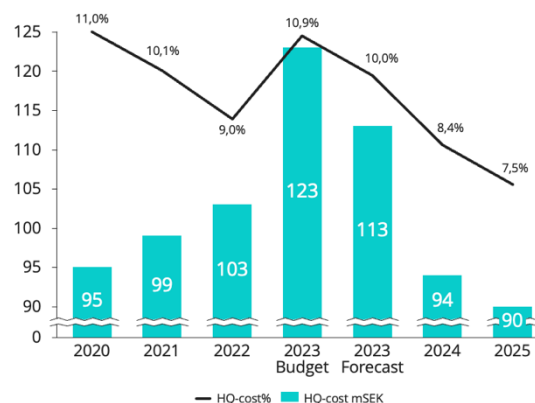
The B3 Group will develop in pace with improved delivery capacity as a result of recruitment, start-ups and company acquisitions, based on client demand and the general investment climate. The Group makes no forecasts.

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 target within brackets.

The Board of Directors has communicated the following financial targets:

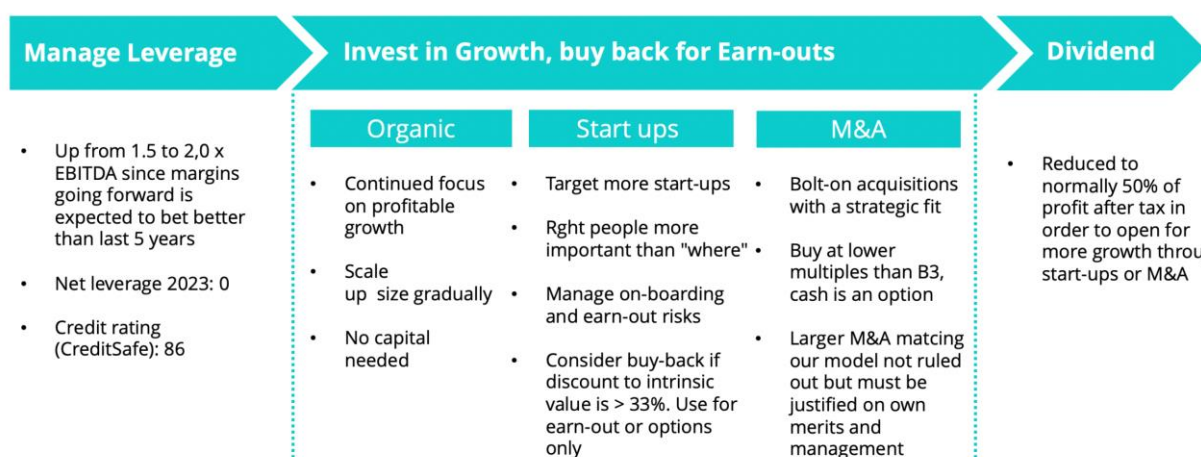
- Reach SEK 1.5 (1.7) billion in annual sales at the close of 2025.
- Report a 10 (12) per cent operating margin (EBIT) over time.
- Borrowings should normally be less than 2.0 (1.5) times EBITDA.
- The aim of the company is to distribute annually up to 50 per cent (2/3) of the company's profit after tax attributable to shareholders in the B3 Consulting Group AB. However, taking into account the Group's capital requirements to deal 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 33 million by 2025. The programme target is that costs for group-wide functions should not exceed 6 per cent of the year's sales. To achieve the target the Group has taken measures in the form of resource optimisation and staff reductions in the sales, people & culture, accounting and IT functions, among others.



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 30 September 2023 there was a total of 8,869,794 shares, of which 300,229 shares held by the company. 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 5,903 owners as at 30 September 2023. The share capital amounted to SEK 886,979.4.

Annual General Meeting

The Annual General Meeting for 2023 will take place on 8 May 2024, at 14.00 at B3's premises in Stockholm. Notice to attend the Annual General Meeting will be published at the latest four weeks before that date on the company's website and in Post & Inrikes Tidningar (the Swedish Official Gazette) and announced in Dagens Industri. 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. Shareholders who wish to submit proposals to B3's Nominations Committee can do so by 31 January 2024 at the latest, via email to valberedning@b3.se or by letter to B3 Consulting Group AB, Att: Nominations Committee, P.O. Box 8, SE 101 20 Stockholm.



Signing of the report

The Board of Directors and President certify that the interim report for the period January-September 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, 25 October 2023

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 Bjerke
Member of the Board and Chief Executive Officer

Review report

(Translation from the Swedish original)

To the Board of Directors of B3 Consulting Group AB (publ.)

Corp. id. 556606-3300

Introduction

We have reviewed the condensed interim financial information (interim report) of B3 Consulting Group AB (publ) as of 30 September 2023 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm 25 October 2023

KPMG AB

Fredrik Westin

Authorized Public Accountant

Consolidated financial statements

Consolidated income statement

SEK million	Not	Q3		Jan-Sep		Jan-Dec
		2023	2022	2023	2022	2022
Net sales	2	223,3	235,8	847,2	815,8	1 148,1
Other operating income		0,4	0,1	1,5	2,2	3,1
Operating revenue		223,7	235,9	848,7	818,0	1 151,2
Engagement-specific external expenses		-25,7	-31,4	-94,9	-100,5	-139,1
Other external expenses		-15,0	-14,4	-53,4	-43,2	-63,9
Staff costs		-167,5	-160,7	-611,7	-560,7	-789,9
Depreciation/amortication and impairment		-5,5	-5,0	-15,8	-15,6	-20,6
Operating profit		10,0	24,4	72,9	98,0	137,7
Profit from financial investments						
Financial income		0,0	0,2	0,1	1,9	2,1
Profit from investments in associated companies	4	3,1	2,4	6,6	4,3	7,0
Financial expenses		-1,0	-0,7	-2,8	-2,1	-2,9
Profit after financial items		12,1	26,3	76,8	102,1	143,9
Taxes		-2,4	-5,5	-16,8	-21,2	-29,2
PROFIT FOR THE PERIOD		9,7	20,8	60,0	80,9	114,7
Income for the period attributable to:						
Parent company's shareholders		9,2	18,7	52,5	73,2	103,3
Non-controlling interests		0,5	2,1	7,5	7,7	11,4
PROFIT FOR THE PERIOD		9,7	20,8	60,0	80,9	114,7
Earnings per share (before and after dilution), SEK		1,05	2,17	6,15	8,53	11,83
Earnings per share (before and after dilution), SEK		1,05	2,14	6,13	8,38	11,79

Consolidated statement of comprehensive income

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, SEK MILLION	Q3		Jan-Sep		jan-dec
	2023	2022	2023	2022	2022
Profit for the period	9,7	20,8	60,0	80,9	114,7
Other comprehensive income for the period	0,0	0,0	0,0	0,0	0,0
Comprehensive income for the period	9,7	20,8	60,0	80,9	114,7
Comprehensive income for the period attributable to:					
Parent company's shareholders	9,2	18,7	52,5	73,2	103,3
Non-controlling interests	0,5	2,1	7,5	7,7	11,4
Comprehensive income for the period	9,7	20,8	60,0	80,9	114,7

Consolidated balance sheet

SEK MILLION	30 Sep		31 Dec
	2023	2022	2022
ASSETS			
<i>Non-current assets</i>			
Intangible non-current assets	214,3	215,9	215,5
Right-of-use, assets	57,9	58,3	62,3
Property, plant and equipments	2,4	2,8	2,5
Investments in associated companies	20,6	10,2	16,5
Deferred tax assets	2,9	3,9	2,8
Other non-current receivables	2,9	3,5	3,6
Total non-current assets	301,0	294,6	303,2
<i>Current assets</i>			
Trade receivables	164,0	156,8	199,8
Receivables from associated companies	6,1	1,9	1,4
Current tax assets	19,3	15,3	6,8
Other receivables	0,4	1,1	0,3
Prepaid expenses and accrued income	51,6	47,5	28,1
Cash and cash equivalents	-	73,7	83,4
Total current assets	241,4	296,3	319,8
TOTAL ASSETS	542,4	590,9	623,0
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	0,9	0,9	0,9
Other contributed capital	98,5	98,5	98,5
Retained earnings including profit for the period	68,6	116,9	95,6
Equity attributable to the parent company shareholder	168,0	216,3	195,0
Non-controlling interests	23,1	27,9	33,0
Total equity	191,1	244,2	228,0
<i>Non-current liabilities</i>			
Other provisions	1,2	0,4	0,4
Interest-bearing non-current liabilities	38,9	58,5	55,9
Other non-current liabilities	0,1	-	0,1
Total non-current liabilities	40,2	58,9	56,4
<i>Current liabilities</i>			
Interest-bearing current liabilities	59,5	41,7	44,1
Trade payables	34,6	31,3	37,0
Liabilities to associated companies	3,0	-	0,2
Current tax liabilities	-	-	3,4
Other current liabilities	151,0	147,6	178,9
Accrued expenses and deferred income	63,0	67,2	75,0
Total current liabilities	311,1	287,8	338,6
TOTAL EQUITY AND LIABILITIES	542,4	590,9	623,0

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
Opening equity as at 1 jan 2023	0,9	98,5	95,6	195,0	33,0	228,0
Profit for the period			52,5	52,5	7,5	60,0
Other comprehensive income for the			-	-	-	-
Comprehensive income for the period			52,5	52,5	7,5	60,0
Transaction with shareholders						
New 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
Change in shareholders in subsidiaries			-27,4	-27,4	-8,1	-35,5
Total transactions with shareholders	0,0	15,6	-95,1	-79,5	-17,4	-96,9
Closing equity as at 30 Sep 2023	0,9	114,1	53,0	168,0	23,1	191,1

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
Opening equity as at 1 jan 2022	0,9	98,5	75,0	174,3	20,3	194,6
Profit for the period			73,2	73,2	7,7	80,9
Other comprehensive income for the			-	-	-	-
Comprehensive income for the period			73,2	73,2	7,7	80,9
Transaction with shareholders						
Dividend			-30,0	-30,0	-3,2	-33,2
Change in shareholders in subsidiaries			-1,2	-1,2	3,1	1,9
Total transactions with shareholders			-31,2	-31,2	-0,1	-31,3
Closing equity as at 30 Sep 2022	0,9	98,5	116,9	216,3	27,9	244,2

Consolidated cash flow statement

SEK MILLION	Not	Q3		Jan-Sep		Jan-Dec
		2023	2022	2023	2022	2022
Operating activities						
Operating profit		10,0	24,4	72,9	98,0	137,7
Adjustment for non-cash items	5	5,5	7,7	15,8	25,4	32,5
Interest received		0,3	0,4	0,5	2,4	2,8
Interest paid		-1,3	-0,9	-3,2	-2,6	-3,6
Income tax paid		-13,0	-7,2	-33,0	-21,2	-16,2
Cash flow from operating activities before change in working capital		1,5	24,4	53,0	102,0	153,2
Increase (-) Decrease (+) in operating receivables		3,0	0,7	7,5	-10,1	-32,4
Increase (-) Decrease (+) in operating liabilities		-45,7	-36,1	-39,5	-14,6	30,9
Cash flow from operating activities		-41,2	-11,0	21,0	77,3	151,7
Investing activities						
Acquisition of property, plant and equipment		-0,7	-0,8	-0,8	-0,9	-0,5
Acquisition of intangible non-current assets		-0,1	-0,2	-0,2	-0,2	-0,3
Shareholders' contributions paid to associated companies		0,4	0,0	4,1	0,0	0,0
Shareholders' contributions paid to associated companies		-0,4	0,0	-1,6	0,0	-3,7
Cashflow from investing activities		-0,8	-1,0	1,5	-1,1	-4,5
Financial activities						
Amortisation of loans		-4,0	-4,0	-12,0	-16,0	-16,0
Amortisation of loans IFRS 16		-4,6	-4,2	-13,4	-7,5	-18,8
Utilised bank overdraft facility		15,5	0,0	15,5	0,0	0,0
Dividend paid to parent company shareholders		0,0	0,0	-67,7	-30,0	-30,0
Deposits		0,0	0,0	0,7	0,0	0,0
Buy back own shares		0,0	0,0	0,0	0,0	-50,0
Dividend paid to non-controlling interests		0,0	0,0	-9,3	-3,2	-3,2
Transactions with non-controlling interests		-0,5	0,0	-19,7	0,0	0,0
Cash flow from financing activities		6,4	-8,2	-105,9	-56,7	-118,0
Cash flow for the period		-35,6	-20,2	-83,4	19,5	29,2
Reconciliation of change in cash and cash equivalents						
Opening balance cash and cash equivalents		35,6	93,9	83,4	54,2	54,2
Closing balance cash and cash equivalents		0,0	73,7	0,0	73,7	83,4
Change in liquid assets		-35,6	-20,2	-83,4	19,5	29,2

Parent company financial statements

Parent company income statement

SEK MILLION	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
Net sales	56,2	58,1	209,4	197,0	275,9
Other operating income	33,9	21,5	92,7	69,4	101,4
Operating revenue	90,1	79,6	302,1	266,4	377,3
Operating expenses					
Engagement-specific external expenses	-67,3	-60,1	-221,6	-202,5	-284,5
Other external expenses	-7,1	-7,5	-28,2	-22,9	-32,7
Staff cost	-15,7	-14,9	-51,5	-46,5	-62,9
Depreciation/amortisation and impairment	-0,6	-0,5	-1,6	-1,7	-2,2
Other operating expenses	0,0	0,0	0,0	0,0	0,0
Operating profit	-0,6	-3,4	-0,8	-7,2	-5,0
Profit from financial investments					
Profit from investments in group companies	0,0	0,0	4,3	1,4	72,9
Other interest and similar profit/loss items	0,6	1,9	4,5	2,2	2,5
Interest expenses and similar profit/loss items	-0,5	-0,3	-1,3	-0,8	-1,2
Profit after financial items	-0,5	-1,8	6,7	-4,4	69,2
Taxes	0,1	0,7	-0,6	1,4	0,8
PROFIT FOR THE PERIOD	-0,4	-1,1	6,1	-3,0	70,0

Parent company balance sheet

SEK MILLION	30 Sep		31 Dec
	2023	2022	2022
ASSETS			
<i>Non-current assets</i>			
Intangible non-current assets	2,6	4,2	3,8
Property, plant and equipments	0,9	0,5	0,4
	3,5	4,7	4,2
<i>Financial assets</i>			
Investments in group companies	359,4	328,5	328,5
Receivables from group companies	0,0	0,9	0,0
Investments in associated companies	8,3	2,9	6,6
Deferred tax assets	1,8	2,2	1,8
Other non-current receivables	2,1	2,8	2,8
	371,6	337,3	339,7
Total non-current assets	375,1	342,0	343,9
<i>Current assets</i>			
<i>Current receivables</i>			
Trade receivables	39,0	35,4	49,5
Receivables from group companies	43,8	53,4	130,8
Receivables from associated companies	0,2	1,1	0,1
Tax assets	1,8	0,3	0,4
Other receivables	-	0,3	0,0
Prepaid expenses and accrued income	14,7	13,1	8,2
	99,5	103,6	189,0
Cash and bank balances	-	73,7	83,4
Total current assets	99,5	177,3	272,4
TOTAL ASSETS	474,6	519,3	616,3
EQUITY AND LIABILITIES			
<i>Equity</i>			
<i>Restricted equity</i>			
Share capital	0,9	0,9	0,9
	0,9	0,9	0,9
<i>Non-restricted equity</i>			
Retained earnings	193,2	225,2	175,2
Profit for the period	6,1	-3,0	70,0
	199,3	222,2	245,2
Total equity	200,2	223,1	246,2
<i>Non-current liabilities</i>			
Liabilities to credit institutions	4,0	20,0	16,0
Other non-current liabilities	4,0	20,0	16,0
<i>Current liabilities</i>			
Liabilities to credit institutions	31,5	16,0	16,0
Trade payables	8,6	10,7	10,3
Liabilities to group companies	207,9	227,6	288,9
Liabilities to associated companies	2,1	0,0	4,0
Other current liabilities	8,3	7,0	20,9
Accrued expenses and deferred income	12,0	14,9	14,0
Total current liabilities	270,4	276,2	354,1
TOTAL EQUITY AND LIABILITIES	474,6	519,3	616,3

Notes

Not 1. Accounting policies and valuation principles

B3 applies International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report was prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting. The Group's accounting policies are unchanged in comparison with the most recently submitted annual report. A complete description of accounting policies and valuation principles is given in the Annual Report for 2022 under Note 2.

The parent company prepares its accounts in accordance with the Annual Accounts Act 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

	Q3		Q3		Q3		Q3		Q3	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external clients	81,0	97,9	68,0	62,0	68,1	70,5	6,1	5,4	223,2	235,8
Revenue from other segments	4,9	4,8	1,9	2,5	7,6	7,0	-14,4	-14,3	-	-
Total revenue	85,9	102,7	69,9	64,5	75,7	77,5	-8,3	-8,9	223,2	235,8
Operating profit	3,3	11,8	2,7	7,3	3,7	8,9	0,4	-2,4	10,1	25,6
Operating margin	3,8%	11,5%	3,9%	11,3%	4,9%	11,5%	n/a	n/a	4,5%	10,9%

	Jan-Sep		Jan-Sep		Jan-Sep		Jan-Sep		Jan-Sep	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external clients	319,7	335,7	251,2	238,0	244,0	225,8	32,3	16,2	847,2	815,7
Revenue from other segments	18,2	17,1	10,5	11,2	31,9	27,5	-60,6	-55,8	-	-
Total revenue	337,9	352,8	261,7	249,2	275,9	253,3	-28,3	-39,6	847,2	815,7
Operating profit	25,7	42,4	18,1	28,6	27,3	33,9	1,5	-5,1	72,6	99,8
Operating margin	7,6%	12,0%	6,9%	11,5%	9,9%	13,4%	n/a	n/a	8,6%	12,2%

¹ 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-September 2022 this means an increase in revenue for Digital Experience & Solutions of SEK 33.1 million, for Cloud & Technology Platforms this means an increase in revenue of SEK 30.7 million.

Revenue broken down by segment

	Q3		Q3		Q3		Q3		Q3	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external clients	81,0	97,9	68,0	62,0	68,1	70,5	6,1	5,4	223,2	235,8
Revenue from other segments	4,9	4,8	1,9	2,5	7,6	7,0	-14,4	-14,3	-	-
Total revenue	85,9	102,7	69,9	64,5	75,7	77,5	-8,3	-8,9	223,2	235,8
Industry sector										
Government agency, municipality	14,2	5,8	4,2	12,4	10,5	12,9	1,2	0,3	30,1	33,6
Banking, finance, insurance	7,3	11,7	24,5	17,1	12,8	12,9	0,4	0,5	45,1	45,4
Care	3,5	5,4	20,7	12,6	2,7	1,4	-0,5	-	26,4	23,3
IT, media, entertainment	12,2	14,8	1,0	2,3	5,6	6,6	0,8	0,7	19,6	22,1
Industry	22,9	20,2	3,0	3,8	6,8	6,3	1,7	1,6	34,4	29,5
Transport/Logistics	4,8	6,3	3,3	3,9	2,7	3,9	0,5	0,5	11,3	14,6
Telecoms	0,7	0,6	0,4	0,6	6,9	8,1	0,5	0,5	8,5	8,8
Retail	9,0	12,5	2,3	1,8	3,3	4,5	0,5	0,4	15,1	17,4
Membership organisations and associations	1,2	7,6	3,3	1,6	9,0	2,0	0,6	0,2	14,0	10,5
Other	5,2	13,1	5,3	6,0	7,9	12,0	0,5	0,7	18,9	30,6
Total revenue	81,0	97,9	68,0	62,0	68,1	70,5	6,1	5,4	223,2	235,8
	Jan-Sep		Jan-Sep		Jan-Sep		Jan-Sep		Jan-Sep	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external clients	319,7	335,7	251,2	238,0	244,0	225,8	32,3	16,2	847,2	815,7
Revenue from other segments	18,2	17,1	10,5	11,2	31,9	27,5	-60,6	-55,8	-	-
Total revenue	337,9	352,8	261,7	249,2	275,9	253,3	-28,3	-39,6	847,2	815,7
Industry sector										
Government agency, municipality	55,0	22,0	16,4	48,8	37,2	41,9	5,5	1,6	114,2	119,5
Banking, finance, insurance	29,9	42,4	88,5	65,5	45,9	44,0	4,0	0,9	168,3	160,1
Care	19,6	18,3	79,1	49,9	9,2	5,6	-2,5	-1,3	105,4	83,3
IT, media, entertainment	43,1	48,6	4,8	6,7	18,9	18,4	4,4	2,6	71,3	70,8
Industry	79,3	69,4	11,6	17,2	23,3	20,5	9,0	4,5	123,2	106,6
Transport/Logistics	20,7	20,0	14,1	14,5	9,8	11,0	1,3	1,3	46,0	47,2
Telecoms	3,5	2,1	1,9	2,1	26,3	25,2	3,0	2,6	34,7	29,0
Retail	34,3	44,0	7,7	7,6	14,1	15,0	2,7	1,0	58,8	63,4
Membership organisations and associations	3,5	27,7	9,2	7,1	30,0	5,9	3,7	0,6	46,4	39,7
Other	30,7	41,2	17,8	18,5	29,2	38,3	1,3	2,4	78,9	96,1
Total revenue	319,7	335,7	251,2	238,0	244,0	225,8	32,3	16,2	847,2	815,7

¹ Other includes group eliminations, group adjustments and parent company

Not 3. Key figures - Group

	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
Net sales, MSEK	223,3	235,8	847,2	815,8	1 148,1
Sales growth %	-5,3%	24,8%	3,8%	25,7%	25,7%
Operating profit before depreciation/amortisation and impairment	15,5	29,4	88,7	113,6	158,3
Operating margin before depreciation/amortisation and impairment	6,9%	12,5%	10,5%	13,9%	13,8%
Operating profit (EBIT), MSEK	10,0	24,4	72,9	98,0	137,7
Operating margin (EBIT) %	4,5%	10,3%	8,6%	12,0%	12,0%
Equity-assets ratio %	35,2%	41,3%	35,2%	41,3%	36,6%
Average number of employees ¹	780	744	778	713	724
Average number of co-workers ¹	799	762	796	730	741
Closing number of employees ¹	774	773	774	773	768
Closing number of co-workers ¹	793	791	793	791	786
Balance sheet total, MSEK	542,4	590,9	542,4	590,9	623,0
Return on equity %	5,2%	8,9%	28,6%	36,9%	54,3%
Earnings per share, SEK	1,05	2,17	6,15	8,53	11,83
Earnings per share, SEK	1,05	2,14	6,13	8,38	11,79
Alternative key figures with B3 Poland fully consolidated					
Net sales incl. B3 Poland, MSEK	264,0	269,0	963,4	900,8	1 269,5
EBITDA incl. B3 Poland, MSEK	22,4	36,3	106,7	128,0	180,4
EBITDA margin incl. B3 Poland %	8,5%	13,5%	11,1%	14,2%	14,2%
Operating profit (EBIT) incl. B3 Poland, MSEK	16,5	31,2	90,2	111,9	159,0
Operating margin (EBIT) % incl. B3 Poland, %	6,3%	11,6%	9,4%	12,4%	12,5%

¹ An adjustment has been made for the period January-December 2022

Derivation of certain key figures

	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
Net sales	223,3	235,8	847,2	815,8	1 148,1
Increased net sales compared with previous year	-12,5	46,8	31,4	165,5	226,2
Sales growth	-5,3%	24,8%	3,8%	25,4%	24,5%
Operating profit (EBIT)	10,0	24,4	72,9	98,0	137,7
Depreciation/amortisation and impairment	5,5	5,0	15,8	15,6	20,6
Operating profit before depreciation/amortisation and impairment EBITDA	15,5	29,4	88,7	113,6	158,3
Operating profit before depreciation/amortisation and impairment EBITDA	15,5	29,4	88,7	98,0	158,3
Net sales	223,3	235,8	847,2	815,8	1 148,1
Operating margin before depreciation/amortisation and impairment (EBITDA), %	6,9%	12,5%	10,5%	12,0%	13,8%
Operating profit (EBIT)	10,0	24,4	72,9	98,0	137,7
Net sales	223,3	235,8	847,2	815,8	1 148,1
Operating margin (EBIT), %	4,5%	10,3%	8,6%	12,0%	12,0%
Operating profit (EBIT)	10,0	24,4	72,9	98,0	137,7
Impairment loss on intangible non-current assets	-	-	-	-	-
Operating profit before depreciation/amortisation EBITA	10,0	24,4	72,9	98,0	137,7
Equity including non-controlling interests.	191,1	244,2	191,1	244,2	228,0
Balance sheet total	542,4	590,9	542,4	590,9	623,0
Equity-assets ratio	35,2%	41,3%	35,2%	41,3%	36,6%
Profit after tax	9,7	20,8	60,0	80,9	114,7
Equity including non-controlling interests opening balance	182,1	223,4	228,0	194,6	194,6
Equity including non-controlling interests closing balance	191,1	244,2	191,1	244,2	228,0
Average equity	186,6	233,8	209,6	219,4	211,3
Return on equity, %	5,2%	8,9%	28,6%	36,9%	54,3%
Interest-bearing non-current liabilities	38,9	58,4	38,9	58,4	55,9
Interest-bearing current liabilities	59,5	41,7	59,5	41,7	44,1
Cash and cash equivalents	-	-73,7	-	-73,7	-83,4
Net debt(+)/Net cash balance(-) incl. IFRS 16	98,4	26,4	98,4	26,4	16,6
Interest-bearing non-current liabilities ¹	4,0	20,0	4,0	20,0	16,0
Interest-bearing current liabilities ¹	31,4	16,0	31,4	16,0	16,0
Cash and cash equivalents	-	-73,7	-	-73,7	-83,4
Net debt(+)/Net cash balance(-) excl. IFRS 16¹	35,4	-37,7	35,4	-37,7	-51,4
Derivation of alternative key figures with B3 Poland fully consolidated					
Net sales	223,3	235,8	847,2	815,8	1 148,1
Net sales B3 Poland	40,7	33,2	116,2	85,0	121,4
Net sales incl. B3 Poland	264,0	269,0	963,4	900,8	1 269,5
EBITDA	15,5	29,4	88,7	113,6	158,3
EBITDA B3 Poland	6,9	6,9	18,0	14,4	22,1
EBITDA incl. B3 Poland	22,4	36,3	106,7	128,0	180,4
EBITDA margin incl. B3 Poland, %	8,5%	13,5%	11,1%	14,2%	14,2%
Operating profit (EBIT)	10,0	24,4	72,9	98,0	137,7
Operating profit (EBIT) B3 Poland	6,5	6,8	17,3	13,9	21,3
Operating profit (EBIT) incl. B3 Poland	16,5	31,2	90,2	111,9	159,0
Operating margin (EBIT) % incl. B3 Poland	6,3%	11,6%	9,4%	12,4%	12,5%

¹ The 2022 comparative figures for 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	Q3		Jan-Sep		jan-dec
	2023	2022	2023	2022	2022
Profit share from investments in associated companies	3,1	2,4	6,6	5,7	8,4
Proceeds from sale of associated companies	-	-	-	-1,4	-1,4
Profit from investments in associated companies	3,1	2,4	6,6	4,3	7,0

Not 5. Adjustment for non-cash items

SEK MILLION	Q3		Jan-Sep		jan-dec
	2023	2022	2023	2022	2022
Depreciation/amortisation and impairment	5,3	4,7	15,6	15,3	20,3
Capital gains/losses on non-current assets	-0,1	1,1	-0,8	2,5	1,6
Other	0,3	1,9	1,0	7,6	10,6
Adjustments for non-cash items	5,5	7,7	15,8	25,4	32,5

Not 6. Business acquisitions

The Annual General Meeting resolved on 10 May 2023 to acquire the outstanding subsidiary shares from the minority shareholders of 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/>.

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.

Profit for the quarter is charged with a reservation referring to the cost of the CEO fee to the member of the board and Chief Executive Officer Sverre Bjerkel's own company, Hvaler Invest AS. The remuneration has not yet been paid. 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 third quarter 2023 amounted to 65 as compared with 66 in the same period of the previous year and in the period January-September 2023 there were 188 as compared with 189 in the same period of the previous year. The full year 2023 has two fewer working days than the full year 2022.

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: Operating profit before any impairment of 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 an impairment loss on intangible assets during the period and over time.

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.

Net debt (excluding IFRS 16)/EBITDA on rolling 12-month basis

Definition: Net debt, excluding impact of IFRS 16 "Leases", as a percentage of rolling 12-month EBITDA.

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

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.



Presentation of the report

A webcast presentation will be available for investors, analysts and the media on 26 October at 09.00. The webcast can be accessed via 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

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 2022 amounted to SEK 1,148 million, with an operating profit (EBIT) of SEK 138 million. More information can be found at www.b3.se

Calendar

Year-end report January-December 2023	14 February 2024 (after stock market close)
Annual Report 2023	4 April 2024
Interim report January-March 2024	25 April 2024
Annual General Meeting for 2023	8 May 2024
Interim report January-June 2024	17 July 2024
Interim report January-September 2024	24 October 2024

Contact information

Sverre Bjerkeli, acting President and Chief Executive Officer, +47 928 38,072, sverre.bjerkeli@b3.se
Katarina Lundqvist, Investor Relations, +46 72 216 11 00, katarina.lundqvist@b3.se

This information is information that B3 Consulting Group AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was released for public disclosure, through the agency of the contact persons above, on 25 October, 2023, at 22.00 CET.