

Interim Report

Q2 July-September 2023

Growth and Stable Margin Development

CAG delivers growth and a stable adjusted EBITA margin of 6.2 percent despite a negative calendar effect.

Our high-quality customer base shows continued demand, particularly in Defense and Banking & Finance. We are taking on new business and starting new assignments in all segments thanks to our broad offering and senior competence.

- Turnover SEK 182 million (177). Growth 2.5 percent, of which organic growth 1.6 percent and acquired growth 0.9 percent
- Adjusted EBITA 11.3 MSEK (11.3)
- Adjusted EBITA margin 6.2 percent (6.4)
- A new agreement in IT Service Operations was signed with fund manager Prior Nilsson. Services include a cloud transitioning project and subsequent delivery of user support, Managed365, Modern Workplace, network and communications and security services (SOC) for the fund's employees
- After the end of the period, CAG was awarded a framework agreement with Kammarkollegiet regarding Software and Services and signing is being processed. The agreement, which is nationwide, is expected to enter into force shortly and run for a maximum of 48 months.

Leading technology
Lasting impact



Growth and Stable Margin Development

The Quarter: July - September

- Revenue increased by 2.5% to SEK 181.8 (177.4) million. Organic growth was 1.6% and acquired growth 0.9%. Excluding sub-contracting revenue, organic growth was 2.1%
- Adjusted EBITA was SEK 11.3 (11.3) million. Adjusted EBITA margin 6.2% (6.4)
- Cash flow from current operations SEK -18.5 (-2.5) million¹
- Average number of employees 433 (440) during the quarter and 438 (441) at the end of the period
- Profit after tax SEK 6.6 (5.4) million
- Profit per share after dilution SEK 0.92 (0.75). Number of shares after dilution 7,167,602 (7,158,306)

The Period: January - September

- Revenue increased by 14.5% to SEK 641.7 (560.4) million. Organic growth was 0.8% and acquired growth 13.7%. Excluding sub-contracting revenue, organic growth was 2.1%
- Adjusted EBITA increased by 21% to SEK 56.4 (46.5) million. Adjusted EBITA margin 8.8% (8.3)
- Cash flow from current operations SEK 35.0 (47.3) million¹
- Average number of employees 432 (392) during the quarter and 438 (441) at the end of the period
- Profit after tax SEK 35.7 (30.2) million
- Profit per share after dilution SEK 4.98 (4.26). Number of shares after dilution 7,167,602 (7,083,463)

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	July-September			January-September			January-December
	2023	2022	Förändring	2023	2022	Förändring	2022
Revenue, KSEK	181 799	177 357	3%	641 689	560 379	15%	799 605
Adjusted EBITA, KSEK	11 261	11 324	-1%	56 405	46 466	21%	73 093
Adjusted EBITA margin	6.2%	6.4%	-	8.8%	8.3%	-	9.1%
EBITA, KSEK	11 071	10 269	8%	55 965	44 911	25%	71 288
EBITA margin	6.1%	5.8%	-	8.7%	8.0%	-	8.9%
Cash flow from operations, KSEK ¹	-18 506	-2 494	-642%	35 037	47 285	-26%	90 473
Profit after tax, KSEK	6 613	5 358	23%	35 704	30 169	18%	48 251
Profit per share, SEK	0.92	0.75	23%	4.98	4.26	17%	6.79
Equity ratio	51.0%	45.4%	-	51.0%	45.4%	-	46.5%
Avg number of employees	433	440	-2%	432	392	10%	402

¹ See page 9 for further comments on cash flow from operations



CEO Comments

Growth and Stable Margin Development

CAG continued to grow in the year's seasonally weakest quarter, even though the quarter contained one fewer working day compared to 2022. The turnover is the highest in a third quarter for CAG and amounted to 182 MSEK.

We delivered a stable adjusted EBITA margin of 6.2 (6.4) percent despite the negative calendar effect. Our cost control remains good, and we have so far compensated for the increased cost inflationary pressure with continued price adjustments.

With a turnover that in the first nine months of 2023 grew by 15 percent to SEK 642 million (560) and an increased margin of 8.8 percent (8.3), we continue to pace well in line with CAG's financial targets. We have a strong financial position and see opportunities for strategic acquisitions if the right situation arises in the future.

New business in a more diversified market

After the end of the quarter, CAG was awarded a framework agreement with Kammarkollegiet regarding Software and services - System development. The continued trust from Kammarkollegiet is important for our delivery of services to the public sector and is an excellent testimony to CAG's high delivery capacity and solid competence in the area.

During the quarter, we continued to win new business. As expected, the Defence segment performs well and demand within Banking & Finance also remains at a good level, especially in IT Service Operations and specialist areas such as AML (anti-money laundering), anti-fraud and payments. In system development-related areas, we see an increased competitive pressure, even though we continue to win new business thanks to our broad offering and senior expert

consultants with extensive operational experience. In addition to Defence and Banking & Finance, we see continued stable demand from the public sector, with some exceptions.

During the quarter, CAG:s IT Service Operations continued to win new business. An agreement was signed with the fund manager Prior Nilsson including a project for transition to cloud services, and the subsequent delivery of user support, Managed365, Modern Workplace, network and communications and security services (SOC) for the fund's employees.

Growth in IT Service Operations, with its high-quality customer base in Banking & Finance and the service sector, means that our recurring revenue continues to make up 20 percent of our total turnover.

Another example of a value-adding project for an existing customer within the private equity sector is a project aiming to streamline working methods and information flows using Microsoft Teams, a business-related technology development contributing major customer value.

CAG also works in Medtech, mainly in Öresund and Denmark. One example from this sector is a project for a world-leading Danish pharmaceutical and biotech company, aiming to develop the customer's product architecture and working processes. The goal is to shorten time-to-market for new product launches while maintaining high product quality. CAG helps the customer with training and methodologies for Model-based Systems Engineering and Product Line Engineering.

As we communicated in our Q2 report, we signed a major agreement in July for the delivery of an e-commerce solution including PIM to Sykehusapotekene, a prestigious project for the four Norwegian Health Regions. The project is now running at full speed.

During the quarter, new assignments were also won at, among others, Husqvarna, Saab, BAE Systems Hägglunds, Finansinspektionen, Swedbank, eHälsomyndigheten, FMV, PRV, Länsförsäkringar, Wallenberg Foundations and Sandvik.

AI drives internal efficiency and new customer needs

The explosive development within AI has been a pervasive theme this year. For CAG, the development will enable increased efficiency in many areas, including system development, something that will benefit our customers through increased productivity and innovation. Our assessment is that the need for system developers will not decrease, rather the opposite. Our customers also have a significant need for business-related advice, as AI affects virtually all areas in various aspects. With CAG's senior and operational competence, we are well positioned to help customers within the AI area.

CAG Intro and continued recruitment efforts

In mid-September, we had the pleasure of welcoming over 20 new employees to CAG during our group-wide introduction day CAG Intro. The mix of participants was wide, from recent graduates to experienced developers and business experts. Common to all is a deep interest in technology and a desire to contribute to customer and societal benefit.

The fact that CAG continues to recruit is a sign of strength: our customer segments are strong, and our skills are in demand. We are also continuing our efforts to strengthen the CAG brand name to underpin a successful long-term development for CAG going forward.

Åsa Landén Ericsson, President & CEO



Events during the Quarter

- In July, CAG signed an agreement for a project within e-commerce and PIM (Product Information Management) for Norwegian state-owned Sykehusapotekene. The project aims to deliver an upgraded and modern e-commerce solution for the sale of pharmacy products. The solution will serve patients, healthcare personnel and pharmacy customers, as well as manage pharmacy employees' routines effectively. Initially, the solution will handle 'click and collect' orders, with the goal of developing a fully-fledged online pharmacy solution for integration with prescription services. The solution is built on Adobe Magento for e-commerce and Pimcore for PIM.

Important Events after End-of-Period

- CAG was awarded a framework agreement with Kammarkollegiet regarding Programvaror och Tjänster (Software and Services), System development. The framework agreement is valid nationwide and can be used by government agencies, municipalities, and regions. The framework agreement covers software and services for system development and application management. Kammarkollegiet estimates the turnover of the framework agreement to a total of SEK 2.6 billion. Signing is in process and the agreement is expected to enter into force shortly, and thereafter run for a period of a maximum of 48 months.

Operations and Market

CAG is a consulting company active in Technology Management, System Development, Cyber Security, IT Service Operations and Training with a focus on the customer verticals Defence, Banking & Finance, Retail & Services, Industry & Infrastructure and Healthcare. With great passion for development, CAG works to create long-term value for its customers and for each employee to thrive and grow in their role. At CAG there is both extensive strategy and implementation competence. The customers are relatively evenly distributed between the private and public sector, which provides for a stable customer base. Most customers are found in Stockholm and the surrounding area. CAG has offices in Stockholm, Uppsala, Linköping, Enköping, Karlstad, Östersund/Krokom, Borås and Oslo.

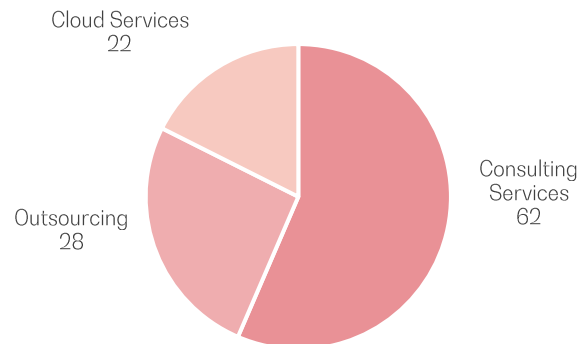
Market

According to Radar Ecosystem Specialists, the IT market in 2022 was approximately SEK 168 billion with a growth of approximately 3.4 percent, while growth for 2023 is expected to amount to 1.2 percent and for 2024, to 1.4 percent.

CAG is active in the service segment of the Swedish IT market, which is divided into consulting services, outsourcing and cloud services.

The largest segment within IT services is consulting services, CAG's main area of activity. According to Radar's Nordic Outlook 2023 the consulting services segment is expected to grow by 5.1 percent (up from 0.5 percent in IT Radar 2023) and amount to approximately SEK 62 billion. Outsourcing is expected to grow by 0.4 percent and cloud services by 9.0 percent. In 2024, the consulting services market is expected to grow by 2.1 percent, outsourcing by -1.1 percent and cloud services by 10.6 percent.

IT Service Segment (SEK billion)



Business-financed IT

CAG has a significant business in business-financed IT. These are the investments that are not financed by an organization's IT budget but are driven by the business and operations side. This segment has historically grown faster than the IT market as a whole. For 2023, growth for business-financed IT is expected to be 5.3 percent, i.e., faster growth than for the total IT market. This development is driven by the increasing opportunities for efficiency through digitalization. CAG's offering comprehensively addresses customers' most important challenges according to Radar Ecosystems; Security, Automation and Digitalization.

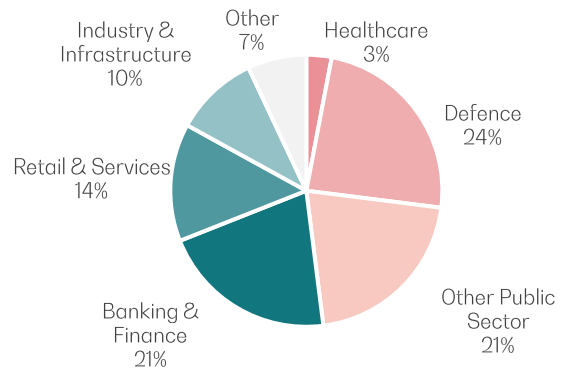
Source: Radar Ecosystem Specialists, IT-Radar 2023, Nordic Outlook 2023, IT Radar Update 2023

Customers

The customer base in CAG is dominated by stable customers. Sales within the public sector was 48% (47) and are divided between Defence (the Armed Forces and FMV) 24% (21), Healthcare 3% (7) and Other Public Sector 21% (20).

The ten largest customers represent 39% (40) of the total turnover during the period and no single customer represents more than 19% (17) of turnover. During the period, CAG has had approximately 340 (380) active customers. The decrease is due to a planned phase-out of small customers in IT Service Operations.

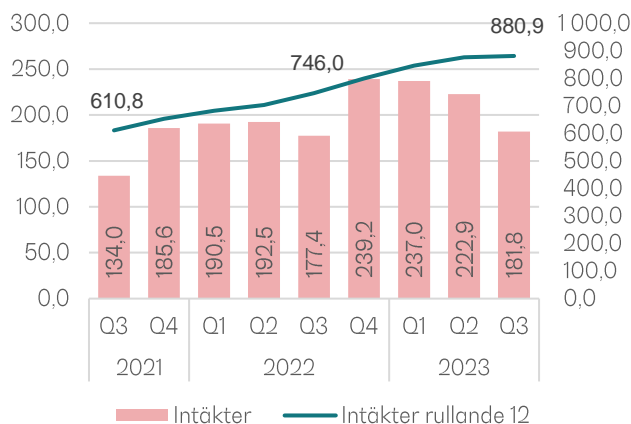
Revenue per Customer Segment, Jan–September 2023, percent of total



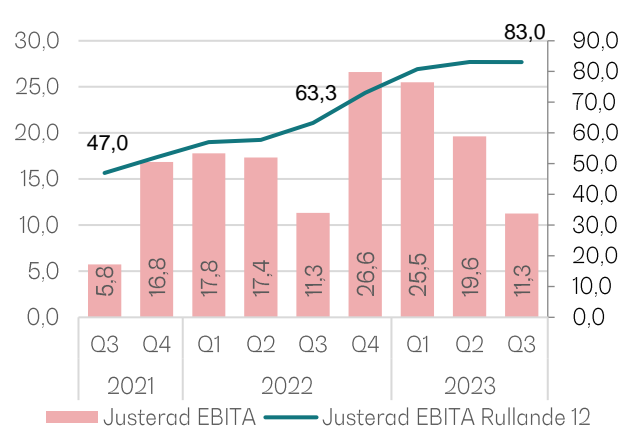
Financial Overview

Revenue - and profit development

Revenue per Quarter and R12, MSEK



Adjusted EBITA per Quarter and R12, MSEK



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July–September 2023

Revenue was SEK 181.8 (177.4) million, corresponding to a growth of 2.5% (32.4), of which organic growth 1.6% (11.8) and acquired growth 0.9% (20.6). Revenue includes subcontracting revenue of SEK 33.7 (34.4) million.

Subcontractors are used to meet temporary increases in demand and to meet customer demand for specific skills.

Operating costs was SEK 170.6 (166.0) million. Of the total operating costs, costs for own personnel make up SEK 103.6 (98.1) million.

Adjusted EBITA was MSEK 11.3 (11.3) and adjusted EBITA margin was 6.2% (6.4). Adjusted EBITA is earnings before acquisition costs and other non-recurring costs, which in the quarter was SEK 0.2 (1.1) million.

EBITA during the quarter was SEK 11.1 (10.2) million. The EBITA margin was 6.2 (6.4). EBITA is earnings before net financial items, tax, and depreciation of acquisition-related assets.

Adjusted EBIT was SEK 11.3 (11.3) million and adjusted EBIT margin was 6.2% (6.4). Adjusted EBIT is earnings before acquisition costs and other non-recurring costs, which in the quarter was SEK 2.3 (3.1) million. Operating profit (EBIT) was SEK 9.0 (8.2) million. The EBIT margin was 4.9% (4.7).

Number of working days was 65 (66). One working day corresponds to approximately SEK 3 million in revenue and approximately SEK 1 million in increased operating profit.

January-September 2023

Revenue was SEK 641.7 (560.4) million, corresponding to a growth of 14.5% (19.9), of which organic growth 0.8% (11.1) and acquired growth 13.7% (8.8).

Revenue includes subcontracting revenue of SEK 129.1 (119.7) million, of which SEK 16.8 (0.0) million is included in acquired revenue. For comparable units (i.e., excluding CAG Syntell), subcontracting revenue was SEK 112.3 (119.7) million, a decrease of 6.2%. Subcontractors are used to meet temporary increases in demand and to meet customer demand for specific skills.

Operating costs was SEK 585.3 (513.9) million. Of the total operating costs, costs for own personnel make up SEK 350.7 (305.8) million.

Adjusted EBITA was SEK 56.4 (46.5) million and adjusted EBITA margin was 8.8% (8.3). Adjusted EBITA is earnings before acquisition costs and other non-recurring costs, which in the period was SEK 0.4 (1.5) million.

EBITA during the period was SEK 56.0 (45.0) million. The EBITA margin was 8.7% (8.0). EBITA is earnings before net financial items, tax, and depreciation of acquisition-related assets.

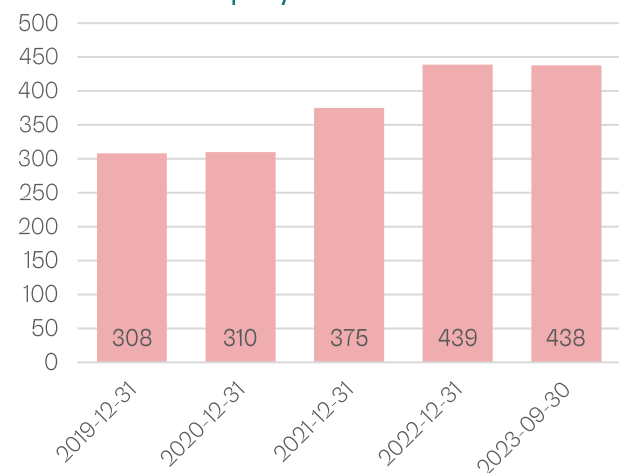
Adjusted EBIT was SEK 56.4 (46.5) million and adjusted EBIT margin was 8.8% (8.3). Adjusted EBIT is earnings before acquisition costs and other non-recurring costs, which during the period was SEK 6.6 (6.1) million. Operating profit (EBIT) was SEK 49.8 (40.4) million. The EBIT margin was 7.8% (7.2).

Number of working days was 188 (189). One working day corresponds to approximately SEK 3 million in revenue and approximately SEK 1 million in increased operating profit.

Employees

The number of employees as of September 30, 2023, was 438 (441). The average number of employees during the first half of the year was 432 (392).

Number of Employees 2019–2023



Financial Position and Cash Flow

Financial position per September 30 2023

Cash and cash equivalents were SEK 88.2 (97.4) million. Total overdraft facility amounts to SEK 7.5 million. No part of the overdraft facility was utilized as of September 30, 2023, or 2022.

Interest-bearing liabilities totalled SEK 87.8 (122.3) million.

The Group's equity ratio was 51.0% (45.5)

Cash Flow, July-September 2023

During the quarter, cash flow from current operations was SEK -18.5 (-2.5) million. The decrease in cash flow is attributable to the fact

that September 30 this year fell on a Saturday. Cash flow from investment activities was SEK -0.2 (-52.7) million and cash flow from financing activities was SEK -11.7 (-61.2) million, of which SEK -25.8 (-21.8) million were dividend payments.

Cash flow January-September 2023

During the first half of the year, cash flow from current operations was SEK 35.5 (47.3) million. The decrease in cash flow is attributable to the fact that September 30 this year fell on a Saturday. Cash flow from investment activities was SEK -15.0 (-54.9) million and cash flow from financing activities was SEK -60.6 (24.7) million, of which dividend payments were -25.8 (-21.8) MSEK.

Financial Position (KSEK)	September 30, 2023	September 30, 2022
Cash at end-of-period	88 236	97 418
Utilized credit facility	-	-
Non-current debt, interest-bearing	-37 667	-71 000
Non-current debt, leasing	-9 151	-11 156
Current debt, interest-bearing	-28 667	-24 000
Current debt, leasing	-12 315	-16 154
Net cash (+) / Net debt (-)	436	-24 892
Net cash (+) / Net debt (-) excluding leasing	21 902	2 418
Unutilized credit facility	7 500	7 500
Total credit facility	7 500	7 500
Equity	281 839	252 899
Total Assets	552 651	557 243
Equity Ratio (%)	51.0%	45.4%

Parent Company

The subsidiaries within CAG Group are relatively independent in terms of sales, recruiting and delivery. The parent company coordinates the Group's offer, marketing and certain joint sales including procurement and framework agreements, recruitment and is responsible for the Group's strategy and acquisition activities. The parent company is also responsible for the Group's finance function, legal issues, and IR and market communications.

July-September 2023

Revenue during the quarter was SEK 42.9 (44.5) million, of which SEK 35.4 (37.1) million refers to invoicing of subcontractors on behalf of the subsidiaries, and invoicing of group-wide costs of 7.5 (7.4) MSEK. Operating profit was SEK 1.3 (0.0) million.

January-September 2023

Revenue during the first half of the year was SEK 165.1 (162.6) million, of which SEK 142.2 (140.5) million refers to invoicing of subcontractors on behalf of the subsidiaries, as well as invoicing of group-wide costs of 22.8 (22.1) MSEK. Operating profit was SEK -0.3 (-1.1) million.

Employees

The number of employees as of September 30, 2023, was 7 (7).

Financial Position and Cash Flow

As of September 30, 2023, group-wide cash and cash equivalents was SEK 60.0 (73.5) million. During the period, a dividend of SEK 25.8 (21.8) million was paid.

Long-term interest-bearing liabilities and liabilities to credit institutions was SEK 66.3 (95.0) million at the end of the period. The parent company has an unused overdraft facility of SEK 7.5 million.

Other Information

The CAG Share

The share capital in CAG Group AB (publ) as of 30 September, 2023 amounts to SEK 3,583,801 distributed over 7,167,602 registered shares with a quota value of SEK 0.50 per share.

The largest shareholders as of September 30:

Shareholder	Holding	Stake, %
Bo Lindström, privately and via legal entities	1 442 096	20.1%
Nordea Fonder	1 065 239	14.9%
Creades	773 600	10.8%
The Northern Trust Company	194 979	2.7%
HSBC Bank	143 328	2.0%
Avanza Pension	130 269	1.8%
Mattias Reimer	129 410	1.8%
Morgan Stanley & Co Intl	125 432	1.7%
Johan Widén	113 800	1.6%
Markus Åkesson	110 000	1.5%
10 largest shareholders	4 228 153	59.0%
Others	2 939 449	41.0%
Sum total	7 167 602	100.0%

Dividend Policy

The company's dividend policy states that at least 50 percent of the year's profit after tax should be distributed to shareholders, however, with consideration for the company's capital needs for running and developing its business.

Outlook and Financial Targets

Our assessment is that market demand remains satisfactory, and that CAG is well-positioned for continued profitable growth.

CAG's financial targets for the period 2022–2025 are:

By combining organic growth with acquisitions, the group's ambition is to grow under stable profitability and to achieve a turnover of

1,000 MSEK. The adjusted EBITA margin should gradually increase to 10 percent.

CAG's long-term financial targets should not be regarded as a forecast, as CAG does not provide profit or revenue forecasts, but rather as an ambition which the board and senior executives consider to be reasonable long-term expectations for the company.

Risks and Uncertainties

CAG's operations are exposed to several business risks that the group continuously monitors and assesses the consequences of. Some of these can be controlled and remedied by the Group, while others are beyond CAG's control. Significant business risks for the company are reduced demand for consulting services in the event of an economic downturn, difficulties in recruiting and retaining competent staff, credit risks and loss of major customers. Otherwise, significant risks and uncertainty factors are described in CAG's annual report for 2022 on pages 60–61 and 108–109.

Nomination Committee and Annual General Meeting 2024

According to a decision at CAG's annual general meeting, the chairman of the board has convened a nomination committee for the 2024 annual general meeting, appointed by the largest shareholders in the company. The nomination committee represents 45.8 percent of the company's ownership and consists of:

- David Lindström, chairman (representing Bo Lindström)
- Björn Henriksson (representing Nordea Fonder)
- Anders Hillerborg (representing Creades)

- Bo Lindström (adjunct without voting rights as chairman of the board)

Information about the Nomination Committee's work is available at cag.se. Shareholders who wish to submit proposals to the nomination committee can do so via e-mail to valberedning@cag.se or by post to CAG's head office in Stockholm: Valberedningen CAG Group AB, Box 7465, 103 92 Stockholm. Proposals must be submitted no later than April 22, 2024.

The Annual General Meeting will take place in Stockholm on 7 May 2024 at 4:00 p.m. Notice of the annual general meeting is published no later than four weeks before this date on the company's website and in Post & Inrikes Tidningar. That the notice has been issued is announced in Dagens Industri.

Annual general meeting 2023

The annual general meeting took place in Stockholm on May 4, 2023. The board members Bo Lindström (chairman), Bengt Lundgren, Sara Mattsson, Jenny Rosberg, Peter Strömberg and Göran Westling were re-elected. The members of the board and the managing director were discharged from liability for 2022. Dividend payout was set to SEK 3.60 (3.10) per share. See minutes and other documents at:

<https://www.cag.se/ir/bolagsstyrning/bolagsstammar/>

Transactions with PDMR:s

No transactions with related parties took place during the quarter.

Financial Calendar

Year-end report 2023	Feb 20, 2024
Interim report Q1, 2024	Apr 24, 2024
Annual General Meeting 2024	May 7, 2024

Stockholm October 27, 2023

Board of Directors and CEO, CAG Group AB (publ)

This report has not been reviewed by the company's auditors.

This information is information that CAG Group AB (publ) is obliged to make public pursuant to EU Market Abuse Regulation, MAR. The information was submitted, through the agency of the above contact person, for publication on October 27 at 08.30 (CET).

Note: This report is published on the date and time noted above, in Swedish. It is then translated into English after publication. In case of variations in the content between the two versions, the Swedish version shall govern.

Statement of Consolidated Comprehensive Income

	Jul-Sep		Jan-Sep		Jan-Dec
KSEK	2023	2022	2023	2022	2022
Revenue					
Net sales	181 065	176 637	639 064	558 146	796 662
Other operating revenue	734	720	2 625	2 232	2 943
Total revenue	181 799	177 357	641 689	560 379	799 605
Operating costs					
Cost of services	-41 248	-44 290	-161 672	-143 371	-212 792
Other external costs	-20 409	-15 521	-57 104	-47 658	-57 977
Personnel costs	-103 556	-98 083	-350 734	-305 775	-433 412
Depreciation of tangible and intangible assets	-5 325	-8 139	-15 774	-17 109	-22 331
Total costs	-170 538	-166 033	-585 284	-513 913	-726 513
Operating profit before acquisition-related costs (EBIT, adjusted)	11 261	11 324	56 405	46 466	73 093
Acquisition costs	-190	-805	-190	-805	-805
Amortization of acquisition-related personnel costs	-	-250	-250	-750	-1 000
Amortization of capitalized acquisition-related customer contracts	-2 105	-2 021	-6 175	-4 553	-6 575
Operating profit (EBIT)	8 966	8 248	49 790	40 358	64 713
Profit from holdings in associated companies	-	-	-	243	243
Profit from other shareholdings	-	37	45	110	147
Financial income	1 428	-	1 489	3	323
Financial expense	-1 659	-1 288	-4 842	-2 074	-3 632
Net financial items	-231	-1 252	-3 308	-1 717	-2 919
Profit after net financial items	8 735	6 996	46 482	38 641	61 794
Income taxes	-2 122	-1 639	-10 778	-8 472	-13 543
PROFIT FOR THE PERIOD	6 613	5 357	35 704	30 169	48 251
Earnings attributable to:					
Parent company owners	6 613	5 357	35 704	30 169	48 251
TOTAL COMPREHENSIVE INCOME	6 613	5 357	35 704	30 169	48 251
Other comprehensive income	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	6 613	5 357	35 704	30 169	48 251
Total comprehensive income attributable to:					
Parent company shareholders	6 613	5 357	35 704	30 169	48 251
Average number of shares before dilution	7 167 602	7 158 306	7 167 602	7 083 463	7 104 671
Average number of shares after dilution	7 167 602	7 158 306	7 167 602	7 083 463	7 104 671
Net profit per share before dilution, SEK	0.92	0.75	4.98	4.26	6.79
Net profit per share after dilution, SEK	0.92	0.75	4.98	4.26	6.79
Dividend per share, SEK	-	-	-	-	3.60

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Consolidated Balance Sheet

	Sep	Dec	
KSEK	2023	2022	2022
ASSETS			
Fixed assets			
Intangible assets			
Capitalized development	1 427	1 824	2 118
Concessions, patents, licenses, trademarks and similar	-	38	-
Acquired customer contracts	23 129	29 670	27 648
Goodwill	214 751	212 944	212 645
Total intangible assets	239 307	244 475	242 411
Tangible assets			
Property	109	166	152
Plant and equipment	4 592	4 475	4 027
Leased plant and equipment	21 261	26 766	24 517
Total tangible fixed assets	25 962	31 407	28 696
Financial assets			
Shares in associated companies	3 287	3 287	3 287
Other non-current receivables	545	1 123	788
Total financial fixed assets	3 832	4 410	4 075
Total fixed assets	269 101	280 292	275 182
Current assets			
Current receivables			
Inventory, work-in-progress	576	-	481
Accounts receivable	169 191	154 588	146 920
Other current receivables	1 406	2 606	11 739
Current tax receivables	-	1 930	-
Pre-payments and accrued income	24 141	20 409	22 173
Total current receivables	195 314	179 533	181 313
Cash and cash equivalents	88 236	97 418	128 770
Total current assets	283 550	276 951	310 083
TOTAL ASSETS	552 651	557 243	585 265

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Consolidated Balance Sheets, cont

	Sep		Dec
	2023	2022	2022
KSEK			
EQUITY AND LIABILITIES			
Equity (attributable to parent company shareholders)			
Share capital	3 584	3 584	3 584
Other paid.in capital	142 110	142 122	142 122
Retained earnings	136 145	107 194	126 274
Total Equity	281 839	252 899	271 980
Provisions	56	229	56
Non-current liabilities			
Deferred taxes	24 616	23 718	25 163
Non-current liabilities, interest-bearing	37 667	71 000	59 167
Non-current liabilities, leasing	9 151	11 156	8 829
Deferred purchase price	-	9 000	-
Total non-current liabilities	71 434	114 874	93 159
Current liabilities			
Current liabilities, interest-bearing	28 667	24 000	28 667
Current liabilities, leasing	12 315	16 154	15 947
Pre-payments to customers	341	-91	3 455
Accounts payable	49 404	44 742	50 913
Current tax liabilities	2 405	-	3 505
Liabilities to associated companies	1 300	1 300	1 300
Other current liabilities	34 757	33 019	46 325
Accrued costs and prepaid income	70 133	70 117	69 958
Total current liabilities	199 322	189 241	220 070
TOTAL EQUITY AND LIABILITIES	552 651	557 243	585 265

Consolidated statement of changes in equity

KSEK	Share capital	Other paid-in capital	Retained earnings incl profit for the period	Total equity
Equity 2022-01-01	3 523	131 684	98 984	234 190
Total comprehensive income for the period	-	-	48 251	48 251
Currency translations	-	-	881	881
Share issues	61	10 438	-	10 499
<i>Transactions with shareholders:</i>				
Paid dividends	-	-	-21 841	-21 841
Equity 2022-12-31	3 584	142 122	126 274	271 980
Total comprehensive income for the period	-	-	35 704	35 704
Currency translations	-	-	-42	-42
Reclassifications	-	-12	12	-
<i>Transactions with shareholders:</i>				
Paid dividends	-	-	-25 803	-25 803
Equity 2023-09-30	3 584	142 110	136 145	281 839

Consolidated cash-flow statement

	Jul-Sep		Jan-Sep		Jan-Dec
KSEK	2023	2022	2023	2022	2022
Current operations					
Profit before interest and taxes (EBIT)	8 966	8 248	49 790	40 358	64 713
Adjustment for non-cash items	8 602	10 814	22 111	21 909	29 872
Interest income	1 428	-	1 489	3	323
Interest expense	-1 659	-1 288	-4 842	-2 074	-3 633
Paid taxes	-6 210	-7 031	-18 845	-18 074	-18 657
Cash flow before changes in operating capital	11 127	10 742	49 703	42 122	72 618
Changes in operating capital					
Decrease (+)/Increase (-) in operating receivables	-30 987	-1 701	-12 724	5 001	1 291
Decrease (-)/Increase (+) in operating payables	1 353	-11 536	-1 942	162	16 564
Cash flow from current operations	-18 506	-2 494	35 037	47 285	90 473
Investing activities					
Acquisition of Group companies and other operations	-	-53 249	-12 853	-53 249	-52 951
Acquisition of tangible assets	-168	-460	-2 384	-2 267	-1 846
Acquisition of intangible assets	-	-15	-	-391	-876
Investments in other financial assets	-23	-21	243	-21	313
Changes in short-term financial investments	-	1 000	-	1 000	1 000
Cash flow from investing activities	-191	-52 745	-14 993	-54 929	-54 360
Financing activities					
Proceeds from borrowings	-	70 000	-	70 000	70 000
Repayment of borrowings	-7 167	-2 500	-21 500	-9 438	-16 604
Repayment of leasing liabilities	-4 503	-6 258	-13 275	-14 009	-19 248
Paid dividends	-	-	-25 803	-21 841	-21 841
Cash flow from financing activities	-11 670	61 242	-60 578	24 712	12 307
Cash flow for the period	-30 367	6 003	-40 534	17 069	48 420
Cash at the beginning of the period	118 603	91 415	128 770	80 350	80 350
Cash at the end of the period	88 236	97 418	88 236	97 418	128 770

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Parent company, statement of comprehensive income

	Jul-Sep		Jan-Jul		Jan-Dec
KSEK	2023	2022	2023	2022	2022
Revenue					
Net sales	35 356	37 099	142 178	140 525	197 578
Other operating revenue	7 514	7 435	22 783	22 146	31 232
Total revenue	42 870	44 534	164 961	162 671	228 810
Operating costs					
Cost of services	-35 437	-37 249	-141 567	-140 316	-197 626
Other external costs	-2 603	-3 119	-10 629	-10 815	-13 874
Acquisition costs	-190	-805	-190	-805	-805
Personnel costs	-3 356	-3 198	-10 158	-11 303	-14 763
Depreciation of tangible and intangible assets	-189	-145	-565	-548	-693
Total costs	-41 775	-44 516	-163 109	-163 788	-227 761
Operating profit	1 095	18	1 852	-1 116	1 049
Financial items					
Profit from associated companies	-	-	-	243	243
Financial income	1 396	-	1 396	-	237
Financial expense	-1 209	-858	-3 595	-1 281	-2 341
Net financial items	187	-858	-2 199	-1 038	-1 861
Profit after financial items	1 282	-840	-347	-2 155	-812
Dispositions	-	-	-	-	32 392
Income tax	-	-	-	-	-6 583
PROFIT FOR THE PERIOD	1 282	-840	-347	-2 155	24 997

Balance sheet, parent company

	Sep		Dec
KSEK	2023	2022	2022
ASSETS			
Fixed assets			
Intangible fixed assets			
Capitalized development costs	865	1 012	1 368
Total intangible assets	865	1 012	1 368
Tangible assets			
Property, plant and equipment	245	328	307
Total tangible assets	245	328	307
Financial assets			
Shares in associated companies	360 337	352 086	352 086
Total financial fixed assets	360 337	352 086	352 086
Total fixed assets	361 447	353 425	353 761
Current assets			
Current receivables			
Current accounts receivable	25 567	24 085	18 312
Receivables in Group Companies	11 062	16 400	14 601
Other current receivables	77	75	7 077
Prepayments and accrued income	5 798	2 623	6 550
Total current receivables	42 504	43 182	46 540
Cash and cash equivalents	59 954	73 513	98 185
Total current assets	102 459	116 695	144 725
TOTAL ASSETS	463 905	470 120	498 486

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Parent company balance sheet, cont.

	Sep		Dec
KSEK	2023	2022	2022
EQUITY AND LIABILITIES			
EQUITY			
<i>Restricted equity</i>			
Share capital	3 584	3 584	3 584
Statutory reserve	3 753	3 753	3 753
Total restricted equity	7 337	7 337	7 337
<i>Unrestricted equity</i>			
Paid-in capital exceeding nominal share price	142 110	142 110	142 110
Retained earnings	713	1 519	1 520
Profit for the period	-347	-2 155	24 997
Total unrestricted equity	142 476	141 475	168 627
TOTAL EQUITY	149 813	148 812	175 963
Untaxed reserves	15 399	4 791	15 399
Non-current liabilities			
Non-current liabilities, interest-bearing	37 667	71 000	59 167
Deferred purchase consideration	-	9 000	-
Total non-current liabilities	37 667	80 000	59 167
Current liabilities			
Current liabilities, interest-bearing	28 667	24 000	28 667
Accounts payable	10 692	11 768	13 764
Liabilities to Group companies	211 345	195 013	183 483
Current tax liabilities	4 262	470	6 829
Other current liabilities	729	960	9 278
Accrued costs and prepaid income	5 331	4 304	5 935
Total current liabilities	261 026	236 517	247 956
TOTAL EQUITY AND LIABILITIES	463 905	470 120	498 486

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Notes

Not 1. Accounting Principles

The Group's accounts have been prepared in accordance with Årsredovisningslagen (Annual Accounts Act), RFR 1, complementing accounting instructions for the Group, International Financial Reporting Standards (IFRS) and interpretation statements for the IFRS Interpretations Committee, as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim reporting.

The Group's accounting principles are unchanged compared to the last published annual report.

The parent company's accounting has been prepared in accordance with the Annual Accounts Act and RFR 2 (Accounting for legal entities), which means that the parent company follows the Group's accounting principles in all material respects. Shares in subsidiaries are reported in the parent company according to the acquisition value method. The book value is continuously tested against the subsidiaries' group equity.

Not 2. Key metrics

	Jul-Sep		Jan-Sep		Jan-Dec	R12
KSEK	2023	2022	2023	2022	2022	R12
Revenue	181 799	177 357	641 689	560 379	799 605	880 916
Change, y-o-y	2.5%	32.4%	14.5%	19.9%	22.5%	18.1%
EBITA, adjusted	11 261	11 324	56 405	46 466	73 093	83 031
EBITA margin, adjusted	6.2%	6.4%	8.8%	8.3%	9.1%	9.4%
EBIT (operating profit), adjusted	11 261	11 324	56 405	46 466	73 093	83 031
EBIT margin, adjusted	6.2%	6.4%	8.8%	8.3%	9.1%	9.4%
Equity ratio	51.0%	45.4%	51.0%	45.4%	46.5%	51.0%
Return on equity	2.4%	2.3%	13.1%	12.9%	20.6%	21.3%
Average number of employees	433	440	432	392	402	442
Number of employees at end-of-period	438	441	438	441	439	438
Average revenue per employee	419	403	1 486	1 430	1 989	1 994
Adjusted EBITA per average number of employees	26	26	131	119	182	188
Equity per share after dilution	39.3	35.3	39.3	35.7	38.3	39.3
Average number of shares before dilution	7 167 602	7 158 306	7 167 602	7 083 463	7 104 671	7 167 602
Average number of shares after dilution	7 167 602	7 158 306	7 167 602	7 083 463	7 104 671	7 167 602
Profit per average number of shares before dilution, SEK	0.92	0.75	4.98	4.26	6.79	7.50
Profit per average number of shares after dilution, SEK	0.92	0.75	4.98	4.26	6.79	7.50

Not 3. Key metrics per quarter

	2023				2022				2021
MSEK	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue	181.8	222.9	237.0	239.2	177.4	192.5	190.5	185.6	134.0
Revenue growth	2.5%	15.8%	24.4%	28.9%	32.4%	12.2%	17.7%	29.4%	24.8%
Adjusted EBITA	11.3	19.6	25.5	26.6	11.3	17.4	17.8	16.8	5.8
Adjusted EBITA margin	6.2%	8.8%	10.8%	11.1%	6.4%	9.0%	9.3%	9.1%	4.3%
Cash flow from current operations	-18.5	35.2	18.4	43.2	-2.5	24.9	24.8	14.1	-2.5
Average number of employees	433	429	436	441	440	374	367	377	373
Revenue per employee (TSEK)	419	520	544	542	403	515	519	492	359
Adj EBITA per employee (TSEK)	26	46	59	60	26	46	48	45	15
Profit per share (SEK)	0.92	1.68	2.38	2.52	0.75	1.71	1.82	1.55	0.22
Equity ratio	51.0%	49.2%	48.8%	46.5%	45.4%	52.6%	53.0%	51.8%	50.2%

Note 4. Acquisition of Etendo

On June 1, 2023, 100% of outstanding shares in Etendo Sverige AB were acquired. The company develops e-commerce solutions on the Adobe Magento and WordPress platforms. The company is based in Norrköping and had a turnover of SEK 8.2 million in 2022 with good profitability.

Most customers are found in the Norrköping region and include, among others, Pantamera, Packoplock, Weibulls, Linköping City Airport, Propia and Arbetets Museum. Etendo will be part of CAG Ateles, CAG Group's e-commerce company with headquarters in Linköping.

The company is consolidated from the date of acquisition. The goodwill item amounts to SEK 2.1 million and the acquired customer contract value of SEK 1.7 million consists of signed customer agreements. A straight-line depreciation rate of five years is applied.

The acquisition-related expenses amounted to SEK 0.2 million as of September 30, 2023, and have been reported as acquisition costs in the Group's income statement.

From the date of acquisition until September 30, revenues in the acquired company were SEK 2.2 million and profit before tax were SEK 0.0 million.

Acquisition analysis	Etendo	Fair value adjustment	Fair value in Group reporting
Customer contracts	-	1 656	1 656
Current receivables	1 278	-	1 278
Cash and cash equivalents	4 399	-	4 399
Deferred tax liability	-266	-341	-607
Current liabilities	-580	-	-580
Net identifiable assets and liabilities	4 831	1 315	6 146
Consolidated goodwill			2 105
Total	4 831	1 315	8 251
Group acquisition value			8 251
Net cash outlay			Fair value
Group acquisition value			-8 251
Acquired cash			4 399
Net cash outlay			-3 852

Note 5. Calculation of alternative key metrics

	Jul-Sep		Jan-Sep		Jan-Dec	R12
KSEK	2023	2022	2023	2022	2022	R12
Acquired revenue						
Sales	181 799	177 357	641 689	560 379	799 605	880 916
- organic revenue	-180 244	-149 805	-564 730	-519 413	-717 498	-762 816
= Acquired revenue	1 555	27 552	76 969	40 966	82 107	118 100
Revenue growth						
(Revenue during the period	(181 799	(177 357	(641 689	(560 379	(799 605	(880 916
/ Revenue during same period previous year) – 1	/177 357)-1	/133 977)-1	/560 379)-1	/467 352)-1	/652 985)-1	/746 012)-1
= Revenue growth, %	2.5%	32.4%	14.5%	19.9%	22.5%	18.1%
Acquired growth						
Acquired revenue	1 555	27 552	76 969	40 966	82 107	118 100
/ Revenues previous year	/177 357	/133 977	/560 379	/467 352	/652 985	/746 012
= Acquired growth, %	0.9%	20.6%	13.7%	8.8%	12.6%	15.8%
Organic growth						
Revenue growth	2.5%	32.4%	14.5%	19.9%	22.5%	18.1%
- Acquired growth	-0.9%	-20.6%	-13.7%	-8.8%	-12.6%	-15.8%
= Organic growth, %	1.6%	11.8%	0.8%	11.1%	9.9%	2.3%
Adjusted EBITA margin						
(EBITA	(11 071	(10 269	55 965	(44 911	(71 288	(82 342
+ acquisition-related costs)	+190)	+1 055)	+440)	+1 555)	+1 805)	+690)
/ Revenue	/181 799	/177 357	/641 689	/560 379	/799 605	/880 916
= Adjusted EBITA margin, %	6.2%	6.4%	8.8%	8.3%	9.1%	9.4%
Equity ratio						
Equity	281 839	252 899	281 839	252 899	271 980	281 839
/ Total assets	/552 651	/557 243	/552 651	/557 243	/585 265	/552 651
= Equity ratio, %	51.0%	45.4%	51.0%	45.4%	46.5%	51.0%

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Definitions, key metrics

CAG presents certain financial metrics that are not defined according to IFRS, so-called alternative key metrics. CAG believes that these metrics provide valuable complementary information to investors and CAG's management, as they enable the evaluation of trends and the Group's performance. Because not all companies calculate financial measures in the same way, not all are comparable to metrics used by other companies. These financial metrics should therefore not be seen as a replacement for metrics defined according to IFRS. Definitions of the group's key metrics are presented below.

Acquired revenue

Increase in revenue attributable to acquisitions in the last 12 months

Revenue growth

Increase in revenue in relation to operating income in the previous year

Acquired growth

Share of revenue attributable to acquisitions the last 12 months

Organic growth

Share of revenue not attributable to acquisitions the last 12 months

EBITA (Earnings Before Interest, Taxes, Amortization)

Profit before financial net, tax and depreciation and amortization of goodwill and other intangible assets

EBITA margin

EBITA as share of total revenue

Adjusted EBITA margin

Adjusted EBITA (excluding acquisition-related costs and other non-recurring costs) as share of total revenue

EBIT (Earnings Before Interest, Taxes) (Rörelseresultat)

Profit before financial net and tax

EBIT margin (Operating profit)

EBIT (operating profit) as share of total revenue

Adjusted EBIT margin

Adjusted EBIT (excluding acquisition-related costs and other non-recurring costs) as share of total revenue

Rolling 12 months

Revenue and profit during the last 12 months

Net margin

Profit after financial net as share of total revenue

Profit margin

Profit during the period as share of total revenue

Equity ratio

Equity as share of total assets

Return on equity

Profit for the period as share of the period's opening equity balance

Average number of employees

Average total number of full-time employees (FTEs) during the period

Revenue per average number of employees

Total revenue divided by average number of FTEs during the period

EBITA per average number of employees

EBITA divided by average number of employees

Equity per share, after dilution

Equity in relation to the weighted number of shares during the period, including total outstanding options

Weighted number of shares during the period

Average number of registered shares during the period, taking share issues and splits into account

Profit per share, SEK

Profit for the period divided by the weighted number of shares during the period

Profit per share after dilution, SEK

Profit for the period divided by the weighted number of shares during the period including total number of outstanding options



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We accelerate digital innovation for people. Leading technology. Lasting impact

CAG is an IT consulting company within Technology Management, System Development, Cyber Security, IT Service Operations and Training, with a focus on Defence, Banking & Finance, Retail & Services, Industry & Infrastructure and Healthcare. With a passion for development, CAG creates long-term value for its customers and ensures each employee can thrive and grow in their roles. At CAG, there is both extensive strategy and implementation competence and CAG can therefore help its customers with small and large projects - everything from isolated efforts to taking overall responsibility. CAG has approximately 450 employees in independent subsidiaries under a common brand. CAG is listed on Nasdaq First North Premier Growth Market since 2018. Certified Adviser and Liquidity Provider is Erik Penser Bank.

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