



CREATING POSSIBILITIES TOGETHER

Interim report, 1 January to 31 March 2020

7 May, 2020

Strong first quarter in a turbulent time

First quarter, January - March 2020

- Sales amount to SEK 247.8 (216.8) million, giving growth of 14.3 (18.0) per cent
- The operating profit (EBIT) is SEK 19.4 (15.3) million, giving an operating margin of 7.8 (7.1) per cent
- Profit after tax is SEK 13.2 (10.6) million.
- Earnings per share before and after dilution amount to SEK 1.34 (1.07)
- The outbreak of the corona crisis has had a moderate impact on revenue and earnings for the quarter, but entails greater uncertainty going forward.

This quarterly report is a translation of the Swedish version. It is the Swedish version that B3 is obliged to disclose pursuant to the EU Market Abuse Regulation.

	First quarter, January - March			Full year, Jan - Dec
	2020	2019	Change	2019
Net sales, SEK million	247.8	216.8	14.3%	839.5
EBITDA, SEK million	26.3	21.8	20.6%	56.1
EBITDA margin	10.6%	10.1%		6.7%
Operating profit (EBIT), SEK million	19.4	15.3	26.8%	31.3
Operating margin (EBIT)	7.8%	7.1%		3.7%
Profit after tax, SEK million	13.2	10.6	24.5%	17.6
Earnings per share, SEK	1.34	1.07	25.2%	1.43
Number of co-workers, closing balance	691	649	42	712
Average number of co-workers	702	629	73	669

The table shows an extract from B3's key figures. See Note 3 for a table and definitions of key figures.

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Co-founder and Chief Executive Officer Sven Uthorn:

Strong first quarter in a turbulent time



The outbreak of the corona pandemic and the subsequent economic crisis makes Q1 a revolutionary quarter in all respects, in the wake of which we will have to tackle new challenges for B3. We can take three signs of strength from this period:

A record quarter in sales and earnings

With 14 per cent growth to SEK 248 million we have set a new sales record for an individual quarter. Even more important: the measures we have taken focusing on operational efficiency, have started to have an effect after last year's poor performance, and we achieved our best quarterly earnings ever, with EBIT of SEK 19.4 million. Even then, this takes into account an impairment loss for anticipated bad debt losses of SEK 1.0 million and an adjustment of SEK 0.9 million to the purchase price in one of our acquisitions. Trimming to improve earnings generation is an ongoing process. We are adapting the organisation by combining our forces into slightly fewer and larger business areas, developing our service offers and reviewing our client priorities. This will be even more important in the drastically changed market we are now meeting.

Adaptation to a time of crisis

The effects of the COVID pandemic and accompanying crisis in the world economy are naturally creating extremely great uncertainty going forward. The transition we have had to make in connection with the outbreak of the crisis at the turn of the month from February to March I see as another sign of strength for B3. Our business model and our working methods make us very adaptable. Since the turn of the month from February to March we have completely changed to digital working methods. At the time of writing, two months later, 90 per cent of our assignments are carrying on as before, though at a distance.

Of course we see a negative impact on our business. The crisis is hitting some of our clients very hard, but part of B3's DNA is the spreading of risk. Our exposure to outright crisis industries, such as the travel and experiential industries, constitutes a few per cent of our sales. In addition, the wave of lay-offs in industry has increasingly led to cut-backs in ongoing assignments. The information we receive from clients expresses the importance of our keeping the projects going, though with reduced hours, and of being prepared to resume activities when the lay-off period is over. This gives us some confidence, but to maintain capacity utilisation, we must intensify our sales efforts and utilise the potential of our broad customer base.

The possibilities of new sales among clients affected by the crisis are very limited in the shorter perspective, but we also see parts of our customer base that are indefatigably continuing their digitalisation projects with undiminished intensity. In the wake of the crisis we also believe that interest in digital business models and digital working methods will be strengthened, which we think will have a favourable effect on demand for our services in the longer term.

One of Sweden's Best Workplaces

We were given yet another sign of strength when Great Place to Work™ presented the year's winners of the competition for Sweden's best workplaces, where the B3 Consulting Group took next best place in the category of companies with more than 250 employees. We take this as confirmation of the long-term work we have put in for many years to create a sound corporate culture and an attractive workplace for the industry's best consultants, something we have always regarded as one of our most important success factors.

In summary, we are entering a period of greater uncertainty and we are expecting to face a few tough quarters. But in this we are well aware of our strengths, our flexibility, and of the inherent power of the digitalisation wave. We know that crises create opportunities, and it is our definite intention to get through this while continuing to be a successful company.

Sven Uthorn

14%

Growth in Q1 2020

SEK 19.4

million new EBIT record for one quarter

Second

place in its category for Sweden's best workplace

Events

In Q1

- B3's subsidiary Rebel and Bird built the Swedish Heart-Lung Foundation's new website to increase donations to research.
- B3 was entrusted with responsibility for the entire IT environment of Almi Företagspartner.
- B3's subsidiary Rebel and Bird built Gröna Lund's new website for a better amusement park experience.
- B3 started a new specialist company – B3 Indes – in Business Intelligence and Data Science in Gothenburg.
- B3 amalgamates two companies into one: B3 Effekt to further strengthen to offer to the public sector.
- B3 received certification under the Great Place to Work ("GPTW") international standard.
- B3 created a new digital platform for Convictus, a non-profit association that works to support vulnerable people. The work is carried out as part of B3 Social innovation.
- Under a framework agreement B3 is entrusted as supplier to the Swedish Social Insurance Agency's IT production and IT infrastructure.
- The Board of Directors proposes that no dividend be distributed for the 2019 financial year and has specified the company's financial objectives that reflect the new direction.

After the close of the period

- B3 forms the new company B3 Business Transformation, by amalgamating B3 Alenio, B3 Connect, B3 Insight and B3 Interact, with proficiency in data-driven analysis and insight, the digital customer meeting and customer experience.
- B3's subsidiary Rebel and Bird built Formpipe's new website to drive increased conversion and extra sales online.
- B3 was designated by Great Place to Work ("GPTW") as Sweden's second-best workplace in the category of large companies with more than 250 employees.

Group

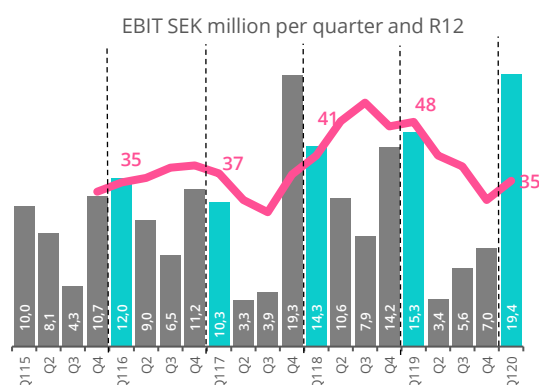
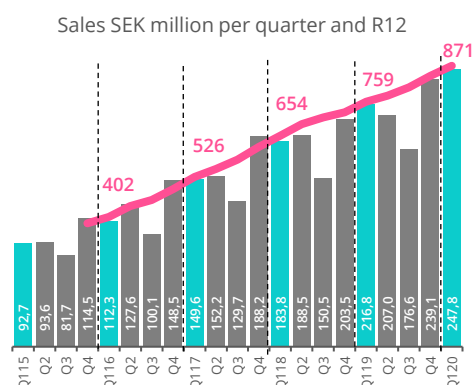
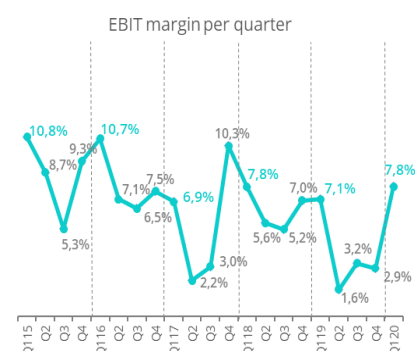
First quarter, January - March 2020

Revenue and profit

Sales in the first quarter were SEK 247.8 (216.8) million. Growth was 14.3 (18.0) per cent. The increase in revenue is due to improved delivery capability as a result of recruitment and acquisitions. Sub-consultants are used for a small part of the business, amounting during the quarter to 7.8 (6.9) per cent of sales.

To achieve higher operational efficiency and generate earnings, a change in organisation structure and working methods is ongoing since autumn 2019. This is to adapt to a partly changed market situation, among other things referring to project leadership and operations development. The work, which has brought some improvement in earnings in the quarter, is continuing with the same focus.

Total operating expenses in the quarter were SEK 228.7 (202.4) million. Staff costs were SEK 179.4 (151.8) million, corresponding to 72.4 (70.0) per cent of sales. The operating profit for the quarter amounted to SEK 19.4 (15.3) million. This corresponds to an operating margin of 7.8 (7.18) per cent.



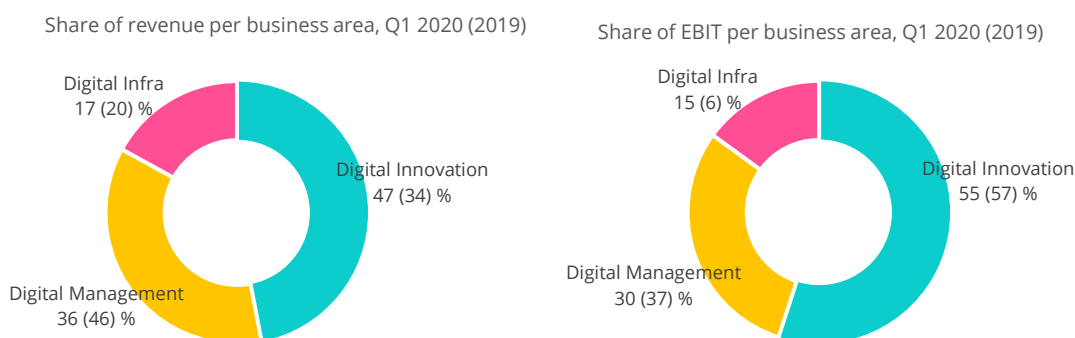
Seasonal variations

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. The number of working days in the first quarter of 2020 was 63 (63).

Segment reporting

B3 changed its business area structure at the beginning of the year. With a view to improving efficiency and creating better conditions for developing operations, the Nord business area, with companies in the towns of Sundsvall, Gävle and Borlänge, was integrated into the Digital Innovation and Digital Management business areas. About 90 per cent of sales for the Nord business area in 2019 were moved to the Digital Management business area and the rest to the Digital Innovation business area. The comparative figures for the first quarter of 2019 are adjusted in the same way. Furthermore, the Digital Infra business area will change its name in the second quarter of 2020 to the Cloud & Technology business area to mark more clearly the business focus.

A general description of the business areas is given below. For a detailed list of the segments' revenue and profit, please see Note 2.



Digital Innovation business area

The business area is focused on development of application software, digital customer experiences, products and services. During the quarter the vigorous growth of the business area, 67.7 (62.7) per cent, led to Digital Innovation now accounting for 47 (34) per cent of the Group's sales.

Digital Innovation's sales strengthened by SEK 50.8 million to SEK 125.8 (75.0) million and the operating profit was SEK 11.1 (9.8) million, giving an operating margin of 8.8 (13.1) per cent. The margin for the first quarter of 2020 is impacted by the growth investments in management and sales made in 2019. There is good demand for the business area and high capacity utilisation. Apart from growth in the IT, media, entertainment, retail and industry sectors, growth is also impacted by growth in acquisitions made. As of 1 July 2019 the acquisition of Nuway, with specialist skills in system development, is included in the business area. In December 2019 the subsidiary Rebel and Bird took over the main part of the business of Nectima with eleven co-workers.

Digital Management business area

The business area offers services in operations development, digital transformation, change leadership, decision support etc. Digital Management accounts for 36 (46) per cent of the Group's sales. Clients are found in county councils, authorities, banking and finance and the telecom sector.

Digital Management sales were SEK 94.1 (102.8) million, with an operating profit of SEK 6.1 (6.5) million. During the quarter sales in the business area decrease by 8.5 (4.6) per cent, with an operating margin of 6.5 (6.3) per cent. Since 2019 the business area has experienced some restraint in the public sector, as well as weakened demand, particularly for project leadership and operations development. To improve efficiency and develop the business, organisation, customer priorities and working methods are adapting towards a partially changed market.

Digital Infra business area

The business area offers services relating to effective, secure, scalable and accessible infrastructure. Digital Infra accounts for 17 (20) per cent of the Group's sales. The market is characterised by the transfer of new and existing solutions to the cloud and IT security issues are in focus. Development in the business area is mainly affected by restraint in client markets since spring 2019. Work is in progress to improve operational efficiency and strengthen profit generation. Digital Infra sales were SEK 45.7 (43.8) million, with an operating profit of SEK 3.0 (1.0) million. Growth amounts to 4.31 (17.1) per cent, with an operating margin of 6.6 (2.3) per cent.

Cash flow and financial position

The Group's cash flow in the period amounts to SEK -2.2 (0.1) million. Cash flow from operating activities was SEK 8.8 (3.5) million, where the operations had a positive cash flow of SEK 31.5 (11.7) million and working capital changed by SEK -22.7 (-8.2) million. Financing activities give a cash flow of SEK -9.7 (4.1) million for the first quarter of 2020, linked to amortisation of loans.

The Group's cash and cash equivalents amounted to SEK 25.3 (22.2) million as at 31 March. Cash and cash equivalents amounted to SEK 27.5 (22.1) million as at 31 December 2019.

Equity at the close of the period was SEK 151.0 (135.2) million. As at 31 March the Group has net debt, excluding impact of IFRS 16 leases, of SEK 74.8 (65.1) million. Net debt as a percentage of EBITA on a rolling 12-month basis is 2.1 (1.3). The figure is impacted by the increased net debt, linked in particular to investments made, and the performance in the three last quarters of 2019. The equity-assets ratio is 28.0 (26.9) per cent.

Co-workers

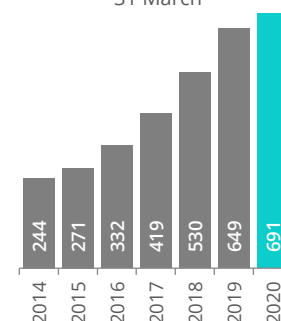
B3's net change in the number of co-workers in the quarter was -21 (40). As at 31 March the number of co-workers was 691 (649).

Clients

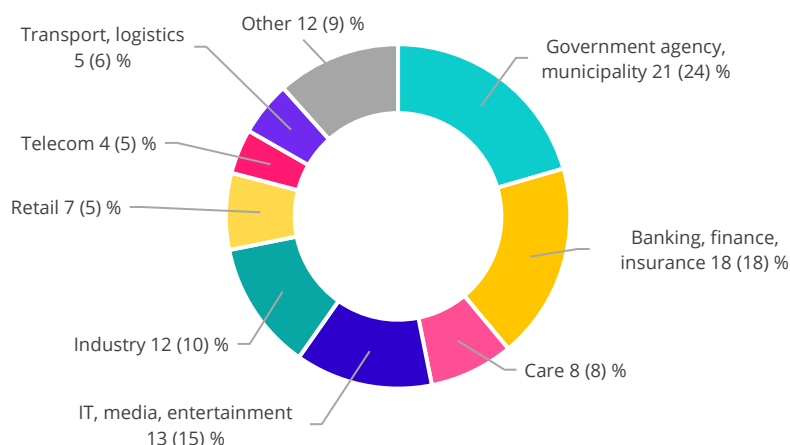
At the beginning of 2020 B3 had more than 200 active clients of which no individual client represents more than ten per cent of the company's total sales. The company's ten largest clients together represent about 24 per cent of B3's sales and the 40 next largest clients represent about 40 per cent of 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 just under 20 per cent of the company's sales. The crisis resulting from the coronavirus has affected some of B3's clients. However, the company's exposure to outright crisis industries constitutes only a few per cent of sales.

28%
equity/assets ratio
31 March

Number of co-workers
31 March



Share of revenue per industry, R12 Q219-Q120 (Q218-Q119)



Parent company

B3 Consulting Group AB (publ) operates as a unifying 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.

First quarter, January - March 2020

Revenue and profit

The parent company's net sales in the quarter amounted to SEK 37.9 (37.2) million, which derives from framework agreements common to the Group and invoiced via B3 Consulting Group AB (publ). The parent company's total operating income amounts to SEK 62.6 (60.6) million. The difference between the parent company's sales and total operating income is re-invoicing to subsidiaries of group-wide services. The operating profit for the quarter amounted to SEK -1.0 (0.1) million.

Financial position

Cash and cash equivalents amounted to SEK 11.8 (12.3) million as at 31 March. The parent company has overdraft facilities with a limit of SEK 35.0 (15.0) million, of which SEK 0.0 (0.0) million has been used. For the purpose of further improving flexibility in financing acquisitions, in November 2018 the company signed and used a three-year term facility agreement for SEK 40 million, of which SEK 10 million was amortised as at 31 March 2020. For the acquisition of Nuway the parent company raised a loan in 2019 of SEK 11.3 million, of which 2.1 million was amortised as at 31 March 2020. The parent company's equity amounts to SEK 185.3 (180.0) million. On 31 March the company had net debt of SEK 62.4 (52.7) million. The equity/assets ratio is 44.0 (45.3) per cent.

The B3 share

The B3 share has been listed on Nasdaq Stockholm since December 2016. As at 31 March 2020 there is a total of 7,521,875 shares and the same number of votes, distributed among 2,068 shareholders. Share capital amounts to SEK 752,187:50.

2,068
shareholders in B3

Other information

Outlook and financial targets

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

The global outbreak of the coronavirus and related economic recession in the world economy create uncertainty, especially in the short term. In the longer term the perception is that the areas in which B3 works, as regards new technology and digitalisation, will grow.

The Board of Directors has established the following overall target for the next three years:

- exceed SEK 1 billion in annual sales and continue to grow faster than the market
- achieve an operating margin (EBIT) of ten per cent and thereafter be able to sustainably generate 8-12 per cent annually
- grow earnings per share at the same rate or faster than EBIT
- the leverage ratio as a percentage of EBITA should normally be less than 1.5
- the company is to annually distribute up to two thirds of its profit after tax attributable to the shareholders of B3 Consulting Group AB (publ), while taking into account the Group's capital requirements to deal with changes in working capital, and for investments, mainly acquisitions.

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. Material risks and uncertainties are described in the Annual Report for 2019 in the section "Risks and risk management" in the administration report and under Note 3.

The coronavirus outbreak affects the market and thus also the B3 Group, which means that uncertainty around the above-mentioned risks and uncertainties is growing. To what extent is not quantifiable at present.

Annual General Meeting

The Annual General Meeting will take place on 14 May 2020, at 16.00 at B3's premises in Stockholm. Notice to attend the Annual General Meeting has been published on the company's website and in Post & Inrikes Tidningar (the Swedish Official Gazette) and announced in Dagens Industri. General Meeting documents are available on the company's website.

AGM
14 May at B3's
premises

Calendar

Annual General Meeting for 2019, Stockholm	14 May 2020
Interim report Q2, January-June 2020	20 August 2020
Interim report Q3, January-September 2020	5 November 2020

Signing of the report

The Board of Directors and President certify that the interim report for the first quarter of 2020 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.

The interim report has not been subject to review.

Stockholm, 7 May, 2020

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

Henrik Holm Chairman of the Board	Alf Blomqvist Member of the Board	Anna Hjertstedt Member of the Board
Kristin Lindmark Member of the Board	Marika Skärvik Member of the Board	Sven Uthorn CEO and Member of the Board

Presentation of the report

A webcast presentation in Swedish will be available for investors, analysts and the media today 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

B3 Consulting Group is one of Sweden's fastest growing consulting companies and currently has more than 700 co-workers. We help Sweden's foremost companies and organisations to create tomorrow's opportunities using digitalisation and operations development. We also endeavour to build a corporate culture that values our diversity, experiences and common energy. Satisfied clients, together with top results in the Great Place To Work (GPTW) survey and five DI Gazelle awards are evidence of a sustainable model for success. Sales in 2019 amounted to SEK 839.5 million, with an operating profit of SEK 31.3 million. There are offices in Stockholm, Borlänge, Gävle, Gothenburg, Jönköping, Linköping, Malmö, Sundsvall and Örebro, as well as Krakow and Warsaw. B3 is listed on Nasdaq Stockholm. More information can be found at www.b3.se

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There may be rounding differences in the tables

CONSOLIDATED INCOME STATEMENT SEK MILLION	January - March		January - December
	2020	2019	2019
Net sales	247.8	216.8	839.5
Other operating income	0.3	0.9	1.0
Operating revenue etc.	248.1	217.7	840.5
Engagement-specific external expenses	-26.2	-24.4	-102.6
Other external expenses	-15.3	-18.2	-78.4
Supplementary purchase price for business combination ¹	-0.9	-1.5	-3.8
Staff costs	-179.4	-151.8	-599.6
Depreciation/amortisation and impairment ²	-6.9	-6.5	-24.8
Other operating expenses	0.0	0.0	0.0
Operating profit	19.4	15.3	31.3
Profit from financial investments			
Financial income	0.0	0.0	0.0
Profit from investments in associated companies	-0.8	-0.2	-1.2
Financial expenses	-1.1	-0.7	-4.3
Profit after financial items	17.5	14.4	25.8
Taxes	-4.3	-3.8	-8.2
PROFIT FOR THE PERIOD	13.2	10.6	17.6
Income for the period attributable to:			
Parent company's shareholders	10.1	7.9	10.7
Non-controlling interests	3.1	2.7	6.9
PROFIT FOR THE PERIOD	13.2	10.6	17.6
Earnings per share before dilution), SEK	1.34	1.07	1.43
Earnings per share after dilution, SEK	1.34	1.07	1.43

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, SEK MILLION	January - March		January - December
	2020	2019	2019
Profit for the period	13.2	10.6	17.6
Other comprehensive income for the period:	0.0	0.0	0.0
Comprehensive income for the period	13.2	10.6	17.6
Comprehensive income for the period attributable to:			
Parent company's shareholders	10.1	7.9	10.7
Non-controlling interests	3.1	2.7	6.9
Comprehensive income for the period	13.2	10.6	17.6

¹ The amount refers to remeasurement of the liability for supplementary purchase price for the acquisition in 2019 of Nuway AB. Under International Financial Reporting Standards, IFRS, the B3 Consulting Group must recognise this remeasurement of supplementary purchase price as an expense in the business.

CONSOLIDATED BALANCE SHEET	31 March	31 March	31 December
SEK MILLION	2020	2019	2019
ASSETS			
<i>Non-current assets</i>			
Intangible fixed assets	217.3	168.9	213.1
Right-of-use assets	63.9	51.9	63.8
Property, plant and equipment	5.2	28.3	4.6
Deferred tax assets	3.0	3.6	2.4
Other long-term receivables	4.8	5.0	4.7
Investments in associated companies	5.8	7.3	9.7
Total non-current assets	300.0	265.0	298.3
<i>Current assets</i>			
Trade receivables	151.9	171.0	147.9
Receivables from associated companies	3.4	1.9	6.1
Current tax assets	12.6	22.7	24.5
Other receivables	21.0	2.4	4.1
Prepaid expenses and accrued income	24.4	17.1	13.6
Cash and cash equivalents	25.3	22.2	27.5
Total current assets	238.6	237.3	223.7
TOTAL ASSETS	538.6	502.3	522.0
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	0.8	0.7	0.8
Other contributed capital	60.6	53.9	60.6
Retained earnings including profit for the period	35.4	44.9	25.3
Equity attributable to the parent company shareholders	96.8	99.5	86.7
Non-controlling interests	54.2	35.7	51.1
Total equity	151.0	135.2	137.8
<i>Non-current liabilities</i>			
Deferred tax liabilities	0.5	1.8	0.5
Other provisions	0.6	0.3	0.3
Interest-bearing non-current liabilities	103.7	86.3	105.9
Other non-current liabilities	14.1	14.1	14.1
Total non-current liabilities	118.9	102.5	120.8
<i>Current liabilities</i>			
Interest-bearing current liabilities	35.5	54.8	36.9
Trade payables	21.0	27.8	23.6
Current tax liabilities	1.3	1.5	1.7
Liabilities to associated companies	0.9	2.1	2.1
Other current liabilities	138.7	120.2	137.2
Accrued expenses, deferred income	71.3	58.2	61.9
Total current liabilities	268.7	264.6	263.4
TOTAL EQUITY AND LIABILITIES	538.6	502.3	522.0

CHANGES IN EQUITY	OTHER		RETAINED EARNINGS	TOTAL EQUITY		TOTAL EQUITY
	SHARE CAPITAL	CONTRIBUTED CAPITAL	INCLUDING PROFIT FOR THE YEAR	ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	NON-CONTROLLING INTERESTS	
<i>Group (SEK million)</i>						
Opening equity as at 1 January 2019	0.7	53.9	38.3	92.9	29.5	122.4
Changed accounting policies IFRS 16			-1.3	-1.3	0.0	-1.3
Opening equity as at 1 January 2019 including effects of changed accounting policies	0.7	53.9	37.0	91.6	29.5	121.1
Profit for the period			7.9	7.9	2.7	10.6
Other comprehensive income for the period				-	-	-
Comprehensive income for the period			7.9	7.9	2.7	10.6
<i>Transactions with shareholders:</i>						
Growth through acquisition					3.6	3.6
Total transactions with shareholders			0.0	0.0	3.6	3.6
Closing equity as at 31 March 2019	0.7	53.9	44.9	99.5	35.7	135.2

CHANGES IN EQUITY	OTHER		RETAINED EARNINGS	TOTAL EQUITY		TOTAL EQUITY
	SHARE CAPITAL	CONTRIBUTED CAPITAL	INCLUDING PROFIT FOR THE YEAR	ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	NON-CONTROLLING INTERESTS	
<i>Group (SEK million)</i>						
Opening equity as at 1 January 2020	0.8	60.6	25.3	86.7	51.1	137.8
Profit for the period			10.1	10.1	3.1	13.2
Other comprehensive income for the period				-	-	-
Comprehensive income for the period			10.1	10.1	3.1	13.2
<i>Transactions with shareholders:</i>						
Total transactions with shareholders						
Closing equity as at 31 March 2020	0.8	60.6	35.4	96.8	54.2	151.0

CONSOLIDATED CASH FLOW STATEMENT				
	1/1/2020	1/1/2019	1/1/2019	
SEK MILLION	31/3/2020	31/3/2019	31/12/2019	
Operating profit	19.4	15.3	31.3	
Adjustment for non-cash items	7.1	6.3	27.0	
Interest received	0.0	0.0	0.0	
Interest paid	-1.1	-0.7	-4.3	
Income tax paid	6.1	-9.2	-16.3	
Cash flow from operating activities				
before change in working capital	31.5	11.7	37.7	
Increase(-)/Decrease(+) in operating receivables	-24.5	-6.7	29.9	
Increase(+)/Decrease(-) in operating liabilities	1.8	-1.5	-12.4	
Cash flow from operating activities	8.8	3.5	55.2	
Investing activities				
Business combinations	Note 5	2.4	-3.7	-11.1
Acquisition of property, plant and equipment		-0.6	-1.1	-1.9
Acquisition of intangible fixed assets		-0.5	-1.1	-4.7
Shareholders' contributions paid to associated companies for the year		-2.5	-1.6	-5.0
Other changes in financial assets		-0.1	-	0.0
Cash flow from investing activities	-1.3	-7.5	-22.7	
Financing activities				
Loans raised	0.0	9.0	43.8	
Amortisation of loans	-9.7	-4.9	-42.5	
Dividend paid to parent company shareholders	0.0	-	-16.7	
Dividend paid to non-controlling interests	0.0	-	-4.4	
Payment, warrants	0.0	-	0.0	
Transactions with non-controlling interests	0.0	-	-7.3	
Cash flow from financing activities	-9.7	4.1	-27.1	
Cash flow for the period	-2.2	0.1	5.4	
Reconciliation of change in cash and bank balances				
Opening balance cash and cash equivalents	27.5	22.1	22.1	
Closing balance cash and cash equivalents	25.3	22.2	27.5	
Change in cash and cash equivalents	-2.2	0.1	5.4	

PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY INCOME STATEMENT SEK MILLION	January - March		January - December
	2020	2019	2019
Net sales	37.9	37.2	140.9
Other revenue	24.7	23.4	91.5
Operating revenue	62.6	60.6	232.4
Operating expenses			
Engagement-specific external expenses	-39.1	-38.2	-147.9
Other external expenses	-9.4	-14.2	-52.9
Staff costs	-14.6	-7.9	-33.1
Depreciation/amortisation and impairment	-0.5	-0.2	-1.2
Other operating expenses	0.0	0.0	0.0
Operating profit	-1.0	0.1	-2.7
Profit from financial investments			
Profit from investments in group companies	0.0	15.0	33.3
Other interest income and similar profit/loss items	0.1	0.0	1.0
Interest expense and similar profit/loss items	-0.4	-0.2	-1.5
Profit after financial items	-1.3	14.9	30.1
<i>Appropriations</i>			
Group contribution	-	-	1.2
Taxes	0.2	0.0	0.0
PROFIT FOR THE PERIOD	-1.1	14.9	31.3

PARENT COMPANY BALANCE SHEET	31 March	31 March	31 December
SEK MILLION	2020	2019	2019
ASSETS			
<i>Non-current assets</i>			
Intangible fixed assets	5.4	2.1	5.1
Property, plant and equipment	1.8	2.4	2.0
	7.2	4.5	7.1
<i>Financial assets</i>			
Investments in group companies	276.5	233.0	265.5
Receivables from group companies	0.0	0.9	0.0
Investments in associated companies	9.5	12.9	16.5
Other long-term receivables	2.9	3.2	2.8
Deferred tax assets	0.9	0.7	0.7
	289.8	250.7	285.5
Total non-current assets	297.0	255.2	292.6
<i>Current assets</i>			
<i>Current receivables</i>			
Trade receivables	19.8	29.9	27.5
Receivables from group companies	80.5	90.0	74.7
Receivables from associated companies	2.8	0.9	5.7
Tax assets	0.8	1.7	1.3
Other receivables	0.6	0.2	-
Prepaid expenses and accrued income	7.8	7.0	5.1
	112.3	129.7	114.3
Cash and bank balances	11.8	12.3	10.2
Total current assets	124.1	142.0	124.5
TOTAL ASSETS	421.1	397.2	417.1
EQUITY AND LIABILITIES			
<i>Equity</i>			
<i>Restricted equity</i>			
Share capital	0.8	0.7	0.8
Statutory reserve	0.0	0.0	0.0
	0.8	0.7	0.8
<i>Non-restricted equity</i>			
Retained earnings	185.6	164.4	154.3
Profit/loss for the period	-1.1	14.9	31.3
	184.5	179.3	185.6
Total equity	185.3	180.0	186.4
<i>Non-current liabilities</i>			
Liabilities to credit institutions	61.4	32.5	64.6
Other non-current liabilities	14.1	0.0	0.0
Total non-current liabilities	75.5	32.5	64.6
<i>Current liabilities</i>			
Liabilities to credit institutions	12.8	32.5	12.8
Trade payables	7.5	5.9	6.8
Liabilities to group companies	122.8	123.9	113.2
Liabilities to associated companies	0.9	2.0	2.1
Other current liabilities	10.1	12.3	26.3
Accrued expenses and deferred income	6.2	8.1	4.9
Total current liabilities	160.3	184.7	166.1
TOTAL EQUITY AND LIABILITIES	421.1	397.2	417.1

NOTES

NOTE 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 2019 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 accounting policies and valuation principles as in the annual report for 2019.

NOTE 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. B3 changed its business area structure at the beginning of the year. With a view to improving efficiency and creating better conditions for developing operations, the Nord business area, with companies in the towns of Sundsvall, Gävle and Borlänge, was integrated into the Digital Innovation and Digital Management business areas. The Group currently only conducts operations in Sweden. For further description of the business areas please refer to page 4 onwards.

Segment reporting	Digital Innovation		Digital Management		Digital Infra		Other ¹		Total	
	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019
Revenue from external clients	112.6	70.6	89.1	99.9	41.5	40.1	4.6	6.2	247.8	216.8
Revenue from other segments	13.2	4.4	5.0	2.9	4.2	3.7	-22.4	-11.0		
Total revenue	125.8	75.0	94.1	102.8	45.7	43.8	-17.8	-4.8	247.8	216.8
Operating profit	11.1	9.8	6.1	6.5	3.0	1.0	-0.8	-2.0	19.4	15.3
Operating margin	8.8%	13.1%	6.5%	6.3%	6.6%	2.3%	n.a.	n.a.	7.8%	7.1%

¹ Other includes group eliminations, group adjustments and parent company

As of 1 January 2020 the Nord business area is divided between the remaining business areas. Comparative figures for 2019 have been restated on the same principle.

For 2019 this means an increase for Digital Management of SEK 17.9 million in revenue and an increase of SEK 1.3 million in operating profit. The difference for Digital Innovation is an increase in revenue of SEK 2.1 million and an increase in operating profit for 2019 of SEK 0.1 million.

Revenue broken down by segment	Digital Innovation		Digital Management		Digital Infra		Other ¹		Total	
	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019
and industry										
Revenue from external clients	112.6	70.6	89.1	99.9	41.5	40.1	4.6	6.2	247.8	216.8
Revenue from other segments	13.2	4.4	5.0	2.9	4.2	3.7	-22.4	-11.0	0.0	0.0
Total revenue	125.8	75.0	94.1	102.8	45.7	43.8	-17.8	-4.8	247.8	216.8
Industry sector										
Government agency, municipality	8.9	5.4	24.6	27.9	13.0	14.2	3.5	1.3	50.1	48.8
Banking, finance, insurance	15.8	6.6	22.3	26.5	8.2	4.7	0.1	-0.4	46.3	37.3
Care	3.9	3.2	13.5	13.5	2.3	0.9	-0.2	1.1	19.6	18.6
IT, media, entertainment	23.5	21.1	2.4	2.2	3.9	4.7	0.4	2.8	30.2	30.8
Industry	19.7	13.6	4.0	7.6	4.9	5.4	0.4	0.7	29.0	27.3
Transport/Logistics	3.6	2.1	7.3	6.1	1.9	2.0	-0.1	0.0	12.6	10.2
Telecoms	5.0	1.9	3.7	5.1	1.2	3.1	0.9	-0.8	10.7	9.3
Retail	15.5	6.5	1.5	2.9	0.5	1.3	-0.5	0.6	17.1	11.3
Other	16.7	10.2	9.8	8.2	5.7	3.8	0.0	1.0	32.2	23.2
Total revenue	112.6	70.6	89.1	99.9	41.5	40.1	4.6	6.2	247.8	216.8

NOTE 3 KEY FIGURES - GROUP (SEK MILLION)

	January -- March		January - December
	2020	2019	2019
Net sales	247.8	216.8	839.5
Sales growth %	14.3%	18.0%	15.6%
Operating profit before depreciation/amortisation and impairment (EBITDA)	26.3	21.8	56.1
Operating margin before depreciation/amortisation and impairment (EBITDA) %	10.6%	10.1%	6.7%
Operating profit (EBIT)	19.4	15.3	31.3
Operating margin (EBIT) %	7.8%	7.1%	3.7%
Equity-assets ratio %	28.0%	26.9%	26.4%
Average number of employees	678	600	642
Average number of co-workers	702	629	669
Closing number of employees	670	618	685
Closing number of co-workers	691	649	712
Balance sheet total	538.6	502.3	522.0
Return on equity %	9.1%	8.2%	13.5%
Earnings per share, SEK	1.34	1.07	1.43

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.

Net sales

Definition: The company's revenue during the period. Net sales are measured at the fair value of what has been received or will be received, less discounts.

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.

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 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 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 profit (EBIT)

Definition: Profit before tax for the period, interest expense, interest income and profit from interests in associated companies (refers to the "financial income" line in the income report).

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 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 benchmarking against other companies in the industry.

EBITA

Definition: Operating profit before any impairment of intangible assets.

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.

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.

Closing number of employees

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.

Closing number of co-workers

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.

Balance sheet total

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

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. The result is thus not restated as an annual figure. 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.

Net debt, excluding impact of IFRS 16 "Leases"

Definition: Interest-bearing short-term and long-term debt (external loans, cars financed via finance leases) less cash and cash equivalents and other interest-bearing assets (blocked funds, deposits).

Borrowings

Definition: Net debt, excluding impact of IFRS 16 "Leases", as percentage of EBITA.

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

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 provides a good picture of the company's performance.

Derivation of certain key figures

SEK million unless otherwise stated	Jan -- March		Jan -- Dec
	2020	2019	2019
Sales	247.8	216.8	839.5
Increased sales compared with previous year	31.0	33.0	113.2
Sales growth	14.3%	18.0%	15.6%
Operating profit	19.4	15.3	31.3
Depreciation/amortisation and impairment	6.9	6.5	24.8
Operating profit before depreciation/amortisation and impairment EBITDA	26.3	21.8	56.1
Operating profit before depreciation/amortisation and impairment EBITDA	26.3	21.8	56.1
Net sales	247.8	216.8	839.5
Operating margin before depreciation/amortisation and impairment (EBITDA), %	10.6%	10.1%	6.7%
Operating profit EBIT	19.4	15.3	31.3
Operating profit	19.4	15.3	31.3
Net sales	247.8	216.8	839.5
Operating margin (EBIT), %	7.8%	7.1%	3.7%
Operating profit	19.4	15.3	31.3
Impairment loss on intangible non-current assets	0.0	0.0	0.0
Operating profit before depreciation/amortisation EBITA	19.4	15.3	31.3
Equity including non-controlling interests.	151.0	135.2	137.8
Balance sheet total	538.6	502.3	522.0
EQUITY-ASSETS RATIO	28.0%	26.9%	26.4%
Profit after tax	13.2	10.6	17.6
Equity including non-controlling interests opening balance	137.8	122.4	122.4
Equity including non-controlling interests closing balance	151.0	135.2	137.8
Average equity	144.4	128.8	130.1
Return on equity, %	9.1%	8.2%	13.5%
Interest-bearing non-current liabilities	-103.7	-86.3	-105.9
Interest-bearing current liabilities	-35.5	-54.8	-36.9
Cash and cash equivalents	25.3	22.2	27.5
Net debt(-)/Net cash balance(+) incl. IFRS 16	-113.9	-118.9	-115.3
Interest-bearing non-current liabilities	-77.6	-47.2	-78.2
Interest-bearing current liabilities	-22.5	-40.1	-21.8
Cash and cash equivalents	25.3	22.2	27.5
Net debt(-)/Net cash balance(+) excl. IFRS 16	-74.8	-65.1	-72.5

NOTE 4 SUPPLEMENTARY DISCLOSURES FINANCIAL ASSETS AND LIABILITIES

The financial instruments measured at fair value on the balance sheet constitute a conditional purchase price of SEK 13.6 (0.0) million. The measurement is a valuation on level 3 of the fair value hierarchy.

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

NOTE 5 BUSINESS ACQUISITIONS

B3 acquires the remaining 50% of B3 Cloud Services AB, which thereby becomes a subsidiary instead of an associated company. As of 1 January 2020 the company is included as a subsidiary. B3 Cloud Services AB was started in July 2017 as an associated company of the B3 Consulting Group AB (publ).

The table below shows the purchase price paid and acquired identifiable assets and liabilities at the time of acquisition.

B3 Cloud Services AB	
Fair value of acquired assets and liabilities, SEK million	100%
Non-current assets	0.57
Current assets excluding cash	
	4.94
Cash and bank balances including current investments	2.44
Liabilities	-6.19
Net identifiable assets and liabilities	1.75
Purchase price	5.75
Fair value of identifiable net assets	1.76
Goodwill	3.99
Impact of the acquisition on the Group's cash and cash equivalents	
Cash consideration paid	-0.03
Cash and cash equivalents in acquired subsidiary	2.44
Impact on the Group's cash and cash equivalents on acquisition	2.42

NOTE 6 TRANSACTIONS WITH RELATED PARTIES

None of the shareholders, board members, senior management or related parties of B3 Consulting Group AB (publ) have 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 transactions that have had a material impact on the Group's financial position and performance have taken place between B3 Consulting Group AB (publ) and related parties.

NOTE 7 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. The number of working days in the first quarter of 2020 was 63, compared with 63 in the same period of the previous year.