



CREATING POSSIBILITIES TOGETHER

Interim report, 1 January to 30 June 2020

20 August, 2020

# Improved earnings and strengthened financial position despite cautious market

## Second quarter, April – June 2020

- Sales amount to SEK 218.6 (207.0) million, giving growth of 5.6 (9.8) per cent
- The operating profit (EBIT) is SEK 9.6 (3.4) million, giving an operating margin of 4.4 (1.6) per cent
- Profit after tax is SEK 6.5 (0.7) million.
- Earnings per share before and after dilution amount to SEK 0.76 (-0.01)
- The COVID-19-pandemic has impacted revenues and earnings for the quarter negatively and means continued uncertainty going forward

## First half year, January – June 2020

- Sales amount to SEK 466.4 (423.8) million, giving growth of 10.1 (13.8) per cent
- The operating profit (EBIT) is SEK 29.0 (18.7) million, giving an operating margin of 6.2 (4.4) per cent
- Profit after tax is SEK 19.7 (11.3) million.
- Earnings per share before and after dilution amount to SEK 2.09 (1.05)

	Second quarter, April - June			First half year, January - June			Full year
	2020	2019	Change	2020	2019	Change	2019
Net sales, SEK million	218.6	207.0	5.6%	466.4	423.8	10.1%	839.5
EBITDA, SEK million	16.4	9.1	80.2%	42.7	30.9	38.2%	56.1
EBITDA margin	7.5%	4.4%		9.2%	7.3%		6.7%
Operating profit (EBIT), SEK million	9.6	3.4	182.4%	29.0	18.7	55.1%	31.3
Operating margin (EBIT)	4.4%	1.6%		6.2%	4.4%		3.7%
Profit after tax, SEK million	6.5	0.7	828.6%	19.7	11.3	74.3%	17.6
Earnings per share, SEK	0.76	-0.01	n/a	2.09	1.05	99.0%	1.43
Number of co-workers, closing balance	678	669	9	678	669	9	712
Average number of co-workers	685	659	26	694	642	52	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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*This information in Swedish 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 20 August 2020 at 08.00 CET.*

Co-founder and Chief Executive Officer Sven Uthorn

## Improved earnings and strengthened financial position despite cautious market



Despite the COVID-19-pandemic and despite a deep economic recession we can put Q2 behind us as the 67th profitable quarter in a row for the B3 Consulting Group. We are growing by six per cent per quarter and increased our operating profit by 182 per cent compared with the corresponding period last year. After a relatively strong Q1 and a corona-burdened Q2, our first half year closed with SEK 466 million in revenue and SEK 29 million in operating profit, up ten per cent and 55 per cent respectively. The progress is also reflected in a strong cash flow and a heavily reduced leverage ratio.

The fact that in all respects this is an extraordinary quarter needs to be taken into account, where we have had to deflect the negative effects of the corona crisis while continuing the work of change focusing on operational efficiency we started last year. The financial performance in Q2 was effected by revenue loss due the pandemic and was burdened by costs of structural changes, while we received relief in the form of reduced employer's contributions and – to a lesser extent – short-term lay-off support etc.

In parallel with most of our assignments carrying on as usual – though with a large element of teleworking – some of our clients in badly hit industries have had to reduce their level of activity, which for our part means a period of weaker capacity utilisation that will last until we can either resume the level of activity with these clients, or have had time to reorientate to new assignments.

Even if the client market is characterised by great uncertainty, and we expect the pandemic and recession to set its stamp on the autumn as well, there are a number of factors that enable me to feel confidence in the future.

- B3 has a broad client base and a good industry mix, which means many business opportunities, regardless of the state of the economy.
- Most of our clients – despite the crisis – have continued and in some cases accelerated their digital transition. The mission we have undertaken, to help our clients benefit from the opportunities of digitalisation, continues to be just as important. For many organisations, the crisis has also clarified the need to push harder towards digital business models, agile working methods, more efficient business processes and modernised IT infrastructure.
- We have adapted our organisation, mustered our forces into slightly fewer and larger business units, to achieve higher operational efficiency.
- We have worked on honing and clarifying our service offer. This applies for example to our services in process automation and cloud transition, where we have implemented a number of successful client assignments during the year that serve as brilliantly inspiring examples for others.
- We are an attractive employer for talented consultants. We have received confirmation of this in the Great-Place-to-Work competition for Sweden's best workplaces and in our co-worker surveys. Further confirmation of this can be found in the increased inflow of spontaneous applications. This gives us sound potential for further growth, at the pace and in the areas the client market demands.

Finally, and above all: We have an experienced, hard-working group of consultants, that more than ever have proved their ability to create client benefit, even in this difficult period. I am proud and grateful for their commitment and devoted work to always deliver, achieve results and inspire!

*Sven Uthorn*

*The COVID-19 pandemic hit B3 particularly hard on a personal level, when we lost our business area head Lars Fransson at the beginning of June. He was a strong and positive leader and friend, who in a short time became highly valued in the organisation. We who worked close to him on a daily basis are deeply affected by the loss. The change process he started is continuing in his spirit.*

**6%**

growth in Q2 2020

**182%**

earnings growth in Q2 2020

**5**

factors inspire confidence for the future

## Events

### In Q2

- B3 was designated by Great Place to Work (GPTW) as Sweden's second best workplace in the category of large organisations with more than 250 employees. This year's result also shows that 94 per cent of co-workers consider that B3 is a very good workplace
- B3 helps Almi to get Sweden going faster through automation of the 'Bridge Loan'
- B3's subsidiary Rebel and Bird builds Bambuser's, world-renowned for their mobile streaming technology, new web for tomorrow's digital video solutions
- B3 is again entrusted as supplier of IT support to the Swedish Election Authority
- B3 wins a new contract to automate business processes with RPA for one of Stockholm's larger municipalities
- B3 strengthens the Board of Directors with Mikael Cato and Anna Söderblom
- B3 acquires all minority shareholdings in B3 Alenio Consulting AB and B3 Financial Consulting AB, as well as increasing its shareholding in Rebel and Bird AB to 75 per cent after a resolution by the Annual General Meeting
- The Annual General Meeting resolves that no dividend be distributed for the 2019 financial year
- B3 forms B3 Business Transformation, by amalgamating B3 Alenio Consulting, 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

### After the close of the period

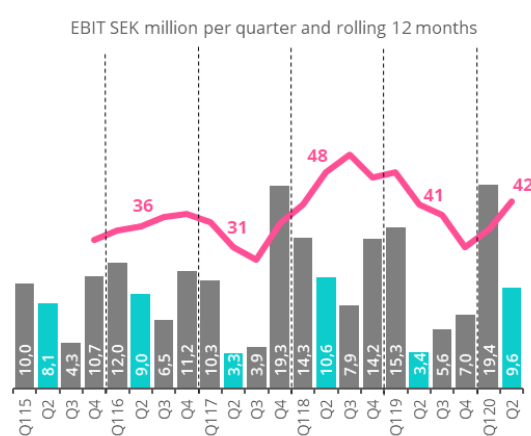
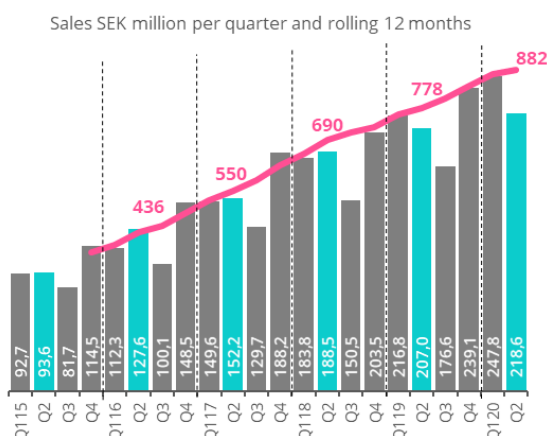
- B3's subsidiary Rebel and Bird is one of the suppliers that has developed updates in the booking system with reference to social distancing for a secure cinema experience at Filmstaden's cinemas

### 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 B3 Sentensia and B3 Ledning and forms 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 has specified the company's financial targets to reflect a new focus (page 8)

## Group

### Second quarter, April – June 2020



### Revenue and profit

Sales in the quarter were SEK 218.6 (207.0) million. Growth was 5.6 (9.8) per cent. Sub-consultants are used for a small part of the business, amounting during the quarter to 8.9 (7.3) per cent of sales. The relatively lower rate of growth is mainly due to the COVID-19 pandemic, though the market is diversified. Some markets are developing well, while others are weaker. Large parts of the B3 Group's business continue to progress well and are highly effective. The operations in the B3 Group that work with clients, above all in the Industry and IT, media, entertainment sectors respectively are affected by the pandemic and have had weaker growth in the second quarter.

Total operating expenses in the quarter were SEK 211.0 (203.3) million. Staff costs were SEK 165.7 (153.0) million, corresponding to 75.8 (73.9) per cent of sales. The operating profit for the quarter amounted to SEK 9.6 (3.4) million. This corresponds to an operating margin of 4.4 (1.6) per cent. Due to the pandemic, cost savings and staff cuts were made to adapt to the new market conditions. During the quarter B3 received SEK 9.2 million in state aid, of which SEK 8.6 million in reduced employer's contributions and SEK 0.6 million in support for short-term lay-offs. At the same time the quarter was burdened by non-recurring costs linked to staff cuts of SEK 3.9 million.

### First half year, January – June 2020

#### Revenue and profit

During the period sales were SEK 466.4 (423.8) million. Growth was 10.1 (13.8) per cent. The increase in revenue is mainly due to improved delivery capability, principally as a result of recruitment and to some extent acquisitions. Sub-consultants are used for a small part of the business, amounting during the period to 8.3 (7.1) per cent of sales.

Total operating expenses in the period were SEK 439.7 (405.7) million. Staff costs were SEK 345.1 (304.8) million, corresponding to 74.0 (71.9) per cent of sales.

The operating profit for the period is SEK 29.0 (18.7) million. The operating margin was 6.2 (4.4) per cent. Just as in the second quarter, earnings were affected by the pandemic. Due to this, cost savings and staff cuts were made to adapt to the new market conditions. In parallel, the work started in autumn 2019 is continuing, to change the organisational structure and working methods with a view to achieving improved operational efficiency and profit generation. This is to adapt to a partly changed market situation, including for project leadership and operations development. The work, which has brought improvement in earnings in the first half year, is continuing with the same focus.

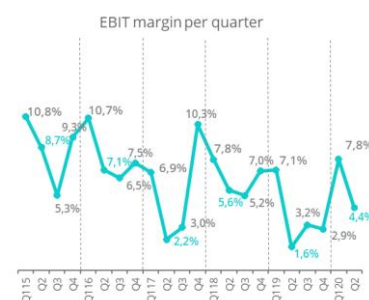
#### Seasonal variations

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 half year of 2020 was 123, compared with 122 in the same period of the previous year. One working day changes revenue by about SEK 3.5 million/year and earnings by about SEK 1.2 million/year.

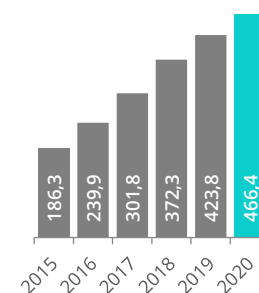
#### Segment reporting

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 2019 have been adjusted in the same way.

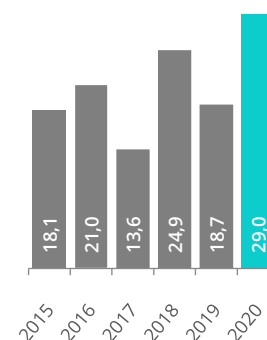
A general description of the business areas is given below. For a detailed list of the segments' revenue and profit, please see Note 2.



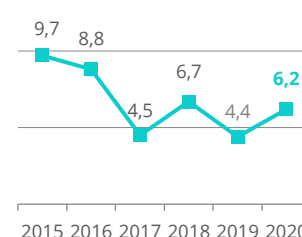
Sales H1, SEK million



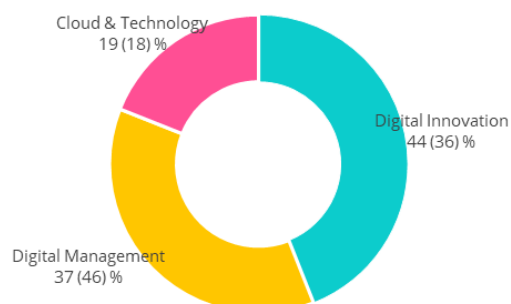
EBIT H1, SEK million



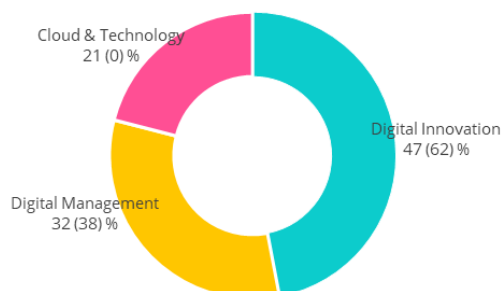
EBIT-margin H1, %



Share of revenue per business area, H1 2020 (2019)



Share of EBIT per business area, H1 2020 (2019)



#### Digital Innovation business area

The business area is focused on development of application software, digital customer experiences, products and services. During the period growth for the business area was 36.7 (52.5) per cent, and Digital Innovation accounts for 44 (36) per cent of the Group's sales.

Digital Innovation's sales in the first half year were SEK 211.5 (154.7) million with an operating profit of SEK 14.6 (13.1) million, giving an operating margin of 6.9 (8.5) per cent. The business area has been adversely impacted by the pandemic, mainly for companies focused on the Industry and IT, media, entertainment sectors respectively. Several clients in these sectors have decided to postpone assignments and put off decisions on new development until later. At the same time, priorities in the business area will be reviewed focusing on strategic clients.

Digital Innovation was affected by revenue loss due the pandemic in the second quarter. Despite this, sales increased to SEK 96.8 (79.8) million, giving growth of 21.3 (44.1) per cent. The operating profit is SEK 3.5 (3.3) million, giving an operating margin of 3.6 (4.1) per cent

#### Digital Management business area

The business area offers services in operations development, digital transformation, change leadership, decision support etc. The customers include county councils, government authorities, banking and finance, as well as the telecom sector. During the period, the business area's sales decreased by 8.8 (5.7) per cent and Digital Management accounts for 37 (46) per cent of the Group's sales.

Digital Management's sales were SEK 178.0 (194.9) million with an operating profit of SEK 9.9 (8.0) million, giving an operating margin of 5.6 (4.1) per cent. Since 2019 the business area has experienced weakened demand, particularly for project leadership and operations development. To improve efficiency and develop the business, the organisation, customer priorities and working methods are being adapted towards a partially changed market. The pandemic has had an impact in some sectors, where clients have reviewed project portfolios and purchases of consulting services, which has a temporary effect on price levels and demand.

The business area's sales in the second quarter were SEK 83.8 (92.0) million, a decrease of 8.9 (9.2) per cent. The operating profit is SEK 3.8 (1.5) million, giving an operating margin of 4.5 (1.6) per cent

#### Cloud & Technology business area (formerly Digital Infra)

The business area offers services relating to effective, secure, scalable and accessible infrastructure. The market is characterised by the transfer of new and existing solutions to the cloud and IT security issues are in focus. During the period growth for the business area was 21.3 (235) per cent, and Cloud & Technology accounts for 19 (18) per cent of the Group's sales.

Cloud & Technology's sales were SEK 92.8 (76.5) million with an operating profit of SEK 6.6 (0.0) million, giving an operating margin of 7.1 (0.0) per cent. After the restraint in the client market in spring 2019, the work of raising operational efficiency and strengthening profit generation was started, which is beginning to have an effect. The business area has experienced a limited negative effect of the pandemic.

The business area's sales in the second quarter were SEK 47.0 (32.7) million, which gives growth of 43.7 (-2.6) per cent. The operating profit is SEK 3.6 (-1.0) million, giving an operating margin of 7.7 (-3.1) per cent

#### Cash flow and financial position

The Group's cash flow in the period amounts to SEK 38.5 (-4.3) million. Cash flow from operating activities was SEK 76.1 (25.1) million, where the operations had a positive cash flow of SEK 40.7 (18.1) million and working capital changed by SEK 35.4 (7.0) million. Cash flow is positively affected above all by improved earnings and improved working capital. Working capital was improved due to lower trade receivables and repaid preliminary tax of SEK 18.6 million.

Financing activities give a cash flow of SEK -34.6 (-19.2) million for the first half of 2020, linked to amortisation of loans and acquisition of minority shareholdings.

The Group's cash and cash equivalents amounted to SEK 66.0 (17.8) million as at 30 June. Cash and cash equivalents as at 31 March 2020 amounted to SEK 25.3 (22.2) million. 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 147.0 (116.2) million. As at 30 June the Group had net debt, excluding impact of IFRS 16 Leases, of SEK 29.1 (60.6) million. Net debt as a percentage of EBITA on a rolling 12-month basis is 0.7 (153). The equity-assets ratio is 27.4 (23.9) per cent.

Customary review of goodwill valuation has been made and there is no indication of impairment loss.

#### Co-workers

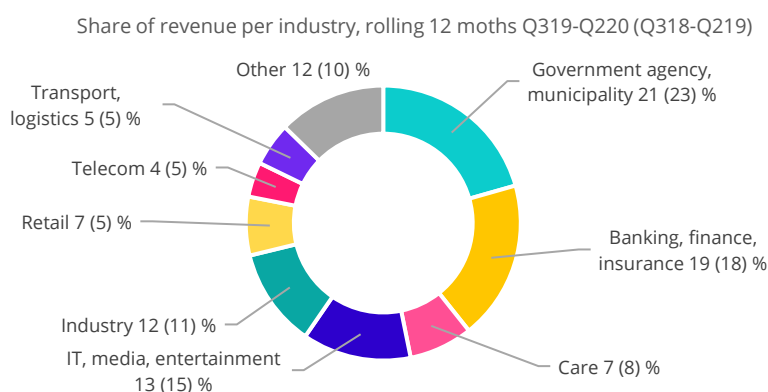
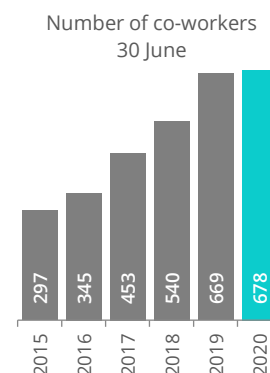
Staff reductions were made both due to the pandemic to adapt the organisation to the new market conditions, and as part of the change process towards operational efficiency. B3's net change in the number of co-workers in the period was -34 (60). As at 30 June the number of co-workers was 678 (669).

#### 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 COVID-19 pandemic has affected some of B3's clients, mainly in the Industry and IT, media, entertainment sectors.

**SEK 76.1**  
million in cash flow  
from operating  
activities

**27%**  
equity/assets ratio  
on 30 June





## 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.

### Second quarter, April – June 2020

#### *Revenue and profit*

The parent company's net sales in the quarter amounted to SEK 37.7 (38.3) 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 63.6 (65.8) 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 -0.7 (0.1) million.

### First half year, January – June 2020

#### *Revenue and profit*

The parent company's net sales in the period amounted to SEK 75.6 (75.5) 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 126.2 (126.4) 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 period was SEK -1.7 (-0.5) million.

#### *Financial position*

Cash and cash equivalents amounted to SEK 49.7 (9.6) million as at 30 June. The parent company has overdraft facilities with a limit of a SEK 15.0 (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 12.5 million was amortised as at 30 June 2020. For the acquisition of Nuway AB the parent company raised a loan in 2019 of SEK 11.3 million, of which 2.8 million was amortised as at 30 June 2020. The company's Revolving Credit Facility of SEK 35 million from 2017 was converted to a Term Facility in June 2020 with amortisation to be started in the fourth quarter of 2020. The parent company's equity amounts to SEK 205.0 (170.5) million. On 30 June the company had net debt of SEK 21.4 (62.9) million. The equity/assets ratio is 45.4 (46.3) per cent.

## The B3 share

B3 Consulting Group's share is listed, with the ticker symbol B3, on Nasdaq Stockholm (the Stockholm Stock Exchange) Small Cap. As at 30 June 2020 there is a total of 8,209,875 shares and the same number of votes, distributed among 2,125 shareholders. Share capital amounts to SEK 820,987:50.

**2,125**  
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 COVID-19 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, both in the section “Risks and risk management” in the administration report, and under Note 3.

The COVID-19 pandemic 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.

### Calendar

Interim report Q3, January-September 2020	5 November 2020
Year-end report 2020	18 February 2021

### Signing of the report

The Board of Directors and President certify that the interim report for the second 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, 20 August 2020

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

Alf Blomqvist Chairman of the Board	Mikael Cato Member of the Board	Anna Hjertstedt Member of the Board	
Kristin Lindmark Member of the Board	Marika Skärvik Member of the Board	Anna Söderblom 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](http://www.b3.se/ir). Select “See all” under “Reports and presentations”. It is possible to email questions via the webcast, as well as in advance via [ir@b3.se](mailto:ir@b3.se)

*B3 Consulting Group is one of Sweden's fastest growing consulting companies and currently has close to 680 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](http://www.b3.se)*

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There may be rounding differences in the tables

CONSOLIDATED INCOME STATEMENT	April - June		January-June		January -- December
SEK MILLION	2020	2019	2020	2019	2019
Net sales	218.6	207.0	466.4	423.8	839.5
Other operating income	2.0	-0.3	2.3	0.6	1.0
<b>Operating revenue etc.</b>	<b>220.6</b>	<b>206.7</b>	<b>468.7</b>	<b>424.4</b>	<b>840.5</b>
Engagement-specific external expenses	-27.0	-21.6	-53.2	-46.0	-102.6
Other external expenses	-11.5	-23.0	-26.8	-41.2	-78.4
Supplementary purchase price for business combination <sup>1</sup>	0.0	0.0	-0.9	-1.5	-3.8
Staff costs	-165.7	-153.0	-345.1	-304.8	-599.6
Depreciation/amortisation and impairment	-6.8	-5.7	-13.7	-12.2	-24.8
Other operating expenses	0.0	0.0	0.0	0.0	0.0
<b>Operating profit</b>	<b>9.6</b>	<b>3.4</b>	<b>29.0</b>	<b>18.7</b>	<b>31.3</b>
<b>Profit from financial investments</b>					
Financial income	0.0	0.0	0.0	0.0	0.0
Profit from investments in associated companies	-0.2	-0.8	-1.0	-1.0	-1.2
Financial expenses	-1.4	-1.1	-2.5	-1.8	-4.3
<b>Profit after financial items</b>	<b>8.0</b>	<b>1.6</b>	<b>25.5</b>	<b>16.0</b>	<b>25.8</b>
Taxes	-1.5	-0.9	-5.8	-4.7	-8.2
<b>PROFIT FOR THE PERIOD</b>	<b>6.5</b>	<b>0.7</b>	<b>19.7</b>	<b>11.3</b>	<b>17.6</b>
Income for the period attributable to:					
Parent company's shareholders	5.9	-0.1	16.0	7.8	10.7
Non-controlling interests	0.6	0.8	3.7	3.5	6.9
<b>PROFIT FOR THE PERIOD</b>	<b>6.5</b>	<b>0.7</b>	<b>19.7</b>	<b>11.3</b>	<b>17.6</b>
Earnings per share before dilution), SEK	0.76	-0.01	2.09	1.05	1.43
Earnings per share after dilution, SEK	0.76	-0.01	2.09	1.05	1.43

CONSOLIDATED STATEMENT OF	April - June		January-June		January -- December
COMPREHENSIVE INCOME, SEK MILLION	2020	2019	2020	2019	2019
<b>Profit for the period</b>	<b>6.5</b>	<b>0.7</b>	<b>19.7</b>	<b>11.3</b>	<b>17.6</b>
<b>Other comprehensive income for the period:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Comprehensive income for the period</b>	<b>6.5</b>	<b>0.7</b>	<b>19.7</b>	<b>11.3</b>	<b>17.6</b>
Comprehensive income for the period attributable to:					
Parent company's shareholders	5.9	-0.1	16.0	7.8	10.7
Non-controlling interests	0.6	0.8	3.7	3.5	6.9
<b>Comprehensive income for the period</b>	<b>6.5</b>	<b>0.7</b>	<b>19.7</b>	<b>11.3</b>	<b>17.6</b>

<sup>1</sup> 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	30 June	30 June	31 December
SEK MILLION	2020	2019	2019
<b>ASSETS</b>			
<i>Non-current assets</i>			
Intangible fixed assets	217.5	170.7	213.1
Right-of-use assets	57.8	48.2	63.8
Property, plant and equipment	4.7	25.6	4.6
Deferred tax assets	4.0	4.1	2.4
Other long-term receivables	4.8	4.6	4.7
Investments in associated companies	6.9	7.1	9.7
<b>Total non-current assets</b>	<b>295.7</b>	<b>260.3</b>	<b>298.3</b>
<i>Current assets</i>			
Trade receivables	136.6	156.6	147.9
Receivables from associated companies	2.8	2.5	6.1
Current tax assets	15.3	29.1	24.5
Other receivables	2.8	5.0	4.1
Prepaid expenses and accrued income	16.9	15.2	13.6
Cash and cash equivalents	66.0	17.8	27.5
<b>Total current assets</b>	<b>240.4</b>	<b>226.2</b>	<b>223.7</b>
<b>TOTAL ASSETS</b>	<b>536.1</b>	<b>486.5</b>	<b>522.0</b>
<b>EQUITY AND LIABILITIES</b>			
<i>Equity</i>			
Share capital	0.8	0.8	0.8
Other contributed capital	81.2	60.6	60.6
Retained earnings including profit for the period	26.3	21.3	25.3
<b>Equity attributable to the parent company shareholders</b>	<b>108.3</b>	<b>82.7</b>	<b>86.7</b>
Non-controlling interests	38.7	33.5	51.1
<b>Total equity</b>	<b>147.0</b>	<b>116.2</b>	<b>137.8</b>
<i>Non-current liabilities</i>			
Deferred tax liabilities	0.5	1.7	0.5
Other provisions	0.7	0.4	0.3
Interest-bearing long-term liabilities	90.2	110.1	105.9
Other non-current liabilities	14.1	14.2	14.1
<b>Total non-current liabilities</b>	<b>105.5</b>	<b>126.4</b>	<b>120.8</b>
<i>Current liabilities</i>			
Interest-bearing current liabilities	40.3	32.6	36.9
Trade payables	22.0	23.5	23.6
Current tax liabilities	1.1	1.2	1.7
Liabilities to associated companies	1.2	1.6	2.1
Other current liabilities	136.8	120.7	137.2
Accrued expenses, deferred income	82.2	64.3	61.9
<b>Total current liabilities</b>	<b>283.6</b>	<b>243.9</b>	<b>263.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>536.1</b>	<b>486.5</b>	<b>522.0</b>

CHANGES IN EQUITY	SHARE- CAPITAL	OTHER CONTRIBUTED CAPITAL	PROFIT BROUGHT FORWARD	TOTAL EQUITY ATTRIBUTABLE	NON- CONTROLLING INTERESTS	TOTAL EQUITY
			INCLUDING PROFIT FOR THE YEAR	TO THE PARENT COMPANY'S SHAREHOLDERS		
<i>Group (SEK million)</i>						
<b>Opening equity as at 1 January 2019</b>	<b>0.7</b>	<b>53.9</b>	<b>38.3</b>	<b>92.9</b>	<b>29.5</b>	<b>122.4</b>
Changed accounting policies IFRS 16			-1.4	-1.4	0.0	-1.4
<b>Opening equity as at 1 January 2019 including effects of changed accounting policies</b>	<b>0.7</b>	<b>53.9</b>	<b>36.9</b>	<b>91.5</b>	<b>29.5</b>	<b>121.0</b>
Profit for the period			7.8	7.8	3.5	11.3
Other comprehensive income for the period				-	-	-
<b>Comprehensive income for the period</b>			<b>7.8</b>	<b>7.8</b>	<b>3.5</b>	<b>11.3</b>
<i>Transactions with shareholders:</i>						
Dividend			-16.7	-16.7	-2.7	-19.4
Growth through acquisition					3.6	3.6
New issue	0.1			0.1		0.1
New non-cash issue		6.7		6.7		6.7
Change in shareholding in subsidiaries			-6.6	-6.6	-0.4	-7.0
<b>Total transactions with shareholders</b>	<b>0.1</b>	<b>6.7</b>	<b>-23.3</b>	<b>-16.6</b>	<b>0.5</b>	<b>-16.1</b>
<b>Closing equity as at 31 June 2019</b>	<b>0.8</b>	<b>60.6</b>	<b>21.3</b>	<b>82.7</b>	<b>33.5</b>	<b>116.2</b>

CHANGES IN EQUITY	SHARE CAPITAL	OTHER CONTRIBUTED CAPITAL	PROFIT BROUGHT FORWARD	TOTAL EQUITY	NON- CONTROLLING INTERESTS	TOTAL EQUITY
			INCLUDING PROFIT FOR THE YEAR	ATTRIBUTABLE TO THE PARENT COMPANY'S SHAREHOLDERS		
<i>Group (SEK million)</i>						
<b>Opening equity as at 1 January 2020</b>	<b>0,8</b>	<b>60.6</b>	<b>25.3</b>	<b>86.7</b>	<b>51.1</b>	<b>137.8</b>
Profit for the period			16.0	16.0	3.7	19.7
Other comprehensive income for the period				-	-	-
<b>Comprehensive income for the period</b>			<b>16.0</b>	<b>16.0</b>	<b>3.7</b>	<b>19.7</b>
<i>Transactions with shareholders:</i>						
Dividend					-6.5	-6.5
New issue though non-cash consideration and set-off		20.6		20.6		20.6
Change in shareholding in subsidiaries			-15.0	-15.0	-9.6	-24.6
<b>Total transactions with shareholders</b>	<b>0,0</b>	<b>20.6</b>	<b>-15.0</b>	<b>5.6</b>	<b>-16.1</b>	<b>-10.5</b>
<b>Closing equity as at 31 June 2020</b>	<b>0,8</b>	<b>81.2</b>	<b>26.3</b>	<b>108.3</b>	<b>38.7</b>	<b>147.0</b>

CONSOLIDATED CASH FLOW STATEMENT	1/4/2020	1/4/2019	1/1/2020	1/1/2019	1/1/2019
SEK MILLION	30/5/2020	30/6/2019	30/6/2020	30/6/2019	31/12/2019
Operating profit	9.6	3.4	29.0	18.7	31.3
Adjustment for non-cash items	6.5	12.4	13.6	18.7	27.0
Interest received	0.0	0.0	0.0	0.0	0.0
Interest paid	-1.4	-1.1	-2.5	-1.8	-4.3
Income tax paid	-5.6	-8.3	0.5	-17.5	-16.3
Cash flow from operating activities					
before change in working capital	9.2	6.4	40.7	18.1	37.7
Increase(–)Decrease(+) in operating receivables	41.6	13.1	17.1	6.4	29.9
Increase(+)/Decrease(–) in operating liabilities	16.5	2.2	18.3	0.6	-12.4
<b>Cash flow from operating activities</b>	<b>67.3</b>	<b>21.7</b>	<b>76.1</b>	<b>25.1</b>	<b>55.2</b>
<b>Investing activities</b>					
Business combinations	Note 5	0.0	0.0	-3.7	-11.1
Acquisition of property, plant and equipment		0.3	-0.3	-1.4	-1.9
Acquisition of intangible fixed assets		-0.5	-1.0	-3.0	-4.7
Shareholders' contributions paid to associated companies for the year		-1.5	-4.0	-2.1	-5.0
Other changes in financial assets		0.0	-0.1	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-1.7</b>	<b>-2.7</b>	<b>-3.0</b>	<b>-10.2</b>	<b>-22.7</b>
<b>Financing activities</b>					
Loans raised		10.0	0.0	19.0	43.8
Amortisation of loans		-7.0	-18.0	-11.8	-42.5
Dividend paid to parent company shareholders		-16.7	0.0	-16.7	-16.7
Dividend paid to non-controlling interests		-2.7	-6.5	-2.7	-4.4
Transactions with non-controlling interests		-7.0	-10.1	-7.0	-7.3
<b>Cash flow from financing activities</b>	<b>-24.9</b>	<b>-23.4</b>	<b>-34.6</b>	<b>-19.2</b>	<b>-27.1</b>
<b>Cash flow for the period</b>	<b>40.7</b>	<b>-4.4</b>	<b>38.5</b>	<b>-4.3</b>	<b>5.4</b>
<b>Reconciliation of change in cash and bank balances</b>					
Opening balance cash and cash equivalents	25.3	22.2	27.5	22.1	22.1
Closing balance cash and cash equivalents	66.0	17.8	66.0	17.8	27.5
<b>Change in liquid assets</b>	<b>40.7</b>	<b>-4.4</b>	<b>38.5</b>	<b>-4.3</b>	<b>5.4</b>

## PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY INCOME STATEMENT	April - June		January-June		January -- December
SEK MILLION	2020	2019	2020	2019	2019
Net sales	37.7	38.3	75.6	75.5	140.9
Other revenue	25.9	27.5	50.6	50.9	91.5
<b>Operating revenue</b>	<b>63.6</b>	<b>65.8</b>	<b>126.2</b>	<b>126.4</b>	<b>232.4</b>
<b>Operating expenses</b>					
Engagement-specific external expenses	-39.0	-39.9	-78.1	-78.1	-147.9
Other external expenses	-8.5	-13.4	-17.9	-27.6	-52.9
Staff costs	-16.4	-12.2	-31.0	-20.1	-33.1
Depreciation/amortisation and impairment	-0.4	-0.2	-0.9	-0.4	-1.2
Other operating expenses	0.0	0.0	0.0	0.0	0.0
<b>Operating profit</b>	<b>-0.7</b>	<b>0.1</b>	<b>-1.7</b>	<b>0.2</b>	<b>-2.7</b>
<b>Profit from financial investments</b>					
Profit from investments in group companies	0.2	0.7	0.2	15.7	33.3
Other interest income and similar profit/loss items	0.0	0.0	0.1	0.0	1.0
Interest expense and similar profit/loss items	-0.8	-0.2	-1.2	-0.4	-1.5
<b>Profit after financial items</b>	<b>-1.3</b>	<b>0.6</b>	<b>-2.6</b>	<b>15.5</b>	<b>30.1</b>
<i>Appropriations</i>					
Group contributions		-	-	-	1.2
Taxes	0.3	-0.2	0.5	-0.2	0.0
<b>PROFIT FOR THE PERIOD</b>	<b>-1.0</b>	<b>0.4</b>	<b>-2.1</b>	<b>15.3</b>	<b>31.3</b>

<b>PARENT COMPANY BALANCE SHEET</b>	<b>30 June</b>	<b>30 June</b>	<b>31 December</b>
<b>SEK MILLION</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
<b>ASSETS</b>			
<i>Non-current assets</i>			
Intangible fixed assets	5.6	4.0	5.1
Property, plant and equipment	1.7	2.3	2.0
	<b>7.3</b>	<b>6.3</b>	<b>7.1</b>
<i>Financial assets</i>			
Investments in group companies	296.6	239.9	265.5
Receivables from group companies	0.0	0.9	0.0
Investments in associated companies	11.0	13.6	16.5
Other long-term receivables	2.8	2.9	2.8
Deferred tax assets	1.2	0.7	0.7
	<b>311.6</b>	<b>258.0</b>	<b>285.5</b>
<b>Total non-current assets</b>	<b>318.9</b>	<b>264.3</b>	<b>292.6</b>
<i>Current assets</i>			
<i>Current receivables</i>			
Trade receivables	24.6	31.7	27.5
Receivables from group companies	49.2	52.8	74.7
Receivables from associated companies	2.4	2.5	5.7
Tax assets	0.9	1.9	1.3
Other receivables	0.1	0.8	
Prepaid expenses and accrued income	6.1	5.0	5.1
	<b>83.3</b>	<b>94.7</b>	<b>114.3</b>
<b>Cash and bank balances</b>	<b>49.7</b>	<b>9.6</b>	<b>10.2</b>
<b>Total current assets</b>	<b>133.0</b>	<b>104.3</b>	<b>124.5</b>
<b>TOTAL ASSETS</b>	<b>451.9</b>	<b>368.6</b>	<b>417.1</b>
<b>EQUITY AND LIABILITIES</b>			
<i>Equity</i>			
<i>Restricted equity</i>			
Share capital	0.8	0.8	0.8
Statutory reserve	0.0	0.0	0.0
	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>
<i>Non-restricted equity</i>			
Retained earnings	206.3	154.4	154.3
Profit for the period	-2.1	15.3	31.3
	<b>204.2</b>	<b>169.7</b>	<b>185.6</b>
<b>Total equity</b>	<b>205.0</b>	<b>170.5</b>	<b>186.4</b>
<i>Non-current liabilities</i>			
Liabilities to credit institutions	53.0	62.5	64.6
Other non-current liabilities	14.1	0.0	0.0
<b>Total non-current liabilities</b>	<b>67.1</b>	<b>62.5</b>	<b>64.6</b>
<i>Current liabilities</i>			
Liabilities to credit institutions	18.1	10.0	12.8
Trade payables	7.0	10.0	6.8
Liabilities to group companies	141.0	101.9	113.2
Liabilities to associated companies	1.0	1.5	2.1
Other current liabilities	5.0	5.7	26.3
Accrued expenses and deferred income	7.7	6.6	4.9
<b>Total current liabilities</b>	<b>179.8</b>	<b>135.7</b>	<b>166.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>451.9</b>	<b>368.6</b>	<b>417.1</b>



## 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		Cloud & Tech		Other <sup>1</sup>		Total	
	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019
Revenue from external clients	93.9	78.0	80.7	89.7	40.0	31.0	4.0	8.3	218.6	207.0
Revenue from other segments	2.9	1.8	3.1	2.3	7.0	1.7	-13.1	-5.9	-	-
<b>Total revenue</b>	<b>96.8</b>	<b>79.8</b>	<b>83.8</b>	<b>92.0</b>	<b>47.0</b>	<b>32.7</b>	<b>-9.1</b>	<b>2.4</b>	<b>218.6</b>	<b>207.0</b>
<b>Operating profit</b>	<b>3.5</b>	<b>3.3</b>	<b>3.8</b>	<b>1.5</b>	<b>3.6</b>	<b>-1.0</b>	<b>-1.3</b>	<b>-0.4</b>	<b>9.6</b>	<b>3.4</b>
<b>Operating margin</b>	<b>3.6%</b>	<b>4.1%</b>	<b>4.5%</b>	<b>1.6%</b>	<b>7.7%</b>	<b>-3.1%</b>	<b>n.a.</b>	<b>n.a.</b>	<b>4.4%</b>	<b>1.6%</b>

<sup>1</sup> 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 Q2 2019 this means an increase for Digital Management of SEK 15.7 million in revenue and an increase of SEK 0.5 million in operating profit

The difference for Digital Innovation is an increase in revenue of SEK 1.6 million and an increase in operating profit for 2019 of SEK 0.0 million.

Segment reporting	Digital Innovation		Digital Management		Cloud & Tech		Other <sup>1</sup>		Total	
	January-June		January-June		January-June		January-June		January-June	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue from external clients	206.5	148.6	169.8	189.6	81.5	71.1	8.6	14.5	466.4	423.8
Revenue from other segments	5.0	6.1	8.2	5.3	11.3	5.4	-24.5	-16.8	-	-
<b>Total revenue</b>	<b>211.5</b>	<b>154.7</b>	<b>178.0</b>	<b>194.9</b>	<b>92.8</b>	<b>76.5</b>	<b>-15.9</b>	<b>-4.8</b>	<b>466.4</b>	<b>423.8</b>
<b>Operating profit</b>	<b>14.6</b>	<b>13.1</b>	<b>9.9</b>	<b>8.0</b>	<b>6.6</b>	<b>0.0</b>	<b>-2.1</b>	<b>-2.4</b>	<b>29.0</b>	<b>18.7</b>
<b>Operating margin</b>	<b>6.9%</b>	<b>8.5%</b>	<b>5.6%</b>	<b>4.1%</b>	<b>7.1%</b>	<b>0.0%</b>	<b>n.a.</b>	<b>n.a.</b>	<b>6.2%</b>	<b>4.4%</b>

<sup>1</sup> 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 January - June 2019 this means an increase for Digital Management of SEK 33.6 million in revenue and an increase of SEK 1.8 million in operating profit

The difference for Digital Innovation is an increase in revenue of SEK 3.7 million and an increase in operating profit for 2019 of SEK 0.1 million.

Revenue broken down by segment and industry	Digital Innovation		Digital Management		Cloud & Tech		Other <sup>1</sup>		Total	
	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019
Revenue from external clients	93.9	78.0	80.7	89.7	40.0	31.0	4.0	8.3	218.6	207.0
Revenue from other segments	2.9	1.8	3.1	2.3	7.0	1.7	-13.1	-5.9	-	-
<b>Total revenue</b>	<b>96.8</b>	<b>79.8</b>	<b>83.8</b>	<b>92.0</b>	<b>47.0</b>	<b>32.7</b>	<b>-9.1</b>	<b>2.4</b>	<b>218.6</b>	<b>207.0</b>
<b>Industry sector</b>										
Government agency, municipality	7.8	4.1	22.2	24.8	14.4	11.5	2.2	3.8	46.6	44.1
Banking, finance, insurance	11.5	9.4	22.3	23.6	4.1	3.7	-0.3	1.2	37.6	37.9
Care	3.6	3.7	11.9	12.7	2.9	0.3	0.3	0.1	18.6	16.8
IT, media, entertainment	20.7	20.7	3.9	1.4	5.0	3.8	0.8	0.1	30.4	26.1
Industry	15.4	15.1	3.7	7.6	3.0	3.4	0.0	-2.2	22.1	23.9
Transport/Logistics	4.6	2.4	5.2	6.8	1.7	1.9	0.1	2.0	11.6	13.2
Telecoms	4.4	2.3	2.9	3.9	1.2	1.3	0.4	1.4	9.0	9.0
Retail	11.1	9.8	0.2	3.0	0.2	1.2	-0.2	-1.6	11.4	12.4
Other	14.9	10.5	8.4	5.7	7.4	3.9	0.7	3.3	31.5	23.5
<b>Total revenue</b>	<b>93.9</b>	<b>78.0</b>	<b>80.7</b>	<b>89.7</b>	<b>40.0</b>	<b>31.0</b>	<b>4.0</b>	<b>8.2</b>	<b>218.6</b>	<b>207.0</b>

Revenue broken down by segment	Digital Innovation		Digital Management		Cloud & Tech		Other <sup>1</sup>		Total	
	January-June		January-June		January-June		January-June		January-June	
and industry	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue from external clients	206.5	148.6	169.8	189.6	81.5	71.1	8.6	14.5	466.4	423.8
Revenue from other segments	5.0	6.1	8.2	5.3	11.3	5.4	-24.5	-16.8	-	-
<b>Total revenue</b>	<b>211.5</b>	<b>154.7</b>	<b>178.0</b>	<b>194.9</b>	<b>92.8</b>	<b>76.5</b>	<b>-15.9</b>	<b>-2.3</b>	<b>466.4</b>	<b>423.8</b>
<b>Industry sector</b>										
Government agency, municipality	13.2	7.7	45.3	52.1	27.3	25.9	8.4	6.8	94.2	92.5
Banking, finance, insurance	22.1	19.6	47.4	50.1	12.6	8.3	5.2	-1.7	87.2	76.3
Care	9.5	5.1	25.0	26.4	5.1	1.1	-2.7	2.5	36.8	35.0
IT, media, entertainment	57.8	31.8	6.1	3.8	8.9	8.9	-15.9	10.5	56.9	55.0
Industry	39.9	25.4	8.7	15.2	8.0	8.7	-1.9	-1.1	54.6	48.2
Transport/Logistics	6.2	5.9	12.1	12.9	3.6	4.0	1.9	1.1	23.8	23.9
Telecoms	5.8	6.7	6.3	8.9	2.4	3.5	5.6	1.5	20.1	20.6
Retail	22.5	19.2	1.7	5.9	0.6	2.6	7.4	-3.7	32.2	24.0
Other	29.5	27.2	17.3	14.4	13.1	8.2	0.7	-1.5	60.6	48.3
<b>Total revenue</b>	<b>206.5</b>	<b>148.6</b>	<b>169.8</b>	<b>189.6</b>	<b>81.5</b>	<b>71.1</b>	<b>8.6</b>	<b>14.5</b>	<b>466.4</b>	<b>423.8</b>

NOTE 3 KEY FIGURES - GROUP (SEK MILLION)	April - June		January -- June		January -- December
	2020	2019	2020	2019	
Net sales	218.6	207.0	466.4	423.8	839.5
Sales growth %	5.6%	9.8%	10.1%	13.8%	15.6%
Operating profit before depreciation/amortisation and impairment (EBITDA)	16.4	9.1	42.7	30.9	56.1
Operating margin before depreciation/amortisation and impairment (EBITDA) %	7.5%	4.4%	9.2%	7.3%	6.7%
Operating profit (EBIT)	9.6	3.4	29.0	18.7	31.3
Operating margin (EBIT) %	4.4%	1.6%	6.2%	4.4%	3.7%
Equity-assets ratio %	27.4%	23.9%	27.4%	23.9%	26.4%
Average number of employees	664	629	671	613	642
Average number of co-workers	685	659	694	642	669
Closing number of employees	657	639	657	639	685
Closing number of co-workers	678	669	678	669	712
Balance sheet total	536.1	486.5	536.1	486.5	522.0
Return on equity %	4.4%	0.6%	13.8%	9.5%	13.5%
Earnings per share, SEK	0.76	-0.01	2.09	1.05	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.

*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).

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

**Debt/equity ratio**

*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 measure provides a good picture of the company's performance.

## Derivation of certain key figures

SEK million unless otherwise stated	April -- June		January -- June		January -- December
	2020	2019	2020	2019	2019
Sales	218.6	207.0	466.4	423.8	839.5
Increased sales compared with previous year	11.6	18.5	42.6	51.5	113.2
<b>Sales growth</b>	<b>5.6%</b>	<b>9.8%</b>	<b>10.1%</b>	<b>13.8%</b>	<b>15.6%</b>
Operating profit	9.6	3.4	29.0	18.7	31.3
Depreciation/amortisation and impairment	6.8	5.7	13.7	12.2	24.8
Operating profit before depreciation/amortisation and impairment EBITDA	<b>16.4</b>	<b>9.1</b>	<b>42.7</b>	<b>30.9</b>	<b>56.1</b>
Operating profit before depreciation/amortisation and impairment EBITDA	16.4	9.1	42.7	30.9	56.1
Net sales	218.6	207.0	466.4	423.8	839.5
<b>Operating margin before depreciation/amortisation and impairment (EBITDA), %</b>	<b>7.5%</b>	<b>4.4%</b>	<b>9.2%</b>	<b>7.3%</b>	<b>6.7%</b>
Operating profit EBIT	<b>9.6</b>	<b>3.4</b>	<b>29.0</b>	<b>18.7</b>	<b>31.3</b>
Operating profit	9.6	3.4	29.0	18.7	31.3
Net sales	218.6	207.0	466.4	423.8	839.5
<b>Operating margin (EBIT), %</b>	<b>4.4%</b>	<b>1.6%</b>	<b>6.2%</b>	<b>4.4%</b>	<b>3.7%</b>
Operating profit	9.6	3.4	29.0	18.7	31.3
Impairment loss on intangible non-current assets	0.0	0.0	0.0	0.0	0.0
Operating profit before depreciation/amortisation EBITA	<b>9.6</b>	<b>3.4</b>	<b>29.0</b>	<b>18.7</b>	<b>31.3</b>
Equity including non-controlling interests	147.0	116.2	147.0	116.2	137.8
Balance sheet total	536.1	486.5	536.1	486.5	522.0
<b>EQUITY-ASSETS RATIO</b>	<b>27.4%</b>	<b>23.9%</b>	<b>27.4%</b>	<b>23.9%</b>	<b>26.4%</b>
Profit after tax	6.5	0.7	19.7	11.3	17.6
Equity including non-controlling interests opening balance	151.0	135.2	137.8	122.4	122.4
Equity including non-controlling interests closing balance	147.0	116.2	147.0	116.2	137.8
Average equity	149.0	125.7	142.4	119.3	130.1
<b>Return on equity, %</b>	<b>4.4%</b>	<b>0.6%</b>	<b>13.8%</b>	<b>9.5%</b>	<b>13.5%</b>
Interest-bearing long-term liabilities	-90.2	-110.1	-90.2	-110.1	-105.9
Interest-bearing current liabilities	-40.3	-32.6	-40.3	-32.6	-36.9
Cash and cash equivalents	66.0	17.8	66.0	17.8	27.5
<b>Net debt(-)/Net cash balance(+) incl. IFRS 16</b>	<b>-64.5</b>	<b>-124.9</b>	<b>-64.5</b>	<b>-124.9</b>	<b>-115.3</b>
Interest-bearing long-term liabilities	-66.6	-60.1	-66.6	-60.1	-78.2
Interest-bearing current liabilities	-28.5	-18.0	-28.5	-18.0	-21.8
Cash and cash equivalents	66.0	17.5	66.0	17.5	27.5
<b>Net debt(-)/Net cash balance(+) excl. IFRS 16</b>	<b>-29.1</b>	<b>-60.6</b>	<b>-29.1</b>	<b>-60.6</b>	<b>-72.5</b>

## 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 0.0 (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**

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

**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.

In accordance with the resolution of the Annual General Meeting of 14 May 2020, B3 Consulting Group AB (publ) has acquired, through a new non-cash issue, outstanding shares in subsidiaries from the minority shareholders of B3 Alenio Consulting AB and B3 Financial Consulting AB, and thereby increased the holdings to 100 per cent in both companies, as well as Rebel and Bird AB, and thereby increased the holding to 75 per cent. The B3 Consulting Group AB (publ) has previously acquired 58 per cent of the outstanding shares in subsidiaries from the minority shareholders in B3 Nuway AB. As part of the acquisition the final purchase price will be regulated through a resolution of the Annual General Meeting on 14 May 2020 concerning a set-off issue directed at the minority shareholders of B3 Nuway AB. Subscription for the maximum number of shares that can be issued was reached on 15 May 2020 when those entitled to subscribe decided to subscribe for the full number of shares to which they are entitled under the issue resolution. The decision means that the share capital increased by SEK 68,800 to SEK 820,987:50 through a new issue of 688,000 shares to a total of 8,209,875 shares.

**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 second quarter of 2020 was 60, compared with 59 in the same period of the previous year.