



Interim report, 1 January to 30 September 2019

6 November 2019

# Continued growth in a changing market

## Third quarter, July - September 2019

- Sales amount to SEK 176.6 (150.5) million, giving growth of 17.3 (16.0) per cent
- Operating profit (EBIT) is SEK 5.6 (7.9) million, giving an operating margin of 3.2 (5.2) per cent
- Profit after tax is SEK 2.5 (4.0) million.
- Earnings per share before and after dilution amount to SEK 0.10 (0.39)

## First nine months, January - September 2019

- Sales amount to SEK 600.4 (522.8) million, giving growth of 14.8 (21.2) per cent
- Operating profit (EBIT) is SEK 24.3 (32.9) million, giving an operating margin of 4.0 (6.3) per cent
- Profit after tax is SEK 13.8 (20.0) million.
- Earnings per share before and after dilution amount to SEK 1.15 (2.16)

	Third quarter, July - Sept			First nine months, Jan - Sept			Full year
	2019	2018	Change	2019	2018	Change	2018
Net sales, SEK million	176.6	150.5	17.3%	600.4	522.8	14.8%	726.3
EBITDA, SEK million*	12.0	10.0	20.0%	42.9	38.6	11.1%	54.1
EBITDA margin*	6.8%	6.6%		7.1%	7.4%		7.4%
Operating profit (EBIT), SEK million*	5.6	7.9	-29.1%	24.3	32.9	-26.1%	47.1
Operating margin (EBIT)*	3.2%	5.2%		4.0%	6.3%		6.5%
Profit after tax, SEK million	2.5	4.0	-37.5%	13.8	20.0	-31.0%	28.3
Profit per share, SEK	0.10	0.39	-74.4%	1.5	2.16	-46.8%	3.15
Number of co-workers, closing balance	704	563	141	704	563	141	609
Average number of co-workers	687	551	136	658	531	127	547

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

\*The performance measures are impacted by the transition to IFRS 16 "Leases". See also Note 1.

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*This information is information that B3 Consulting Group AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was released for public disclosure, through the agency of the contact persons above, on 6 November, 2019, at 08.00 CET.*

Co-founder and Chief Executive Officer Sven Uthorn:

## Continued growth in a changing market



B3 Consulting Group recently turned 16 and is closing Q3 as the 64th consecutive quarter with positive profitability. In a changing consultancy market we continue to grow fast with a net sales of SEK 176.6 million in the quarter, an increase of 17.3 per cent compared with the corresponding quarter last year.

The increase is mainly within the Digital Innovation business area, driven by a wave of digitalisation with clients that are focusing to a great degree on creating new digital customer experiences, building customer loyalty on the web, creating innovative products and digital services for better customer service and greater efficiency. We have also advanced our positions geographically, where our operations in Malmö, Jönköping, Linköping and Örebro have developed extremely well during the year.

At the same time we have had to respond to two major changes in the market during the year – a general weakening in demand for traditional project management and operations development as well as a weakening in the public sector. Both factors have inhibited growth in the Digital Management business area, and the Digital Infra business area was also impacted negatively.

We are responding to these changes with a focus on operational efficiency by directing our marketing towards clients in the private sector with a higher rate of change and more urgency in moving forward within digitalisation. It is also a matter of our successful development of skills and services to match market needs in agile business and operations development.

We are now starting to see the results of this work in that we are breaking the ordinary seasonal pattern with a Q3 profit that exceeds the Q2 profit. The work of readjustment is continuing, and I estimate that in the coming quarters we will be able to report gradually increasing profitability.

We are also continuing to grow our organisation and at the close of Q3 expect to number 704 co-workers, an increase of 25 per cent in the past year and a doubling in less than three years. Increased delivery capacity with retained quality makes us even more relevant when our clients are selecting their consulting partners. This is confirmed by the fact that we continue to win framework agreements during the year, in banking, insurance, industry and media, among others.

Despite the challenges we have had to meet during the year, our confidence in our continued business structure is strong. We are exceptionally well-positioned with our delivery capacity, experience base, breadth of skills and platform for growth to be able to help our clients through all the phases of digitalisation, from analysis and strategy to realisation of new solutions and working methods for greater efficiency and new business opportunities.

*Sven Uthorn*

# 17%

growth compared with Q318

# Focus

operational efficiency and profit generation

# 25%

more co-workers Q319 compared with Q318

## Important events during the period

- Sofia Smedshammar recruited as new head of B3's fastest growing business area, Digital Innovation. Sofia has long experience of IT, digitalisation and leadership in the consulting industry
- Lotta Wiberg recruited as new business development and sales manager for the Digital Innovation business area. Lotta's most recent position was sales director at Creuna Sweden
- 94 per cent of co-workers consider that B3 is a very good workplace, according to this year's GPTW (Great Place To Work) score
- B3 signs framework agreement with Association of Local Authorities in Västernorrland in the area of RPA, Robotic Process Automation
- B3 helps Region Dalarna to introduce AI in healthcare
- Anne Ek recruited as new Head of HR at B3 Consulting Group. Anne's most recent position was HR Business Partner in Scandic Hotels
- In July B3 acquires 58 per cent of the consulting company Nuway AB with 50 co-workers
- B3 strengthens the Board with new members Kristin Lindmark and Anna Hjertstedt
- B3 acquires all the minority shareholdings in B3 Insight AB and B3 Summit AB following a resolution by the AGM
- The Board of Directors proposes a dividend of SEK 2.25 (2.17) per share, totalling SEK 16.7 (16.1) million
- On 14 January B3 completes the acquisition of 60 per cent of the management consultant company Alenio Consulting AB

## Important events after the close of the period

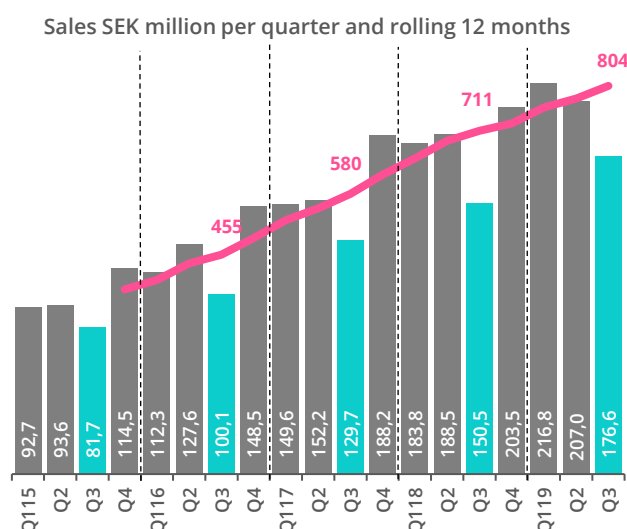
- B3 is awarded a new framework agreement with Länsförsäkringar for IT consulting services in the areas of Leadership and Management, Development, Architecture and Infrastructure
- B3 calls an extraordinary general meeting of shareholders to be held on 15 November with a proposed issue and transfer of warrants
- B3's digital agency Rebel and Bird and Parks and Resorts awarded a prize for Kolmården's new website

## Group

### Third quarter, July - September 2019

#### Revenue and profit

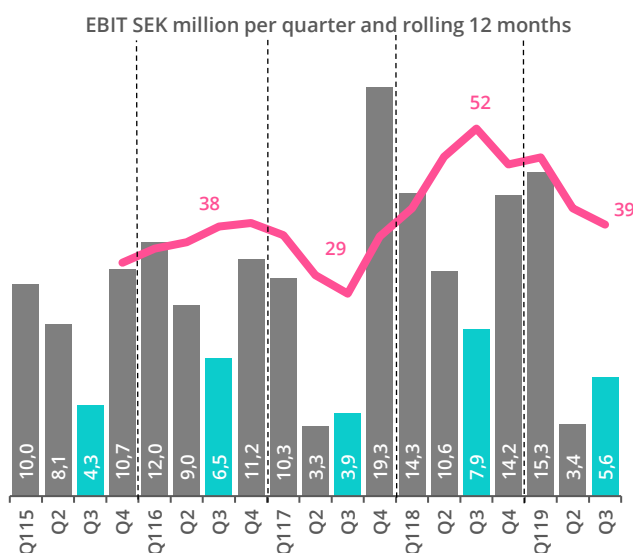
Sales in the third quarter were SEK 176.6 (150.5) million. Growth was 17.3 (16.0) per cent. The increase in revenue is mainly due to improved delivery capability, principally as a result of recruitment and acquisitions. Sub-consultants are used for a small part of the business, amounting during the quarter to 7.5 (8.8) per cent of sales.



Total operating expenses in the quarter were SEK 171.2 (143.1) million. Staff costs were SEK 123.0 (105.1) million, corresponding to 69.6 (69.8) per cent of sales.

The operating profit for the quarter amounted to SEK 5.6 (7.9) million. The operating margin was 3.2 (5.2) per cent. To achieve better operational efficiency and profit generation a change is taking place in the organisation structure and working methods to adapt to a partially changed market, mainly referring to project management and operations development.

IFRS 16 "Leases" increased the operating profit by SEK 0.4 million for the quarter. To see how IFRS 16 impacts other performance measures and the balance sheet please refer to Note 1.



## First nine months, January – September 2019

### Revenue and profit

During the period sales were SEK 600.4 (522.8) million. Growth was 14.8 (21.2) 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 7.2 (10.6) per cent of sales.

Total operating expenses in the period were SEK 576.9 (491.4) million. Staff costs were SEK 427.8 (356.4) million, corresponding to 71.3 (68.2) per cent of sales. The change mainly relates to poorer capacity utilisation in the part of the market with weaker growth during the period, which was in the public sector and in demand, mainly for project management and operations development.

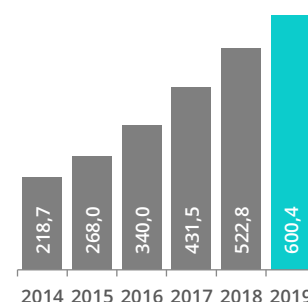
The operating profit for the period is SEK 24.3 (32.9) million.

Performance is affected by long-term investments in growth in sales and management, including the Rising Star programme for new co-workers. In addition, the consulting company Nuway AB and the management consulting company Alenio Consulting AB were acquired, as well as all minority shareholdings in B3 Insight AB and B3 Summit AB. Apart from this, during 2019 a new business system was introduced and the website developed and launched in the autumn. The operating margin was 4.0 (6.3) per cent.

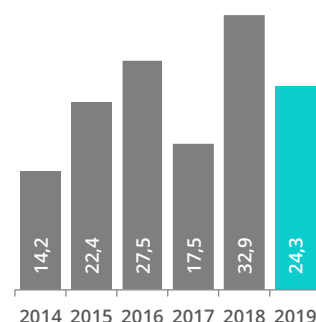
In connection with the acquisition of Sentensia in 2017, a supplementary purchase price was agreed, based on the company's growth in 2017 and 2018. Profit in 2019 was reduced by SEK 1.5 million in supplementary purchase price for Sentensia, as growth in 2018 was better than expected.

IFRS 16 "Leases" increased the operating profit by SEK 1.3 million for the period. To see how IFRS 16 impacts other performance measures and the balance sheet, please refer to Note 1.

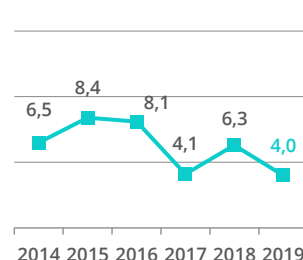
Sales SEK million, first nine months



EBIT first nine months, SEK million



EBIT-margin first nine months, %



### *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 nine months of 2019 was 168, compared with 168 in the same period of the previous year. One working day corresponds to about SEK 2.9 million in sales and about SEK 1.0 million in profit.

### *Segment reporting*

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, 47.5 (53.7) per cent, led to Digital Innovation now accounting for 37 (28) per cent of the Group's sales.

Digital Innovation's sales strengthened by SEK 72.3 million to SEK 224.5 (44.8) million and the operating profit was strengthened by SEK 6.2 million to SEK 20.27 (14.0) million, giving an operating margin of 9.0 (9.2) per cent. 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 acquisitions in 2018 and 2019. In November 2018 Reach Consulting was acquired, with operations in Jönköping and Linköping and a focus on technology consulting and systems development, above all for the industry sector. As of 1 July the acquisition of Nuway, with specialist skills in system development, is included in the business area. In August 2019 a new business area head took over, as well as a new business development and sales manager.

#### Digital Management business area

The business area offers services in operations development, digital transformation, change leadership, decision support etc. Digital Management accounts for 36 (44) per cent of the Group's sales. The clients include county councils, authorities, the banking and finance and telecom sectors.

Digital Management sales in the period were SEK 220.6 (235.1) million, with an operating profit of SEK 6.3 (19.2) million. Revenues decreased during the period by 6.2 per cent. In the corresponding period of the previous year growth was 16.8 per cent. The operating margin was 2.9 (8.2) per cent. The weaker growth since late autumn 2018 mainly concerns continued restraint in the government agency and municipal sector. The business area's growth is also impacted by changed demand in the market, mainly for project management and operations development. To develop the business and improve efficiency a new head of the business area took over in the second quarter of 2019, focusing on reviewing the organisation, client priorities and working methods and adjusting to a partially changed market. Since January 2019 the acquisition of Alenio is included in the business area.

#### Digital Infra business area

The business area offers services relating to effective, secure, scalable and accessible infrastructure. Digital Infra accounts for 18 (19) 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.

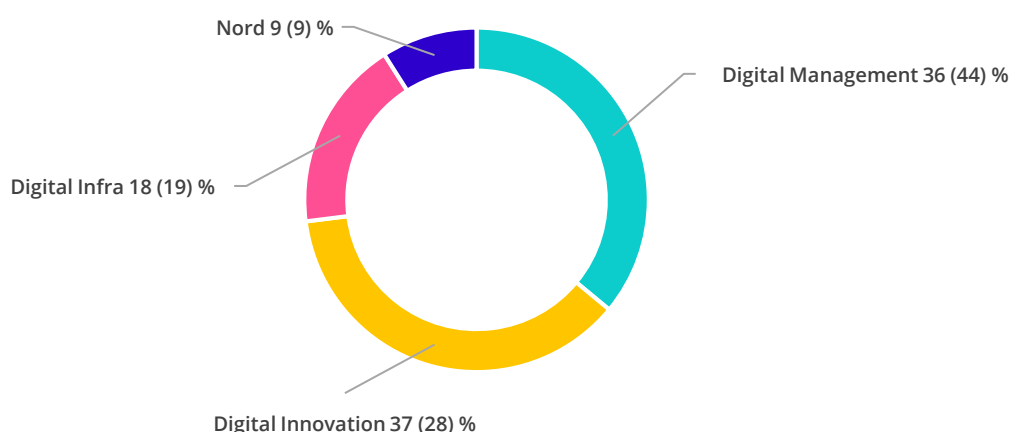
Digital Infra sales in the period were SEK 108.7 (104.3) million, with an operating profit of SEK 1.9 (3.2) million. Growth was 4.2 (27.8) per cent. The Operating margin was 1.7 (3.1) per cent. The business area's growth is mainly impacted by restraint in the government agency and municipal sector. Work is in progress to improve operational efficiency and strengthen profit generation.

### Nord business area

The business area consists of geographically coherent companies with a focus on developing B3's operations in the local client markets of Sundsvall, Gävle and Borlänge. Nord accounts for 9 (9) per cent of the Group's sales.

Nord's full year sales in the period were SEK 51.4 (47.5) million, with growth of 8.2 (19) per cent. The operating profit was SEK 134 (1.0) million, which gives an operating margin of 2.5 (2.1) per cent. Business is impacted by developments in the public sector and is gradually expanding into industry.

Share of revenue per business area, first nine months 2019 (2018)



### *Cash flow and financial position*

The Group's cash flow in the period amounts to SEK -12.4 (-15.5) million. Cash flow from operating activities was SEK 11.3 (34.6) million, where the operations had a positive cash flow of SEK 18.7 (16.2) million and working capital changed by SEK -7.4 (18.4) million. In the first half year liabilities to staff increase, and then decrease in the third quarter in connection with annual leave. This is of great importance to staff-intensive companies' working capital. The Group's cash flow was impacted by investing activities, SEK -20.3 (-38.7) million, which mainly refers to the acquisition of Nuway AB and Alenio Consulting AB and the supplementary purchase price for acquisition of Sentensia Q AB. In the corresponding period of the previous year the consulting company Third Base AB was acquired and a supplementary purchase price for the acquisition of Sentensia Q AB was paid. Financing activities give a negative cash flow of SEK -3.4 (-11.4) million, where the major items are loans raised, leases (see also Note 1) and dividend paid.

The Group's cash and cash equivalents amounted to SEK 9.7 (2.5) million as at 30 September. Cash and cash equivalents amounted to SEK 17.8 (1752) million as at 30 June.

Equity at the close of the period was SEK 136.0 (111.3) million. As at 30 September the Group's net debt excluding IFRS 16 was SEK 121.3 (62.3) million. Net debt as a percentage of EBITA on a rolling 12-month basis is 3.2 (1.2). The figure is impacted by the increasing net debt, linked in particular to investments made, and the poorer performance of the past quarters. The equity-assets ratio is 26.0 (2936) per cent.

### *Investments*

The Group's net investments during the period were SEK 20.3 (38.7) million, mainly referring to the acquisition of Nuway and Alenio and the acquisition of minority shareholdings in subsidiaries. The previous year's figure mainly consisted of the acquisition of Third Base.

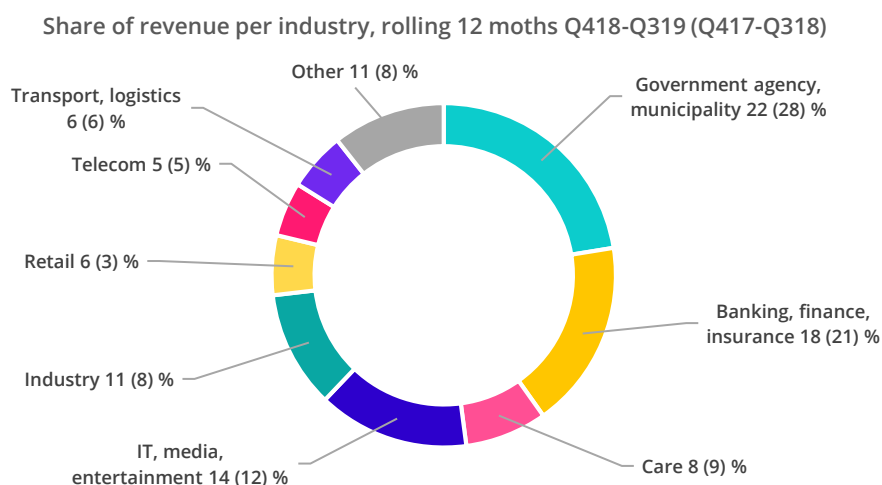
**26%**  
equity/assets ratio  
on 30 September

### Co-workers

B3's net recruitment was 95 (70) co-workers during the period. As at 30 September the number of co-workers was 704 (563).

### Clients

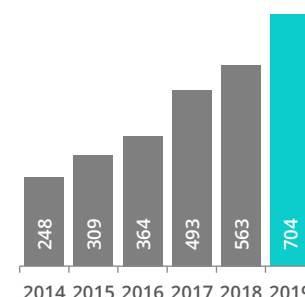
At the beginning of 2019 B3 had more than 200 active clients of which no individual client represents more than ten per cent of the company's total sales. The company's ten largest clients together represent more than 25 per cent of B3's sales and the 40 next largest clients represent just over 40 per cent of sales. More than 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 20 per cent of the company's sales.



# 141

more co-workers in the past year

Number of co-workers  
September 30



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

### Third quarter, July - September 2019

#### Revenue and profit

The parent company's net sales in the quarter amounted to SEK 30.1 (26.0) 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 48.1 (42.5) 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 -1.8 (0.5) million.

### First nine months, January - September 2019

#### Revenue and profit

The parent company's net sales in the period amounted to SEK 105.6 (90.7) 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 174.5 (144.1) 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 -1.6 (-0.3) million.

#### Financial position

Cash and cash equivalents amounted to SEK 0.0 (0.0) million as at 30 September. The parent company has overdraft facilities with a limit of SEK 35.0 (15.0) million, of which SEK 13.5 (8.2)

million has been used. In 2017 the company entered into a revolving credit facility agreement with a view to facilitating financing needs regarding acquisitions. The facility amounted to SEK 35 million, of which SEK 35 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 5.0 million was amortised as at 30 September 2019. For the acquisition of Nuway AB the parent company raised a loan during the period of SEK 11.3 million, of which 0.7 million has been amortised. The parent company's equity amounts to SEK 168.5 (136.1) million. On 30 September 2019 the company had net debt of SEK 94.1 (43.2) million. The equity/assets ratio is 44.1 (46.6) per cent.

## The B3 share

The B3 share has been listed on Nasdaq Stockholm since December 2016. As at 30 September 2019 there is a total of 7,521,875 shares and votes, distributed among 2,261 shareholders. Share capital amounts to SEK 752,187:60.

**2,261**

shareholders in B3

## Dividend

On 16 May 2019 the Annual General Meeting resolved on an increased dividend of SEK 2.25 (2.17) per share, totalling SEK 16.7 (16.1) million. Payment was on 23 May 2019.

**SEK 2.25**

in dividend

## Other information

### Outlook

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 Board of Directors has determined an overall objective for the next few years that, with 2015 as a base, increase profit per share in the company by about 20 per cent per year. This is to be achieved through continued growth higher than 15 per cent per year – through recruitment, acquisitions and new establishment – and with the aim of keeping the operating margin (EBIT) in the interval of 8–12 per cent, as a balance between short-term expansion costs and long-term economies of scale.

Net debt, excluding IFRS 16 “Leases”, as a percentage of EBITA must normally be less than 1.5, but may be allowed temporarily to rise to higher levels in connection with acquisitions.

Every year B3 is to distribute two thirds of the company's profit after tax attributable to the shareholders of B3 Consulting Group AB (publ), while taking into account the company'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 2018 in the section “Risks and risk management” in the administration report and under Note 3. No material changes have subsequently arisen.

### Other events during the reporting period

B3 called an extraordinary general meeting of shareholders to be held on 15 November with a proposed issue and transfer of warrants. A notice to attend and full warrant conditions along with other necessary documents are available on the company's website.

## Annual General Meeting

The 2019 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 will be published at the latest four

**AGM 14 May  
2020**



weeks before that date on the company's website and in Post & Inrikes Tidningar (the Swedish Official Gazette) and announced in Dagens Industri.

Ahead of the coming Annual General Meeting a Nominations Committee has been appointed in accordance with a resolution on procedure made by B3's Annual General Meeting on 16 May 2019. The Nominations Committee consists of Hans Didring, representative of Protector Forsikring ASA, Leif Frykman, representative of Sven Uthorn AB and Henrik Holm, Chair of the Board of B3 Consulting Group AB (publ). The Nominations Committee thus corresponds to about 35 per cent of the total number of outstanding shares and votes. Shareholders who wish to submit proposals to B3's Nominations Committee can do so by 28 February 2020 at the latest, via email to [valberedning@b3.se](mailto:valberedning@b3.se) or by letter to B3 Consulting Group AB (publ), Att: Nominations Committee, P.O. Box 8, SE 101 20 Stockholm.

## Calendar

Year-end report 2019	20 February 2020
Annual Report 2019	latest 16 April 2020
Interim report Q1, January-March 2020	7 May 2020
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 Co-founder certify that the interim report for the third quarter and first nine months of 2019 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 been reviewed by the company's auditors.

Stockholm, 6 November 2019

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 Co-founder and Member of the Board

## Presentation of the report

A webcast presentation will be available in Swedish 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 "Se alla" under "Rapporter och presentationer". 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 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 2018 amounted to SEK 726.3 million, with an operating profit of SEK 47.1 million. There are offices in Stockholm, Borlänge, Gävle, Gothenburg, Malmö, Sundsvall, Örebro and Warsaw. B3 is listed on Nasdaq Stockholm. More information can be found at [www.b3.se](http://www.b3.se)*

**B3 Consulting Group AB (publ). Box 8. 101 20 Stockholm. Kungsbron 2. Tel. +46 8 410 143 40 Corporate ID number 556606-3300**

There may be rounding differences in the tables

<b>CONSOLIDATED INCOME STATEMENT</b>		<b>July -- September</b>		<b>January -- September</b>		<b>January - December</b>
<b>SEK MILLION</b>		<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
Net sales		176.6	150.5	600.4	522.8	726,3
Other operating income		0.2	0.5	0.8	1.5	1.7
<b>Operating revenue etc.</b>		<b>176.8</b>	<b>151.0</b>	<b>601.2</b>	<b>524.3</b>	<b>728.0</b>
Engagement-specific external expenses		-27.2	-20.0	-73.1	-74.4	-103.4
Other external expenses		-14.7	-15.9	-56.0	-54.0	-74.3
Supplementary purchase price for business combination <sup>1</sup>		-	-	-1.5	-1.0	-1.0
Staff costs		-123.0	-105.1	-427.8	-356.4	-495,5
Depreciation/amortisation and impairment		-6.4	-2.1	-18.6	-5.7	-7.0
Other operating expenses		0.1	0.0	0.1	0.1	0.3
<b>Operating profit</b>		<b>5.6</b>	<b>7.9</b>	<b>24.3</b>	<b>32.9</b>	<b>47,1</b>
<b>Profit from financial investments</b>						
Financial income		0.0	0.0	0.0	0.0	-
Profit from investments in associated companies		-0.3	-1.2	-1.2	-2.5	-4.0
Financial expenses		-1.2	-0.7	-3.0	-1.8	-2.7
<b>Profit after financial items</b>		<b>4,1</b>	<b>6,0</b>	<b>20,1</b>	<b>28,6</b>	<b>40,4</b>
Taxes		-1.6	-2.0	-6.3	-8.6	-12,1
<b>PROFIT FOR THE PERIOD</b>		<b>2.5</b>	<b>4.0</b>	<b>13.8</b>	<b>20.0</b>	<b>28.3</b>
<b>Income for the period attributable to:</b>						
Parent company's shareholders		0.8	2.9	8.6	16.0	23.4
Non-controlling interests		1.7	1.1	5.2	4.0	4.9
<b>PROFIT FOR THE PERIOD</b>		<b>2.5</b>	<b>4.0</b>	<b>13.8</b>	<b>20.0</b>	<b>28.3</b>
Earnings per share before dilution, SEK <sup>2</sup>		0.10	0.39	1.15	2.16	3.15
Earnings per share after dilution, SEK <sup>2</sup>		0.10	0.39	1.15	2.16	3.15
<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, SEK MILLION</b>						
		<b>July -- September</b>		<b>January -- September</b>		<b>January - December</b>
		<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
<b>Profit for the period</b>		<b>2.5</b>	<b>4.0</b>	<b>13.8</b>	<b>20.0</b>	<b>28.3</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>-</b>
<b>Comprehensive income for the period</b>		<b>2.5</b>	<b>4.0</b>	<b>13.8</b>	<b>20.0</b>	<b>28.3</b>
<b>Comprehensive income for the period attributable to:</b>						
Parent company's shareholders		0.8	2.9	8.6	16.0	23.4
Non-controlling interests		1.7	1.1	5.2	4.0	4.9
<b>Comprehensive income for the period</b>		<b>2.5</b>	<b>4.0</b>	<b>13.8</b>	<b>20.0</b>	<b>28.3</b>

<sup>1</sup> The amount refers to remeasurement of the liability for supplementary purchase price for the acquisition in 2017 of all shares in Sentensia Q 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.

<sup>2</sup> Attributable to the parent company's shareholders (before and after dilution).

<b>CONSOLIDATED BALANCE SHEET</b>	<b>30 September 2019</b>	<b>30 September 2018</b>	<b>31 December 2018</b>
<b>SEK MILLION</b>			
<b>ASSETS</b>			
<i>Non-current assets.</i>			
Intangible fixed assets	208.6	151.4	158.5
Right-of-use assets	44.5		-
Property, plant and equipment	28.3	26.9	29.7
Deferred tax assets	4.6	5.8	3.1
Other long-term receivables	4.5	4.8	4.8
Investments in associated companies	9.7	6.5	8.0
<b>Total non-current assets</b>	<b>300.2</b>	<b>195.4</b>	<b>204.1</b>
<i>Current assets</i>			
Trade receivables	145.8	140.2	157.9
Receivables from associated companies	3.1	0.5	1.7
Current tax assets	36.5	26.8	18.5
Other receivables	5.8	3.1	8.0
Prepaid expenses and accrued income	22.4	11.4	13.4
Cash and cash equivalents	9.7	2.5	22.1
<b>Total current assets</b>	<b>223.3</b>	<b>184.5</b>	<b>221.6</b>
<b>TOTAL ASSETS</b>	<b>523.5</b>	<b>379.9</b>	<b>425.7</b>
<b>EQUITY AND LIABILITIES</b>			
<i>Equity</i>			
Share capital	0.8	0.7	0.7
Other contributed capital	60.6	53.9	53.9
Retained earnings including profit for the year	22.2	29.8	38.3
<b>Equity attributable to the parent company shareholders</b>	<b>83.6</b>	<b>84.4</b>	<b>92.9</b>
Non-controlling interests	52.4	26.9	29.5
<b>Total equity</b>	<b>136.0</b>	<b>111.3</b>	<b>122.4</b>
<i>Non-current liabilities</i>			
Deferred tax liabilities	1.9	2.9	1.8
Other provisions	0.4	1.2	0.2
Interest-bearing non-current liabilities*	128.1	49.4	48.1
Other non-current liabilities	14.2	14.2	14.1
<b>Total non-current liabilities</b>	<b>144.6</b>	<b>67.7</b>	<b>64.2</b>
<i>Current liabilities</i>			
Interest-bearing current liabilities*	49.2	15.4	31.4
Trade payables	23.6	27.4	35.0
Current tax liabilities	2.2	1.5	2.1
Liabilities to associated companies	1.8	0.3	1.9
Other current liabilities	112.9	116.0	116.8
Accrued expenses, deferred income	53.2	40.4	51.9
<b>Total current liabilities</b>	<b>242.9</b>	<b>201.0</b>	<b>239.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>523.5</b>	<b>379.9</b>	<b>425.7</b>

\*To see how IFRS 16 "Leases" has impacted the item please refer to Note 1

CHANGES IN EQUITY	SHARE	OTHER PAID-IN	ACCUMULATED	TOTAL	NON- CONTROLLING	TOTAL
			PROFIT/LOSS	EQUITY		
			INCLUDING	ATTRIBUTABLE TO		
<i>Group</i> (SEK million)	EQUITY	EQUITY	PROFIT FOR THE YEAR PROFIT/LOSS	SHAREHOLDERS	INTERESTS	EQUITY
<b>Opening equity as at 1 January 2018</b>	<b>0.7</b>	<b>53.9</b>	<b>41.4</b>	<b>96.0</b>	<b>14.7</b>	<b>110.7</b>
Profit for the period			16.0	16.0	4.0	20.0
Other comprehensive income for the period				-	-	-
<b>Comprehensive income for the period</b>			<b>16.0</b>	<b>16.0</b>	<b>4.0</b>	<b>20.0</b>
<i>Transactions with shareholders:</i>						
Dividend			-16.1	-16.1	-1.7	-17.8
Option redemption			6.4	6.4	0.0	6.4
Debt option acquisition			-14.1	-14.1		-14.1
Growth through acquisition					12.7	12.7
Consolidated profit - minority						0.0
Change in shareholding in subsidiaries			-3.8	-3.8	-2.8	-6.6
<b>Total transactions with shareholders</b>			<b>-27.5</b>	<b>-27.5</b>	<b>8.2</b>	<b>-19.4</b>
<b>Closing equity as at 30 September 2018</b>	<b>0.7</b>	<b>53.9</b>	<b>29.8</b>	<b>84.4</b>	<b>26.9</b>	<b>111.3</b>

CHANGES IN EQUITY	SHARE	OTHER PAID-IN	ACCUMULATED	TOTAL	NON- CONTROLLING	TOTAL
			PROFIT/LOSS	EQUITY		
			INCLUDING	ATTRIBUTABLE TO		
<i>Group</i> (SEK million)	EQUITY	EQUITY	PROFIT/LOSS	SHAREHOLDERS	INTERESTS	EQUITY
<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</b>						
<b>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			8.6	8.6	5.2	13.8
Other comprehensive income for the period			-		-	-
<b>Comprehensive income for the period</b>			<b>8.6</b>	<b>8.6</b>	<b>5.2</b>	<b>13.8</b>
<i>Transactions with shareholders:</i>						
Dividend			-16.7	-16.7	-2.7	-19.4
Change in shareholding in subsidiaries	0.1	6.7	-6.6	0.2	20.4	20.6
<b>Total transactions with shareholders</b>	<b>0.1</b>	<b>6.7</b>	<b>-23.3</b>	<b>-16.5</b>	<b>17.7</b>	<b>1.2</b>
<b>Closing equity as at 30 September 2019</b>	<b>0.8</b>	<b>60.6</b>	<b>22.2</b>	<b>83.6</b>	<b>52.4</b>	<b>136.0</b>

CONSOLIDATED CASH FLOW STATEMENT		1/7/2019	1/7/2018	1/1/2019	1/1/2018	1/1/2018
SEK MILLION		30/9/2019	30/9/2018	30/9/2019	30/9/2018	31/12/2018
Operating profit		5.6	7.9	24.3	32.9	47.1
Adjustment for non-cash items		5.5	2.0	24.2	7.1	7.3
Interest received		0.0	0.0	0.0	0.1	0.1
Interest paid		-1.2	-0.7	-3.0	-1.8	-2.6
Income tax paid		-9.3	-6.1	-26.8	-22.1	-15.2
Cash flow from operating activities						
before change in working capital		0.6	3.1	18.7	16.2	36.7
Increase(–)Decrease(+) in operating receivables		18.0	4.2	24.4	20.9	2.3
Increase(+)/Decrease(–) in operating liabilities		-32.4	-14.5	-31.8	-2.5	5.6
<b>Cash flow from operating activities</b>		<b>-13.8</b>	<b>-7.2</b>	<b>11.3</b>	<b>34.6</b>	<b>44.6</b>
<b>Investing activities</b>						
Business combinations	Note 5	-7.4	0.0	-11.1	-31.2	-36.6
Acquisition of property, plant and equipment		-0.1	-0.9	-1.5	-1.2	-2.0
Acquisition of intangible fixed assets		-0.5	0.0	-3.5	0.0	-1.0
Shareholders' contributions paid to associated companies for the year		-2.1	-3.1	-4.2	-6.3	-9.2
Other changes in financial assets Deposits		0.0	0.2	0.0	0.0	-0.1
<b>Cash flow from investing activities</b>		<b>-10.1</b>	<b>-3.8</b>	<b>-20.3</b>	<b>-38.7</b>	<b>-48.9</b>
<b>Financing activities</b>						
Loans raised		24.8	0.0	43.8	19.0	59.0
Amortisation of loans		-9.0	-4.0	-20.8	-6.4	-26.6
Dividend paid to parent company shareholders		0.0	0.0	-16.7	-16.1	-16.1
Dividend paid to non-controlling interests		0.0	0.0	-2.7	-1.7	-1.7
Payment warrants		-	-	-	-	0.1
Transactions with non-controlling interests		0.0	0.0	-7.0	-6.2	-6.3
<b>Cash flow from financing activities</b>		<b>15.8</b>	<b>-4.0</b>	<b>-3.4</b>	<b>-11.4</b>	<b>8.4</b>
<b>Change in cash and cash equivalents</b>		<b>-8.1</b>	<b>-15.0</b>	<b>-12.4</b>	<b>-15.5</b>	<b>4.1</b>
<b>Reconciliation of change in cash and bank balances</b>						
Opening balance cash and cash equivalents		17.8	17.5	22.1	18.0	18.0
Closing balance cash and cash equivalents		9.7	2.5	9.7	2.5	22.1
<b>Change in cash and cash equivalents</b>		<b>-8.1</b>	<b>-15.0</b>	<b>-12.4</b>	<b>-15.5</b>	<b>4.1</b>

<b>PARENT COMPANY INCOME STATEMENT</b>	<b>July -- September</b>		<b>January -- September</b>		<b>January - December</b>
<b>SEK MILLION</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
Net sales	30.1	26.0	105.6	90.7	125.3
Other revenue	18.0	16.5	68.9	53.3	72.0
<b>Operating revenue</b>	<b>48.1</b>	<b>42.5</b>	<b>174.5</b>	<b>144.1</b>	<b>197.3</b>
<b>Operating expenses</b>					-
Engagement-specific external expenses	-32.3	-26.5	-110.4	-93.0	128.0
Other external expenses	-11.9	-9.6	-39.5	-30.4	-41.7
Staff costs	-5.3	-5.8	-25.4	-20.5	-27.5
Depreciation/amortisation and impairment	-0.4	-0.1	-0.8	-0.4	-0.6
Other operating expenses	0.0	0.0	0.0	0.0	0.0
<b>Operating profit</b>	<b>-1.8</b>	<b>0.5</b>	<b>-1.6</b>	<b>-0.3</b>	<b>-0.5</b>
<b>Profit from financial investments</b>					
Profit from investments in group companies	0,1	0.1	15.8	0.1	24.7
Other interest income and similar profit/loss items	0,1	0.0	0.1	0.1	0.3
Interest expense and similar profit/loss items	-0,6	-0.4	-1.0	-0.7	-1.5
<b>Profit after financial items</b>	<b>-2.2</b>	<b>0.2</b>	<b>13.3</b>	<b>-0.8</b>	<b>23.0</b>
<i>Appropriations</i>					
Group contribution					6.3
Taxes	0.3	0.0	0.1	-0.2	-1.4
<b>PROFIT FOR THE PERIOD</b>	<b>-1.9</b>	<b>0.2</b>	<b>13.4</b>	<b>-1.1</b>	<b>27.9</b>

<b>PARENT COMPANY BALANCE SHEET</b>	<b>30 September</b>	<b>30 September</b>	<b>31 December</b>
<b>SEK MILLION</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
<b>ASSETS</b>			
<i>Non-current assets</i>			
Intangible fixed assets	4.3	0.1	1.0
Property, plant and equipment	2.2	1.7	2.5
	<b>6.5</b>	<b>1.8</b>	<b>3.5</b>
<i>Financial assets</i>			
Investments in group companies	253.1	229.3	223.8
Receivables from group companies	0.9	0.9	0.9
Investments in associated companies	16.5	10.4	13.4
Other long-term receivables	2.8	3.2	3.2
Deferred tax assets	0.8	2.1	0.7
	<b>274.1</b>	<b>245.9</b>	<b>242.0</b>
<b>Total non-current assets</b>	<b>280.6</b>	<b>247.7</b>	<b>245.5</b>
<i>Current assets</i>			
<i>Current receivables</i>			
Trade receivables	28.0	23.2	28.1
Receivables from group companies	61.8	15.8	69.6
Receivables from associated companies	3.1	0.0	1.0
Tax assets	2.4	2.2	1.3
Other receivables	0.3	0.2	1.5
Prepaid expenses and accrued income	6.3	2.9	5.2
	<b>101.9</b>	<b>44.3</b>	<b>106.7</b>
<b>Cash and bank balances</b>	<b>0.0</b>	<b>0.0</b>	<b>14.4</b>
<b>Total current assets</b>	<b>101.9</b>	<b>44.3</b>	<b>121.1</b>
<b>TOTAL ASSETS</b>	<b>382.5</b>	<b>292.0</b>	<b>366.6</b>
<b>EQUITY AND LIABILITIES</b>			
<i>Equity</i>			
<i>Restricted equity</i>			
Share capital	0.8	0.7	0.7
Statutory reserve	0.0	0.0	0.0
	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>
<i>Non-restricted equity</i>			
Retained earnings	154.3	136.5	136.5
Profit/loss for the year	13.4	-1.1	27.9
	<b>167.7</b>	<b>135.4</b>	<b>164.4</b>
<b>Total equity</b>	<b>168.5</b>	<b>136.1</b>	<b>165.1</b>
<i>Non-current liabilities</i>			
Liabilities to credit institutions	67.8	35.0	32.5
Other non-current liabilities	0.0	0.0	-
<b>Total non-current liabilities</b>	<b>67.8</b>	<b>35.0</b>	<b>32.5</b>
<i>Current liabilities</i>			
Liabilities to credit institutions	26.3	8.2	23.5
Trade payables	6.8	8.6	13.2
Liabilities to group companies	97.6	82.0	108.5
Liabilities to associated companies	1.5	0.2	1.9
Income tax liability	-	-	-
Other current liabilities	8.7	17.2	16.1
Accrued expenses and deferred income	5.3	4.7	5.8
<b>Total current liabilities</b>	<b>146.2</b>	<b>120.9</b>	<b>169.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>382.5</b>	<b>292.0</b>	<b>366.6</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. As of 1 January 2019 the Group applies IFRS 16 "Leases". In other respects 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 2018 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 2018.

#### IFRS 16 "Leases"

On 1 January 2019 IFRS 16 "Leases" became effective and replaces IAS 17 "Leases". For B3 the change means that more or less all leases will be recognised as assets and liabilities on the consolidated balance sheet. The parent company does not apply IFRS, in accordance with the exception in RFR 2.

The Group recognises a right-of-use asset and a lease liability on the commencement date of the lease. The right-of-use asset is initially measured at cost of acquisition, which consists of the initial value of the lease liability with the addition of lease payments made on or before the commencement date, plus any initial direct costs. The right-of-use asset is then depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the asset and the end of the lease term.

The lease liability is initially measured at the present value of the future lease payments that are not paid on the commencement date. Lease payments are discounted at the rate implicit in the lease. If this interest rate cannot readily be determined, the Group's incremental borrowing rate is used.

Lease liabilities are measured at amortised cost applying the effective rate model. The lease liability is remeasured if the future lease payments are changed due to a change in an index or a rate, for example. When the lease liability is remeasured in this way a corresponding adjustment is made to the carrying amount of the right-of-use asset.

B3 has decided not to recognise right-of-use assets and lease liabilities for leases with a lease term of 12 months or less or for underlying low-value assets. Lease payments for these leases are recognised as an expense on a straight-line basis over the lease term.

Previously B3 determined whether a contract contained a lease under IAS 17 or IFRIC 4 at the commencement of the contract. As of 1 January 2019 the Group determines whether a contract contains a lease on the basis of the definition of leases in IFRS 16.

On transition to IFRS 16 the Group has decided to apply the modified retroactive approach. Its meaning and impact on the Group are described below.

Previously the Group classified leases as operating or finance leases based on whether the lease transferred the significant risks and rewards associated with ownership of the underlying assets to the Group. Under IFRS 16 the Group recognises right-of-use assets and lease liabilities for most leases, i.e. leases are included on the balance sheet, exceptions to this are presented below.

#### Leases previously classified as operating leases under IAS 17

At the transition the lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate on an initial application date (1 January 2019). The right-of-use asset was measured at an amount equivalent to the lease liability, adjusted for any prepaid or accrued lease payments.

The Group has decided to apply the following practical solutions.

- Applied a single discount rate on a portfolio of leases with similar characteristics.
- The right-of-use assets and lease liabilities have not been recognised for leases for which the lease term ends in 12 months or less (short-term leases)
- Excluded initial direct expenses from measurement of the right-of-use asset on the initial application date.
- Made assessments in retrospect when determining the lease term if the contract includes options to extend or terminate the lease.

#### Leases previously classified as finance leases

For leases classified as finance leases under IAS 17 the carrying amount of the right-of-use asset and lease liability were determined as at 1 January 2019 as the carrying amount of the lease asset and the lease liability under IAS 17 immediately before that date.

#### *Effect on financial statements*

When measuring the lease liability the Group discounted the lease payments at the incremental borrowing rate as at 1 January 2019. The weighted average interest rate used is 4%.



Adjustment due to transition to IFRS 16 "Leases"

	Closing balance	Closing balance	Closing balance	Opening balance
SEK MILLION	30/9/2019	30/6/2019	31/3/2019	1/1/2019
Right of use, premises	44.0	48.2	51.9	55.6*
Lease liabilities, interest-bearing long-term portion	-31.8	-35.4	-39.1	-42.9
Lease liabilities, interest-bearing short-term portion	-14.7	-14.7	-14.7	-14.4
Deferred tax	0.4	0.4	0.4	0.4

\* Opening balance adjusted from annual report on 31 December 2018 due to recalculation of extended contracts

Comparative figures as if IAS 17 had been applied in 2019 as well

	IFRS 16	IAS 17	IFRS 16	IAS 17
	Jul - Sep	Jul - Sep	Jan - Sep	Jan - Sep
SEK MILLION	2019	2019	2019	2019
EBITDA	12.0	7.9	42.9	30.5
EBITDA margin	6.8%	4.5%	7.1%	5.1%
<b>Operating profit (EBIT)</b>	5.6	5.2	24.3	23
<b>Operating margin (EBIT)</b>	3.2%	2.9%	4.0%	3.8%
Financial expenses	-1.2	-0.5	-3	-1.2
<b>Profit/loss before tax</b>	3.8	3.9	19.8	20.1

## 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. As of 1 January 2018, B3's companies are divided into four business areas for better development of the services and use of business opportunities. The Group currently only conducts operations in Sweden. For further description of the business areas please refer to page 5 onwards.

Segment reporting	Digital Innovation		Digital Management		Digital Infra		Nord		Other <sup>1</sup>		Total	
	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018
Revenue from external clients	72.9	48.4	59.5	61.4	27.9	27.4	13.0	12.4	3.3	0.9	176.6	150.5
Revenue from other segments	0.5	4.7	0.5	1.3	4.3	2.1	0.5	1.0	-5.8	-9.2		
<b>Total revenue</b>	<b>73.4</b>	<b>53.1</b>	<b>60.0</b>	<b>62.7</b>	<b>32.2</b>	<b>29.5</b>	<b>13.5</b>	<b>13.4</b>	<b>-2.5</b>	<b>-8.3</b>	<b>176.6</b>	<b>150.5</b>
<b>Operating profit</b>	<b>6.3</b>	<b>6.6</b>	<b>-0.7</b>	<b>3.8</b>	<b>1.7</b>	<b>0.1</b>	<b>-0.4</b>	<b>0.2</b>	<b>-1.3</b>	<b>-2.8</b>	<b>5.6</b>	<b>7.9</b>
<b>Operating margin</b>	<b>8.6%</b>	<b>12.4%</b>	<b>-1.2%</b>	<b>6.1%</b>	<b>5.3%</b>	<b>0.3%</b>	<b>-3.0%</b>	<b>1.5%</b>	<b>n.a.</b>	<b>n.a.</b>	<b>3.2%</b>	<b>5.2%</b>

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

Segment reporting	Digital Innovation Jan - Sep		Digital Management Jan - Sep		Digital Infra Jan - Sep		Nord Jan - Sep		Other <sup>1</sup> Jan - Sep		Total Jan - Sep	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue from external clients	217.8	141.2	215.5	229.9	99.0	95.4	50.3	44.9	17.8	11.4	600.4	522.8
Revenue from other segments	6.7	11.0	5.1	5.2	9.7	8.9	1.1	2.6	-22.6	-27.7		
<b>Total revenue</b>	<b>224.5</b>	<b>152.2</b>	<b>220.6</b>	<b>235.1</b>	<b>108.7</b>	<b>104.3</b>	<b>51.4</b>	<b>47.5</b>	<b>-4.8</b>	<b>-16.3</b>	<b>600.4</b>	<b>522.8</b>
<b>Operating profit</b>	<b>20.2</b>	<b>14.0</b>	<b>6.3</b>	<b>19.2</b>	<b>1.9</b>	<b>3.2</b>	<b>1.3</b>	<b>1.0</b>	<b>-5.4</b>	<b>-4.5</b>	<b>24.3</b>	<b>32.9</b>
<b>Operating margin</b>	<b>9.0%</b>	<b>9.2%</b>	<b>2.9%</b>	<b>8.2%</b>	<b>1.7%</b>	<b>3.1%</b>	<b>2.5%</b>	<b>2.1%</b>	<b>n.a.</b>	<b>n.a.</b>	<b>4.0%</b>	<b>6.3%</b>

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

Revenue broken down by segment and industry	Digital Innovation		Digital Management		Digital Infra		Nord		Other <sup>1</sup>		Total	
	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018
Revenue from external clients	72.9	48.4	59.5	61.4	27.9	27.4	13.0	12.4	3.3	0.9	176.6	150.5
Revenue from other segments	0.5	4.7	0.5	1.3	4.3	2.1	0.5	1.0	-5.8	-9.2	0.0	0.0
<b>Total revenue</b>	<b>73.4</b>	<b>53.1</b>	<b>60.0</b>	<b>62.7</b>	<b>32.2</b>	<b>29.5</b>	<b>13.5</b>	<b>13.4</b>	<b>-2.5</b>	<b>-8.3</b>	<b>176.6</b>	<b>150.5</b>
<b>Industry sector</b>												
Government agency, municipality	3.4	3.3	11.8	13.6	9.1	10.2	8.3	8.8	1.9	2.3	34.5	38.2
Banking, finance, insurance	9.3	5.8	19.2	19.9	3.5	2.6	0.0	0.0	-0.6	-1.4	31.5	26.9
Care	2.2	1.8	9.1	9.1	0.4	1.1	0.1	0.4	-0.4	-0.4	11.4	12.0
IT, media, entertainment	19.3	19.3	1.9	0.6	5.1	3.9	0.4	0.5	1.6	-0.2	28.3	24.1
Industry	12.7	4.0	2.8	2.6	2.3	3.7	2.8	1.7	0.1	0.5	20.8	12.5
Transport/Logistics	2.5	2.0	6.5	4.9	1.6	1.2	0.7	0.3	-0.1	0.3	11.2	8.9
Telecoms	3.5	2.7	2.9	5.2	1.5	2.1	0.2	0.0	0.1	-0.1	8.2	9.8
Retail	8.9	3.2	0.3	1.5	0.8	0.5	0.0	0.5	0.2	0.1	10.3	5.7
Other	11.1	6.2	4.9	4.1	3.5	2.0	0.5	0.2	0.4	-0.2	20.5	12.3
<b>Total revenue</b>	<b>72.9</b>	<b>48.4</b>	<b>59.5</b>	<b>61.4</b>	<b>27.9</b>	<b>27.4</b>	<b>13.0</b>	<b>12.4</b>	<b>3.3</b>	<b>0.9</b>	<b>176.6</b>	<b>150.5</b>

Revenue broken down by segment and industry	Digital Innovation Jan - Jun		Digital Management Jan - Jun		Digital Infra Jan - Jun		Nord Jan - Jun		Other <sup>1</sup> Jan - Jun		Total Jan - Jun	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue from external clients	217.8	141.2	215.5	229.9	99.0	95.4	50.3	44.9	17.8	11.4	600.4	522.8
Revenue from other segments	6.7	11.0	5.1	5.2	9.7	8.9	1.1	2.6	-22.6	-27.7	0.0	0.0
<b>Total revenue</b>	<b>224.5</b>	<b>152.2</b>	<b>220.6</b>	<b>235.1</b>	<b>108.7</b>	<b>104.3</b>	<b>51.4</b>	<b>47.5</b>	<b>-4.8</b>	<b>-16.3</b>	<b>600.4</b>	<b>522.8</b>
<b>Industry sector</b>												
Government agency, municipality	11.9	10.3	40.4	52.4	34.6	37.2	32.5	33.6	8.5	9.2	127.9	142.7
Banking, finance, insurance	24.7	20.5	70.4	75.4	12.0	11.9	0.1	0.0	-0.8	-3.8	106.3	104.0
Care	8.8	7.7	34.1	32.3	1.5	3.7	0.8	1.0	1.1	-1.9	46.4	42.9
IT, media, entertainment	60.9	48.9	3.7	3.4	13.4	11.5	1.7	1.5	3.3	1.1	82.9	66.4
Industry	32.9	11.0	12.5	8.3	11.0	13.8	10.8	5.9	1.5	2.2	68.9	41.3
Transport/Logistics	9.1	4.6	17.7	22.6	5.6	6.3	2.5	1.3	0.2	0.2	35.1	35.0
Telecoms	8.7	7.6	12.5	16.1	6.3	3.2	0.5	0.0	0.8	1.4	28.8	28.2
Retail	25.5	6.7	5.7	5.3	3.3	1.3	0.3	0.8	0.7	1.1	35.5	15.2
Other	35.2	23.9	18.4	14.1	11.4	6.3	1.1	0.7	2.6	2.0	68.6	47.1
<b>Total revenue</b>	<b>217.8</b>	<b>141.2</b>	<b>215.5</b>	<b>229.9</b>	<b>99.0</b>	<b>95.4</b>	<b>50.3</b>	<b>44.9</b>	<b>17.8</b>	<b>11.4</b>	<b>600.4</b>	<b>522.8</b>

NOTE 3 KEY FIGURES - GROUP (SEK MILLION)	July -- September		January -- September		January - December
	2019	2018	2019	2018	2018
Net sales	176.6	150.5	600.4	522.8	726.3
Sales growth %	17.3%	16.0%	14.8%	21.2%	17.2%
Operating profit before depreciation/amortisation and impairment (EBITDA)	12,0	10,0	42,9	38,6	54,1
Operating margin before depreciation/amortisation and impairment (EBITDA) %	6.8%	6.6%	7.1%	7.4%	7.4%
Operating profit (EBIT)	5.6	7.9	24.3	32.9	47.1
Operating margin (EBIT) %	3.2%	5.2%	4.0%	6.3%	6.5%
Equity-assets ratio %	26.0%	29.3%	26.0%	29.3%	28.8%
Average number of employees	663	528	631	510	524
Average number of co-workers	687	551	658	531	547
Closing number of employees	687	539	687	539	581
Closing number of co-workers	704	563	704	563	609
Balance sheet total	523.5	379.9	523.5	379.9	425.7
Return on equity %	2.0%	3.7%	10.7%	18.0%	24.3%
Earnings per share, SEK	0.10	0.39	1.15	2.16	3.15

#### 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	Jul -- Sep		Jan -- Sep		Jan -- Dec
	2019	2018	2019	2018	2018
Sales	176.6	150.5	600.4	522.8	726.3
Increased sales compared with previous year	26.1	20.8	77.6	91.3	106.6
<b>Sales growth</b>	<b>17.3%</b>	<b>16.0%</b>	<b>14.8%</b>	<b>21.2%</b>	<b>17.2%</b>
Operating profit	5.6	7.9	24.3	32.9	47.1
Depreciation/amortisation and impairment	6.4	2.1	18.6	5.7	7.0
<b>Operating profit before depreciation/amortisation and impairment EBITDA</b>	<b>12.0</b>	<b>10.0</b>	<b>42.9</b>	<b>38.6</b>	<b>54.1</b>
Operating profit before depreciation/amortisation and impairment EBITDA	12.0	10.0	42.9	38.6	54.1
Net sales	176.6	150.5	600.4	522.8	726.3
<b>Operating margin before depreciation/amortisation and impairment (EBITDA), %</b>	<b>6.8%</b>	<b>6.6%</b>	<b>7.1%</b>	<b>7.4%</b>	<b>7.4%</b>
Operating profit EBIT	<b>5.6</b>	<b>7.9</b>	<b>24.3</b>	<b>32.9</b>	<b>47.1</b>
Operating profit	5.6	7.9	24.3	32.9	47.1
Net sales	176.6	150.5	600.4	522.8	726.3
<b>Operating margin (EBIT), %</b>	<b>3.2%</b>	<b>5.2%</b>	<b>4.0%</b>	<b>6.3%</b>	<b>6.5%</b>
Operating profit	5.6	7.9	24.3	32.9	47.1
Impairment loss on intangible non-current assets	0.0	0.0	0.0	0.0	0.0
Operating profit before depreciation/amortisation EBITA	<b>5.6</b>	<b>7.9</b>	<b>24.3</b>	<b>32.9</b>	<b>47.1</b>
Equity including non-controlling interests	136.0	111.3	136.0	111.3	122.4
Balance sheet total	523.5	379.9	523.5	379.9	425.7
<b>EQUITY-ASSETS RATIO</b>	<b>26.0%</b>	<b>29.3%</b>	<b>26.0%</b>	<b>29.3%</b>	<b>28.8%</b>
Profit after tax	2.5	4.0	13.8	20.0	28.3
Equity including non-controlling interests opening balance	116.2	107.4	122.4	110.7	110.7
Equity including non-controlling interests closing balance	136.0	111.3	136.0	111.3	122.4
Average equity	126.1	109.4	129.2	111.0	116.6
<b>Return on equity, %</b>	<b>2.0%</b>	<b>3.7%</b>	<b>10.7%</b>	<b>18.0%</b>	<b>24.3%</b>
Interest-bearing non-current liabilities	-128.1	-49.4	-128.1	-49.4	-48.1
Interest-bearing current liabilities	-49.2	-15.4	-49.2	-15.4	-31.4
Cash and cash equivalents	9.7	2.5	9.7	2.5	22.1
<b>Net debt(-)/Net cash balance(+) incl. IFRS 16</b>	<b>-167.6</b>	<b>-62.3</b>	<b>-167.6</b>	<b>-62.3</b>	<b>-57.4</b>
Interest-bearing non-current liabilities	-96.3	-49.4	-96.3	-49.4	-48.1
Interest-bearing current liabilities	-34.7	-15.4	-34.7	-15.4	-31.4
Cash and cash equivalents	9.7	2.5	9.7	2.5	22.1
<b>Net debt(-)/Net cash balance(+) excl. IFRS 16</b>	<b>-121.3</b>	<b>-62.3</b>	<b>-121.3</b>	<b>-62.3</b>	<b>-57.4</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 12.7 (6.4) 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 60% of the shares in the management consulting company Alenio Consulting AB. The acquisition was made through a cash payment of SEK 5.4 million with an option to acquire the remaining business for a purchase price based on Alenio's growth in the next three years.

The acquisition gave goodwill of SEK 7.6 million under the full goodwill method. Goodwill refers mainly to the potential of the market position and profitability of the business.

Alenio Consulting AB was started in 2014 and has eleven co-workers, with sales of SEK 13.3 million in 2018 and an operating profit of SEK 0.9 million

The company is part of the B3 Group as of January 2019. Alenio's share of sales as at 30 September amounts to SEK 10.4 million, with an operating profit of SEK 0.5 million.

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

B3 acquires the remaining 50% of B3 Cyber Security AB, which thereby becomes a subsidiary instead of an associated company. As of 1 January 2019 the company is included as a subsidiary. B3 Cyber Security was started in July 2017 as an associated company of the B3 Consulting Group.

B3 acquires 58 per cent of the shares of the consulting company Nuway AB. B3 pays a purchase price corresponding to the pro-rata percentage of equity and 4.7 times the operating profit for 2019. SEK 11.3 million of the purchase price is payable on possession and the remainder in May 2010. There is an option to acquire the remaining shares for a purchase price based on Nuway's growth over the next 3.5 years.

The acquisition gave goodwill of SEK 37.6 million under the full goodwill method. Goodwill refers mainly to the potential of the market position and profitability of the business.

Nuway AB was started in 2016 and offers specialist skills in system development. The company had 49 co-workers at the end of June and sales in the first half year amount to SEK 28.6 million with an operating profit of SEK 4.6 million.

The company is part of the B3 Group as of 1 July 2019. Nuway's share of sales in the third quarter amounts to SEK 13.7 million, with an operating profit of SEK 1.2 million.

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

Alenio Consulting AB			B3 Cyber Security AB			Nuway	
Fair value of acquired assets and liabilities			Fair value of acquired assets and liabilities			Fair value of acquired assets and liabilities	
million	SEK	100%	million	SEK	100%	SEK million	100%
Non-current assets		0.0	Non-current assets		0.0	Non-current assets	0.6
Current assets excluding cash		3.5	Current assets excluding cash		1.3	Current assets excluding cash	15.7
Cash and bank balances including current investments		0.6	Cash and bank balances including current investments		1.1	Cash and bank balances including current investments	3.9
Liabilities		-2.7	Liabilities		-2.0	Liabilities	-16.0
<b>Net identifiable assets and liabilities</b>		<b>1.4</b>	<b>Net identifiable assets and liabilities</b>		<b>0.4</b>	<b>Net identifiable assets and liabilities</b>	<b>3.6</b>
Purchase price		5.4	Purchase price		2.1	Purchase price	23.9
Minority share, fair value		3.6	Fair value of identifiable net assets		0.4	Minority share, fair value	17.3
Fair value of identifiable net assets		1.4	<b>Goodwill</b>		<b>1.7</b>	Fair value of identifiable net assets	3.6
<b>Goodwill</b>		<b>7.6</b>				<b>Goodwill</b>	<b>37.6</b>
<b>Impact of the acquisition on the Group's cash and cash equivalents</b>			<b>Impact of the acquisition on the Group's cash and cash equivalents</b>			<b>Impact of the acquisition on the Group's cash and cash equivalents</b>	
Cash consideration paid		-5.4	Cash consideration paid		0.0	Cash consideration paid	-11.3
Cash and cash equivalents in acquired subsidiary		0.6	Cash and cash equivalents in acquired subsidiary		1.1	Cash and cash equivalents in acquired subsidiary	3.9
<b>Impact on the Group's cash and cash equivalents on acquisition</b>		<b>-4.8</b>	<b>Impact on the Group's cash and cash equivalents on acquisition</b>		<b>1.1</b>	<b>Impact on the Group's cash and cash equivalents on acquisition</b>	<b>-7.4</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 connection with the acquisition of Sentensia Q AB in July 2017, it was agreed that a supplementary purchase price would be paid after adoption of the 2017 and 2018 annual reports. The total purchase price is based on the acquired company's performance in 2017 and 2018. In 2018 B3 Sentensia performed better than expected and the supplementary purchase price for 2018 totalled SEK 8 million, SEK 1.5 million of which is charged to the Group's operating profit for the first quarter of 2019. Payment of the last supplementary purchase price took place on 1 April 2019.

In accordance with a resolution passed by the Annual General Meeting on 15 May 2018, on 14 January 2019 the B3 Consulting Group AB (publ) sold 100 per cent of the wholly-owned subsidiary B3 Digital Xperience AB to the subsidiary Rebel & Bird AB. B3 Consulting Group AB (publ) owns 51 per cent of Rebel & Bird.

In accordance with a resolution passed by the Annual General Meeting on 16 May 2019, B3 Consulting Group AB (publ) has acquired the outstanding shares in the subsidiaries B3 Insight AB and B3 Summit AB from the minority shareholders through a non-cash issue. The decision means that the share capital increased to SEK 752,187:50 through a new issue of 99,999 shares to a total of 7,521,875 shares. Subscription for shares in the non-cash issues took place on 17 May 2019.

**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 third quarter of 2019 was 46, compared with 45 in the same period of the previous year.



## Review report

B3 Consulting Group AB (publ)  
Corp. id. 556606-3300

### Introduction

We have reviewed the condensed interim financial information (interim report) of B3 Consulting Group AB (publ) as of 30 September 2019 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

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

### Conclusion

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

Stockholm 6 November 2019

KPMG AB

Fredrik Westin  
Authorized Public Accountant