



**creating  
possibilities  
together**

**B3 Consulting Group  
Q4 presentation 2024**

# Speakers



**Martin Stenström**  
CEO B3 Consulting Group



**Katarina Lundqvist**  
Head of Communications & IR

# B3's vision and values

We aim to be Sweden's best consulting company



## B3's vision

Is to be Sweden's best consulting company - for our employees, clients, and shareholders.

## Experiences

Competence and continuous learning are important for building trust and confidence among customers and employees

## Energy

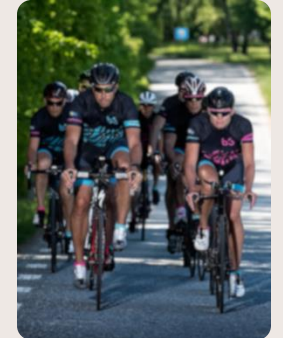
With enthusiasm, commitment, and drive, B3, together with its employees, creates a culture of innovation, encouragement, and well-being.

## Differences

It is proven that diverse backgrounds, education, and interests lead to better results in a team. But it also makes the job more enjoyable.

## The Zebra A Part of B3

The fact that zebra stripes have gradually become part of B3's culture has a clear explanation: Just as B3 elevates diversity as a core value, the pattern is unique to each zebra.





**Q4 2024**



# Highlights FY 2024

## A challenging year, preparing for better times

- Revenue 1 129.3 (1 140.8) MSEK, -1.0% growth and -5.7% organic
- EBITDA 57.5 (107.3) MSEK, EBITDA margin 5.1 (9.4)%
  - One-off related to Webstep, Polish transaction and other accumulates to 17,4 MSEK. Adjusted EBITDA 6,6%
- Profit after tax 85.2 (68.4) MSEK, Earnings per share after dilution 9.56 (7.12) SEK
- Proposed dividend per share 0 SEK, capital priority on M&A's
  
- Growth is back in H2, but Sweden and the Swedish market is still challenging
- Poland is doing very well (7.4% growth excl. currency effects and 14,3% EBITDA margin)
- Successful cost saving programme in HQ (Hedgehog) delivered savings of 41 MSEK/year
- Recruitment, efficiency improvement and hourly prices is still on the agenda entering 2025

# Highlights in Q4 2024

## Continued growth in the quarter – restructuring costs for future efficiency

- Revenue 336.2 (293.6) MSEK, 14.5% growth and organic growth 4.4%
- EBITDA 17.8 (18.6) MSEK, EBITDA margin 5.3% (6.3%)
- Profit after tax -1.0 (8.4) MSEK, Earnings per share after dilution -0.34 (0.99) SEK
  - One-off restructuring cost impacted the result by -6.2 (-3.8) MSEK adjusted EBITDA 24.0 (22.4) MSEK, margin 7.1% (7.6%)
- Average number of co-workers in Sweden is 772
- The market has probably reached its low point and is starting to recover.
- Continued improvement in the utilization rate but still not good enough.
- Ongoing focus on operational improvements, with expected results during 2025.

# Financial overview Q4 2024 – Group

A weak year ends with 14.5% growth (4.4% organic) in Q4

Extract of B3's key figures	Q4			Jan-Dec		
	2024	2023	Δ%	2024	2023	Δ%
Net Sales, SEK million	336,2	293,6	14,5%	1 129,3	1 140,8	-1,0%
EBITDA, SEK million	17,8	18,6	-4,3%	57,5	107,3	-46,4%
EBITDA margin, %	5,3%	6,3%		5,1%	9,4%	
Operating profit (EBIT), SEK million	8,8	13,2	-33,3%	26,3	86,1	-69,5%
Operating margin (EBIT), %	2,6%	4,5%		2,3%	7,5%	
Profit after tax, SEK million	-1,0	8,4	-111,9%	85,2	68,4	24,6%
Cash flow from operating activities, MSEK	28,4	46,8	-39,4%	-14,7	67,8	-121,7%
Earnings per share before dilution, SEK	-0,34	0,97	-135,1%	9,56	7,12	34,3%
Earnings per share after dilution, SEK	-0,34	0,99	-134,3%	9,56	7,12	34,3%
Closing number of co-workers <sup>1</sup>	996	809	23,1%	996	809	23,1%
Average number of co-workers <sup>2</sup>	1 005	798	25,9%	854	799	6,9%

## FY 2024 highlights

- Revaluation of the previous minority interest in B3 Poland resulted in a positive net financial impact of 77.8 MSEK. The revaluation does not affect cash flow and is required under IFRS. Earnings per share adjusted is 0,63 SEK FY.
- One-off acquisition costs impacted the result by -4.3 MSEK and restructuring costs (office) by -3.0 MSEK

# Webstep

## The integration of Webstep is proceeding according to plan

- The integration has continued to be successful, with positive effects observed in several areas of the business.
- Three new companies have been formed: **B3 Link, B3 Beyond, and B3 Engage**, strengthening our offerings and creating new growth opportunities.
- Operations in Umeå have been incorporated into **B3 Vibe**, creating a more unified structure.
- Synergies have led to a reduction of OH costs, approx. 16 MSEK
- Continued focus on strengthening the financial performance.





# B3 acquires Habberstad AS

## It's time to enter the Norwegian market

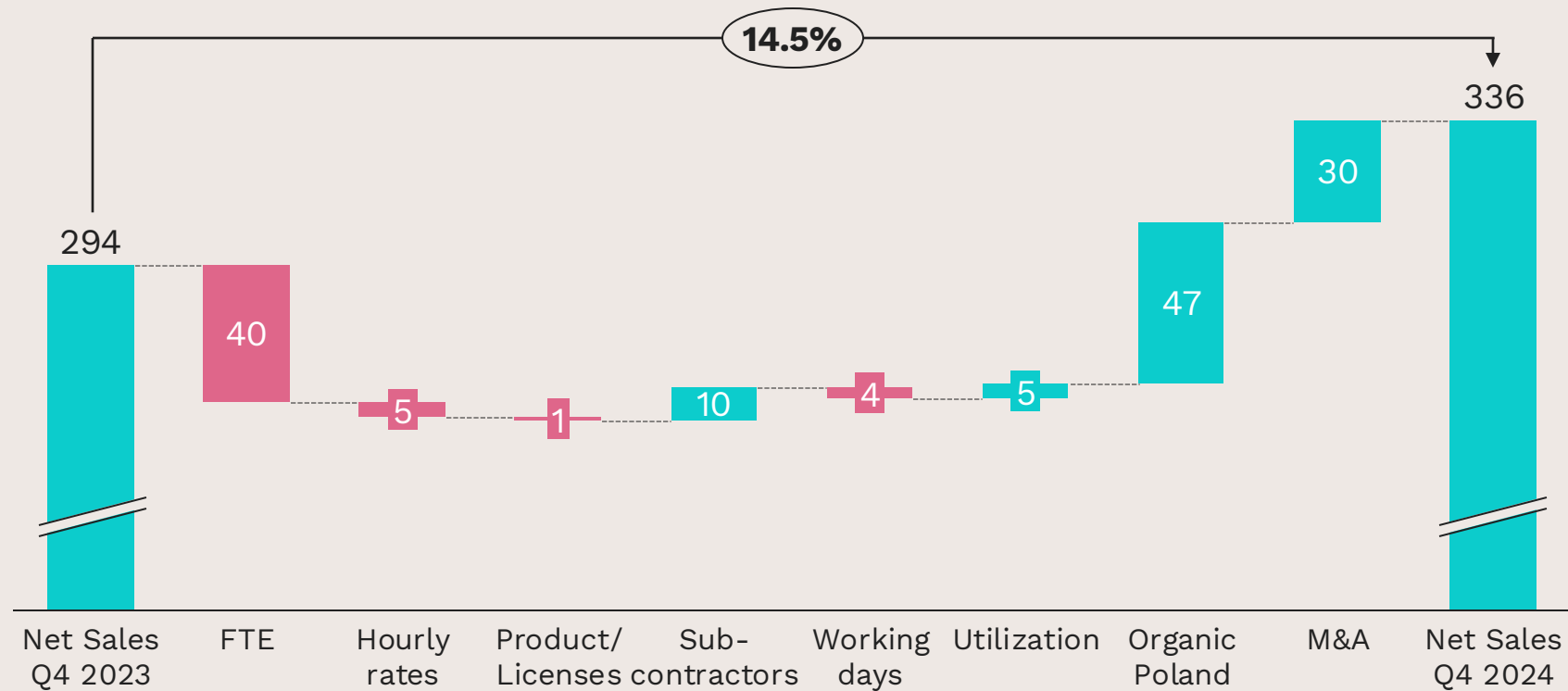
- B3 have signed a deal to acquire 51% of the shares in Habberstad AS, a Norwegian consulting company within digital transformation with around 40 employees.
- The purchase price amounts to 15.8 MNOK for the 51%. Revenue and EBIT in 2024 was 78.6 and 5.6 MNOK. It's a four year "earn-out" 2025-2028 for the remaining 49% shares.
- New growth opportunities is a potential upside to running business
- The company will remain intact with current management, branding and own internal functions. No cost initiatives will be taken.
- The largest customers include a significant share within the defence sector.



Jostein Kvinnesland & Harald Mæhle

# Revenue breakdown

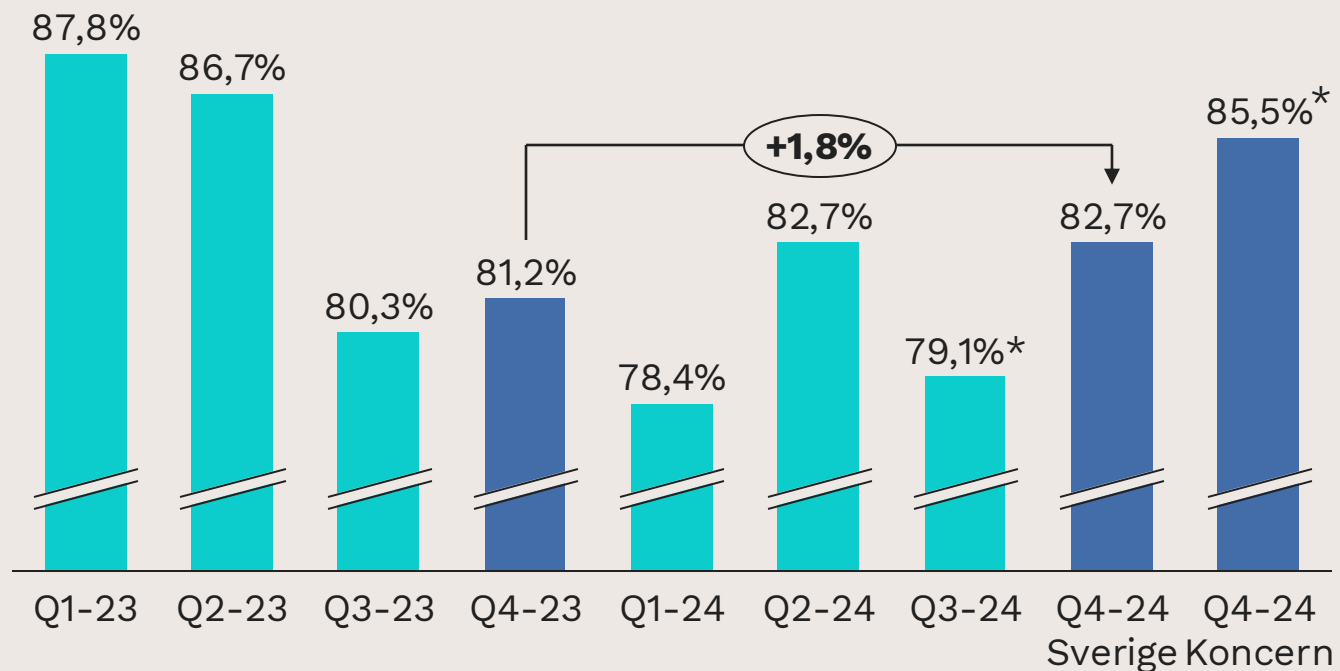
Positive impact on revenue due to Webstep and Poland



- The negative impact of the reduced number of FTEs will gradually start to turn around in 2025.

# Utilization rate

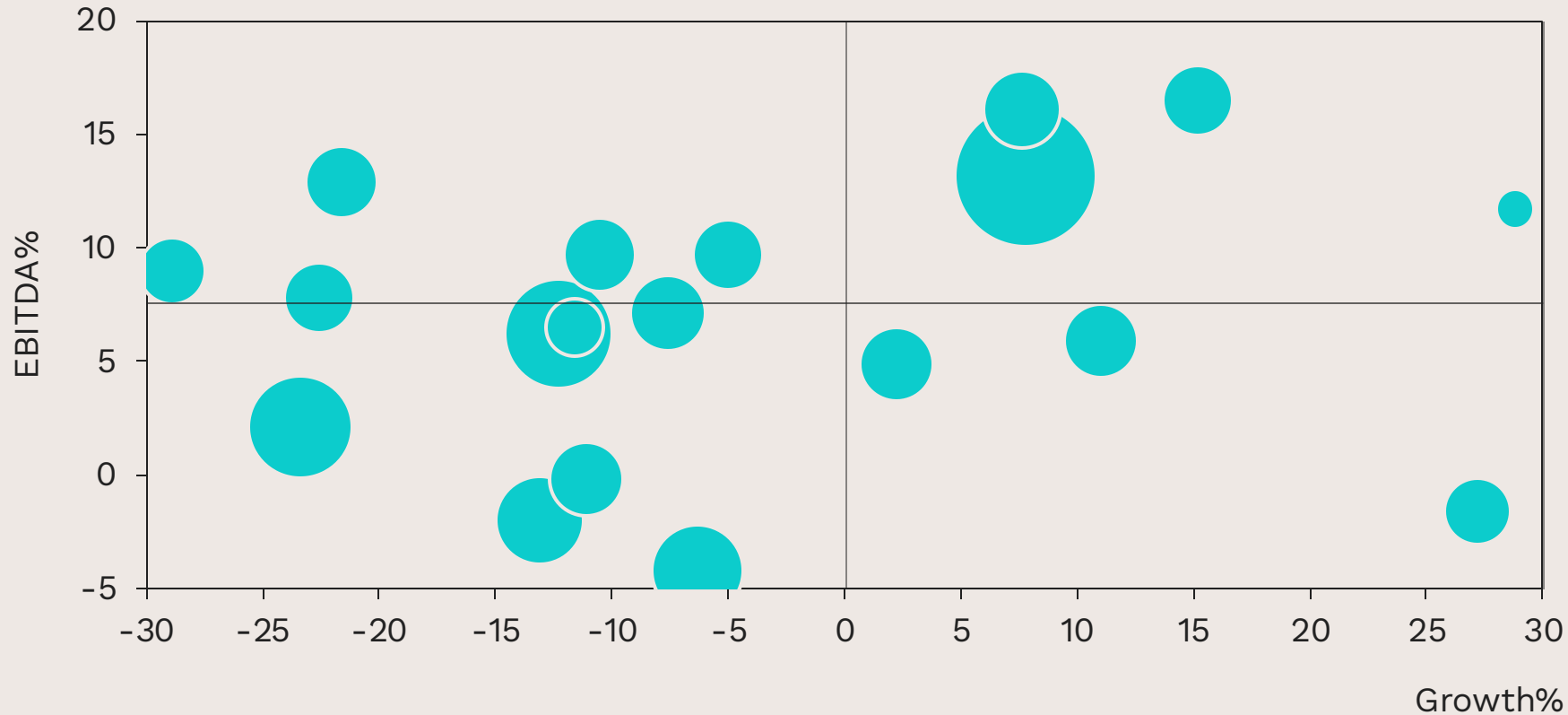
Q4 is the first quarter with and q/q and y/y increase, still not good enough



- The gap in QoQ\* now increasing for the first time in 9 quarters
- Q4 utilization ex. Poland at 82.7%
- Utilization rate still not good enough

# B3 operates across multiple markets

The differences in performance remain significant

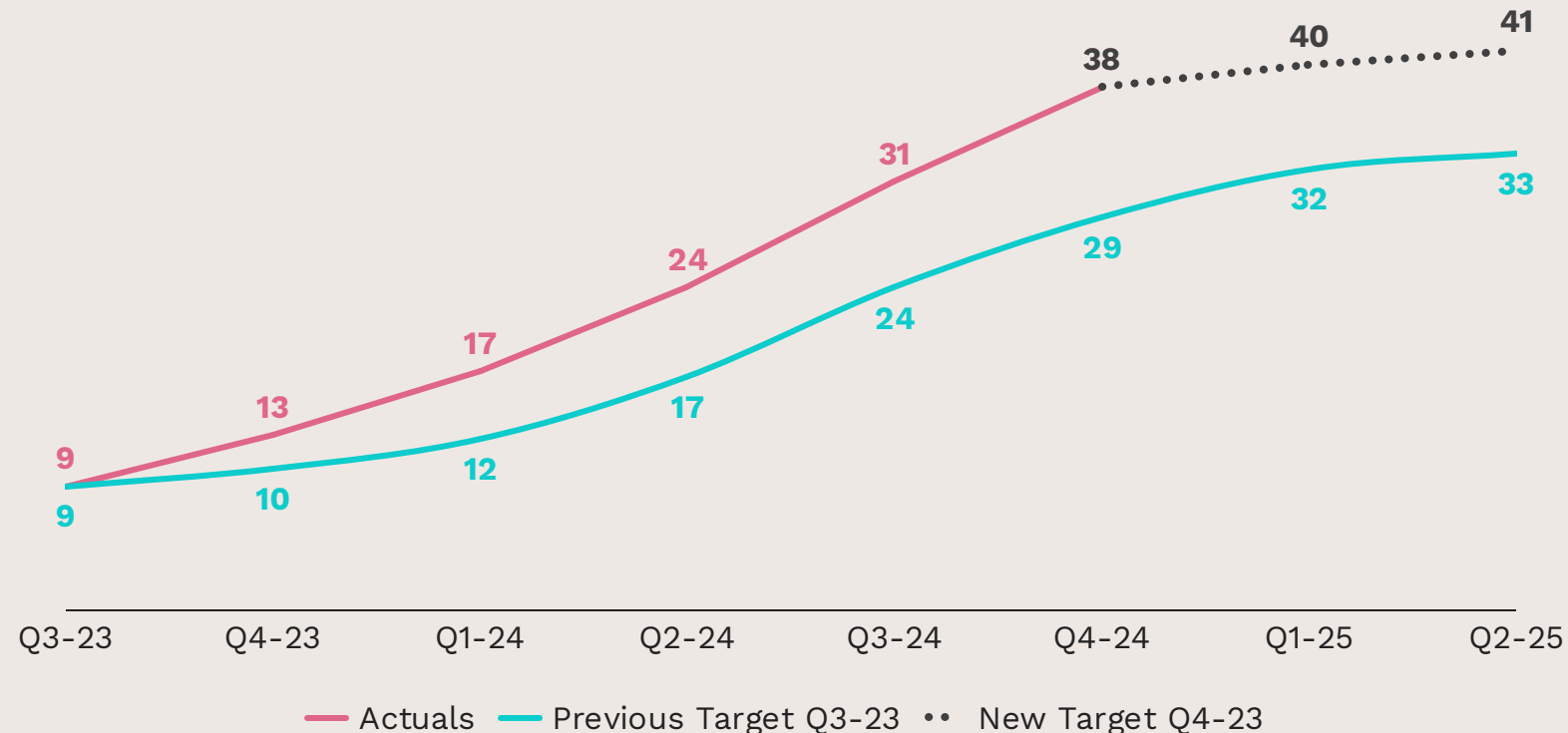


- Several subsidiaries are facing significant challenges
- We are implementing actions to quickly improve
- Slow market in Sweden makes growth challenging

4 of our companies (approx. 12% of B3CGs total revenue YTD) with very poor results has been excluded to make the scale of the picture more visually proper.

# Cost saving program spot on

The program ends after one year, transitioning the project into daily improvements.



- Moving according to plan
- 41 MSEK Cost savings excl. one-off costs from acquisitions.
- Focus on sales and revenue
- Continued optimization in subsidiary
- No further follow-up in 2025

# New assignments and extended contracts

**B3 gains new business and strengthens its positions with several existing clients.**

- Expanded collaboration agreement – Swedish Public Employment Service (Arbetsförmedlingen).
- New large-scale assignments – Two of Sweden's largest government agencies.
- Continued growth within several of Sweden's regions.
- In-house team to an international company in southern Sweden.
- Multiple expanded assignments within the banking and insurance sector.
- New agreements for web development in Sitevision with The Swedish Authority for Privacy Protection's (IMY), Micasa Fastigheter, Simrishamn Municipality e.g.



## Other important events in Q4

### 86% Employee satisfaction and B3 establishes in Västerås

- B3 presents the 2024 employee survey: 86% satisfaction and eNPS 45.
- B3 Next is launched and B3 expands to Västerås.
- B3 Link emerges from former Webstep.
- B3 deepens its IBM collaboration, joining IBM CREATE for AI-driven healthcare.
- B3 becomes a Sitevision Platinum Partner, with three MVPs, and wins "Best Intranet" with Humana.
- B3 is awarded Employer Branding Company of the Year.





## Summary

**A challenging year ended with Q4 revenue growth at 14.5% and organic 4.4%**

- The Swedish market stayed pretty poor for the whole year
- EBITDA and EBIT levels have been unacceptably low
- HQ cost saving delivered on target. More is needed on management costs in some subsidiaries
- Continued improvement in the utilization over the year
- Strengthened by expansion in Poland and acquisitions of Webstep and Habberstad
- We are stronger entering a new year





**Q&A**



# APPENDIX

# Market Outlook

## The market is predicted to recover

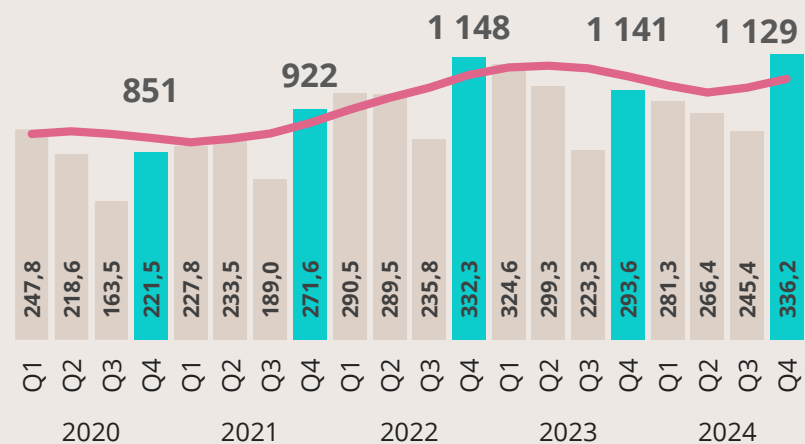
- B3 operates in many markets and industries through its 25 subsidiaries
- The market has been weak for a long time, but analysts indicate that the market is starting to recover.
- The Polish market outlook has already turn to the better
- Generative AI presents great opportunities but also involves significant risks, including legal and security concerns. These challenges create opportunities for us to assist our customers
- The IT mega trend benefits us and are well-positioned.



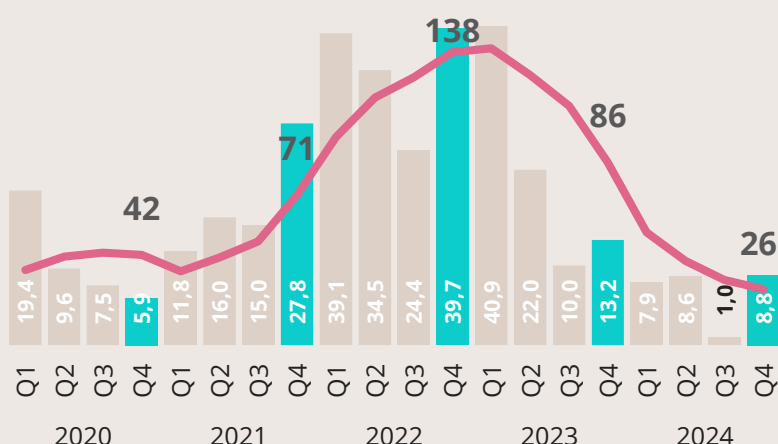
# Revenue and profit

Development over the past five years

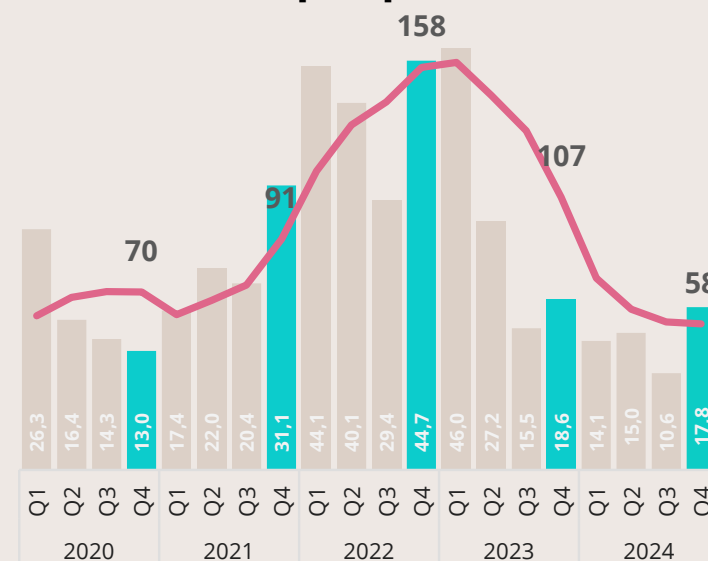
Revenue MSEK per quarter and R12



EBIT MSEK per quarter and R12



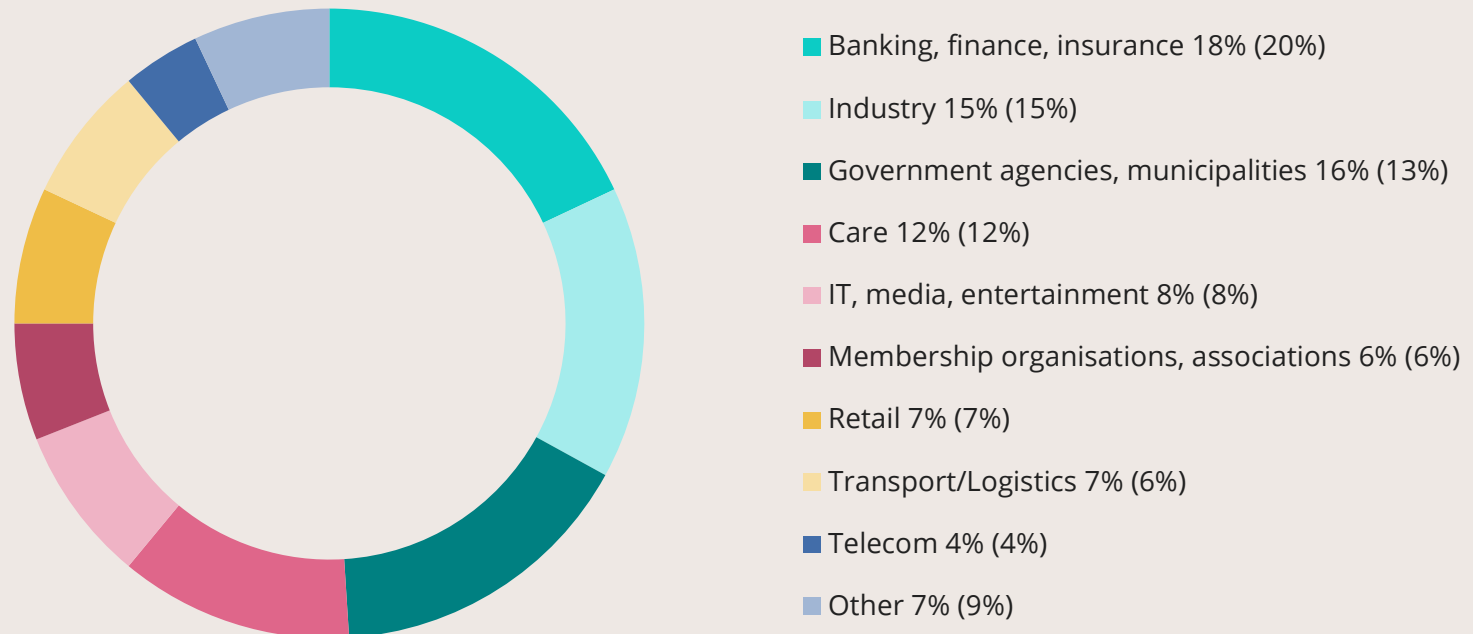
EBITDA MSEK per quarter and R12



# Distribution across different industries

B3 operates in several interesting industries driven by digitalization

Revenue share per industry Jan-Dec 2024 (Jan-Dec 2023)

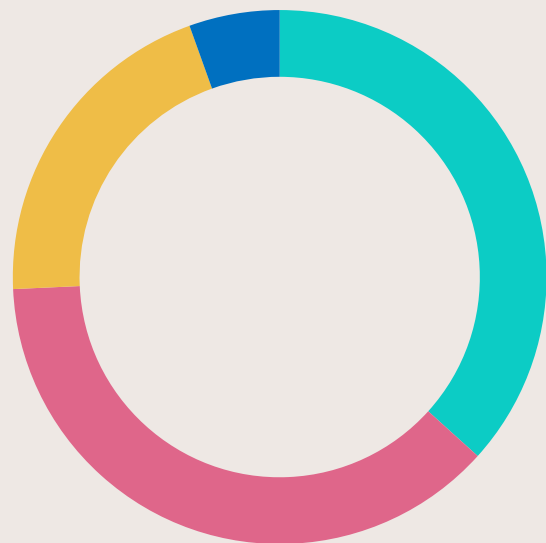


# Share per Business Area

Revenue evenly distributed across the business areas - negative profit development in BA DES

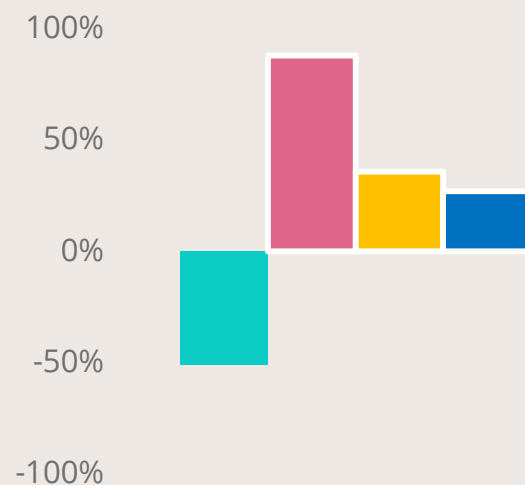
Revenue, share per business area

Jan-Dec 2024 (Jan-Dec 2023)



- Digital Experience & Solutions 36,7% (37,4%)
- Digital Management 37,6% (39,2%)
- Cloud & Technology Platforms 20,2% (23,4%)
- B3 Poland 5,5% (-%)

EBIT, share per business area



- Digital Experience & Solutions -51,0% (35,4%)
- Digital Management 88,1% (35,3%)
- Cloud & Technology Platforms 35,9% (29,3%)
- B3 Poland 27,0% (-%)

A teal square with rounded corners containing the lowercase letters 'b' and 's' in a white, sans-serif font. The 'b' is on the left and the 's' is on the right, both slightly overlapping.

bs