

CAG Q1 2024

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

2005

Founded

450

Employees

10

Independent subsidiaries in
Technology Consultancy
Services and IT Service
Operations

Listed on Nasdaq First North
Premier

Carnegie Investment Bank
Certified Advisor and
Liquidity Guarantor



Leading Technology, Lasting Impact



- **System Development**, Agile Project Management, Test Automation
- **Anti-Financial Crime**, Anti-Money Laundering, Payment Solutions
- **IT Service Operations**: Secure Network & Communications, Server & Storage (Cloud & On-Prem), Modern Workplace & Service Desk
- **Security Operations Center (SOC)**
- **Cyber Security**: Information and IT Security, Penetration Testing
- **Systems Engineering**, Systems Lifecycle Management, ILS
- **BI & Analytics**, Informatics, Enterprise Performance Management
- **PIM** (Product Information Management), E-Commerce

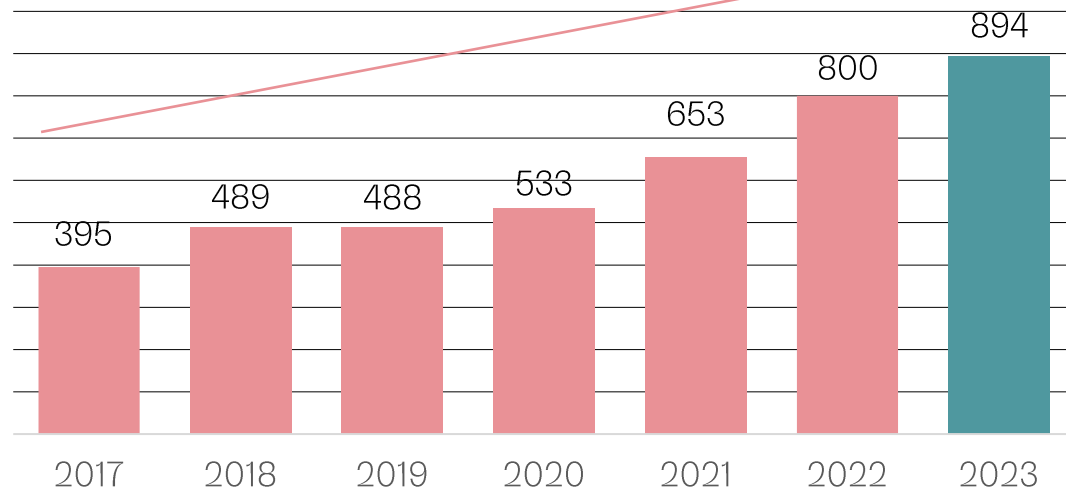
Leading technology
Lasting impact



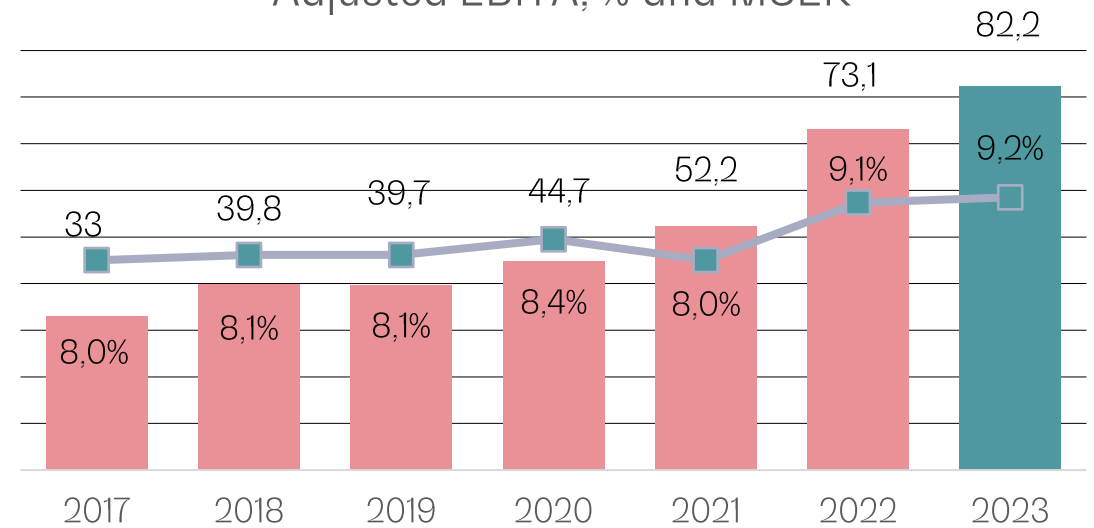
CAG 2017-2023

CAGR 15%

Total Revenue, MSEK



Adjusted EBITA, % and MSEK



450

EMPLOYEES

20%

RECURRING REVENUE

>50%

DIVIDEND POLICY
(AFTER-TAX PROFIT)

95

GREAT PLACE
TO WORK INDEX



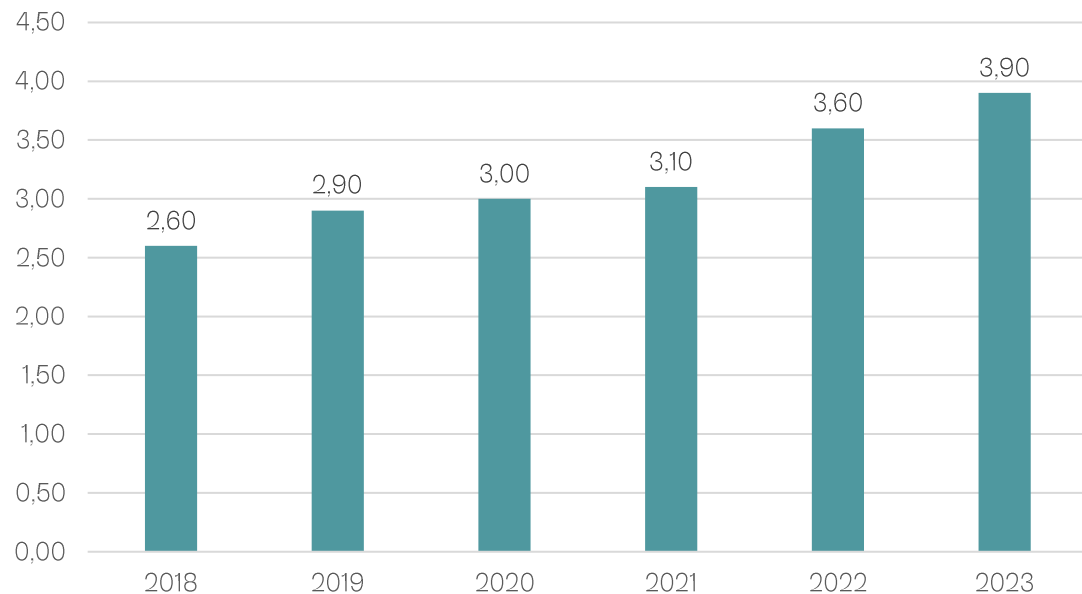
Stable Results with a Brightening Outlook



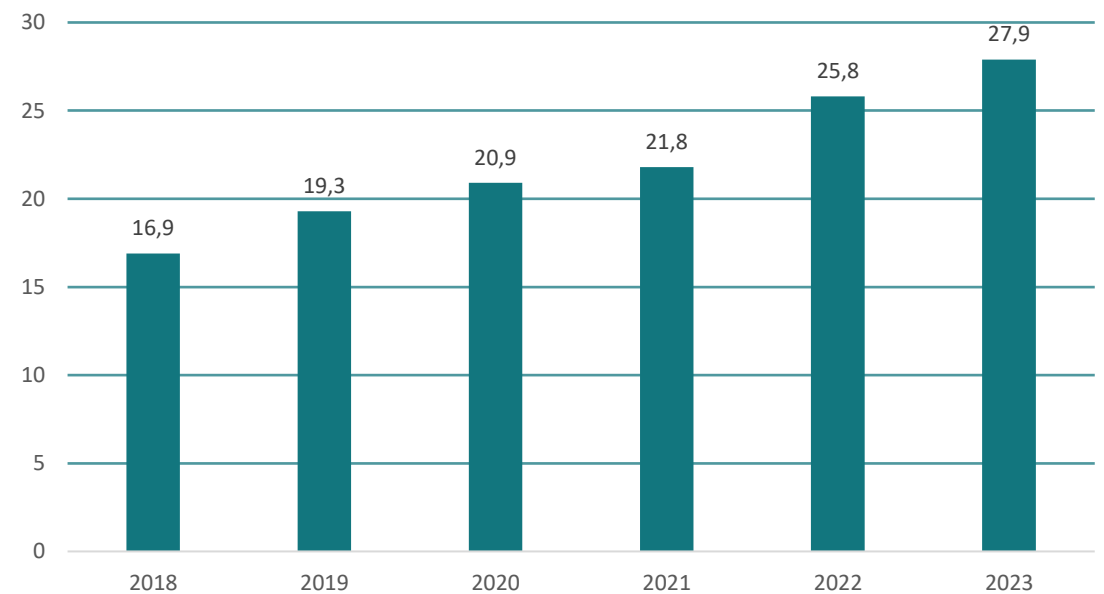
- Revenue MSEK 232 (237), -2.0%
 - Organic growth -2.0%, excluding subcontracting revenue -0.7%
 - Acquired growth 0.0%
 - Growth affected by one fewer working day in the quarter (-1.6%), lower subcontracting volumes and a weaker market in the Public Sector
- Adjusted EBITA 21.4 (25.5)
- Adjusted EBITA margin 9.2% (10.8)
- Cash flow from operations 12.3 MSEK (18.4)
- Avg number of employees 451 (436), at end of period 449 (432)
- After-tax profit 14.7 (17.1)
- Profit per share after dilution 2.05 (2.38) SEK

Steady Dividend Progression

Dividend per share, SEK

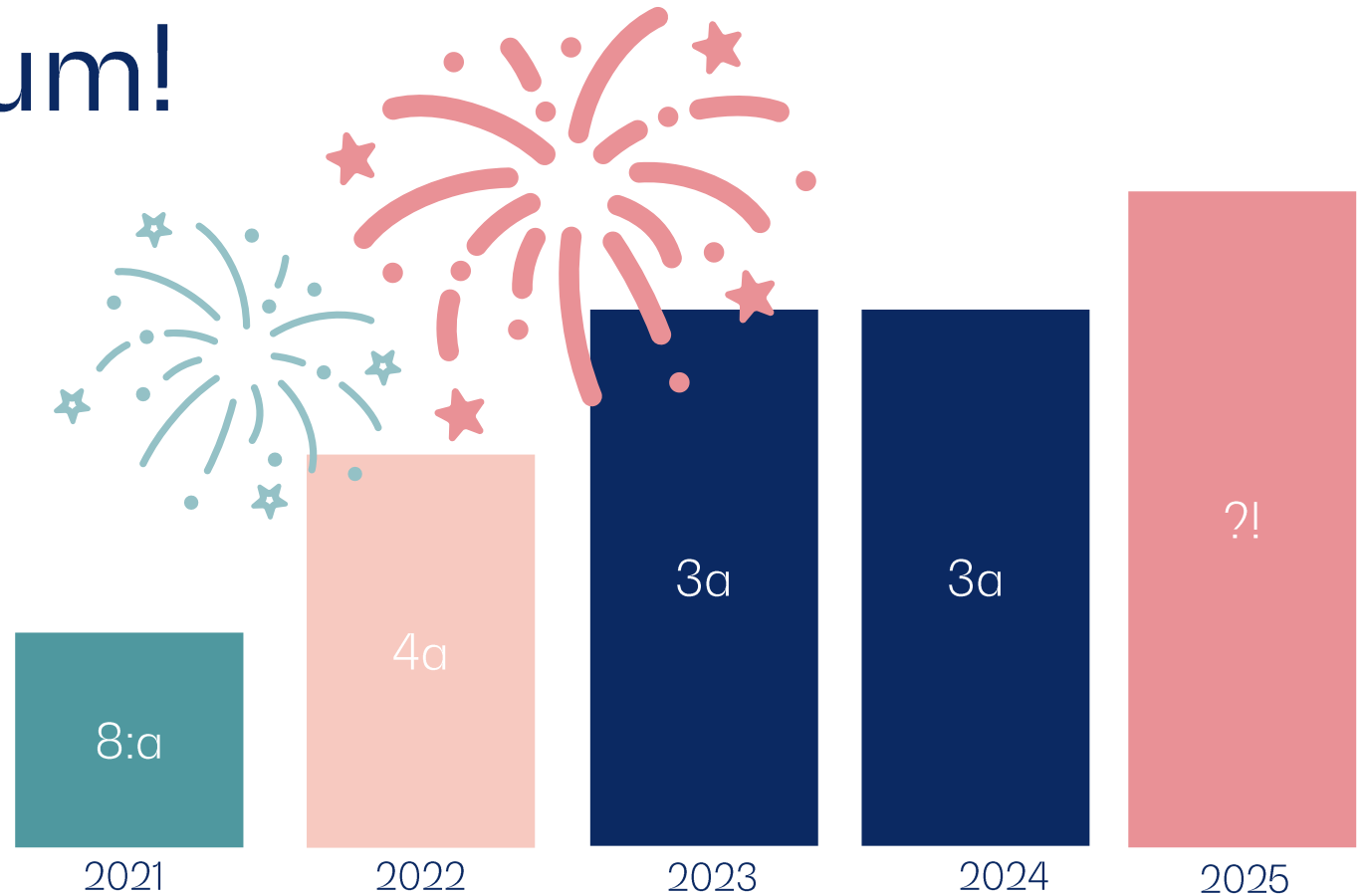


Total dividend payout, MSEK



Note: 2023 pending AGM decision

CAG on the Podium!



Trust-index **92** (91, 90) (IT consulting 88)

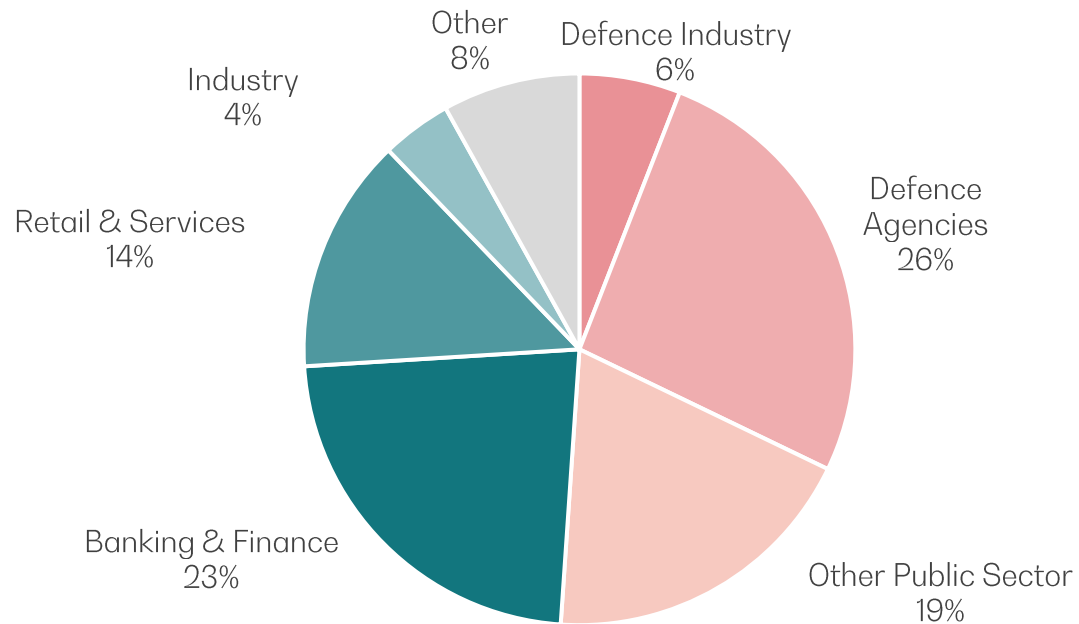
GPTW-index **95** (95, 93) (IT consulting 92)

New Agreements and Assignments



- Framework agreement with IKANO Bank
- Framework agreement with two central government agencies regarding penetration testing
- Examples of new projects and assignments:
 - Advisory regarding Microsoft 365 Copilot
 - IKANO Bank, Handelsbanken, Swedbank, Folksam, Säkra, Riksgälden, Nasdaq
 - DORA-related assignments
 - Tobii, Saab, Atlas Copco, Scania
 - FMV, Försvarsmakten, Svenska Kraftnät

Revenue per Segment Q1 2024



- ~300 active customers
- Defence segment, ~30 percent of revenue
- Largest customer, ~20 percent of revenue
- Recurring revenue, ~ 20 percent
- 10 largest customers, ~ 40 percent of revenue

- Public sector 45%
 - Private sector 55%
- percent of total revenue

Leading technology
Lasting impact



A Solid Customer Base



Leading technology
Lasting impact



AI@CAG, Update



- Copilot for Microsoft 365: user strategies, license issues, security and policies
- Workshop, overview of the most common LLM's with a focus on user benefit and Prompt Engineering
- AI & Cyber Security: Lectures on AI and Cyber Security
- For customers in the financial sector, implementation of the DORA regulatory framework (AI model for gap analysis)
- Anti Financial Crime (AML, Anti-Fraud, Compliance), expert consulting and advice on software, methods, project management, AI-based process and code development
- AI-supported System Development and Test Automation
- PIM/e-com: deep knowledge of the AI support in our primary platforms Pimcore and Adobe Commerce/ Magento

Outlook 2024

- Q2: one more working day, improving market activity
- Solid demand in Defence and Banking & Finance
- Stabilizing Public Sector demand in H2
- Slower price and salary inflation
- Regulatory requirements increase opportunities to provide qualified advisory services to customers (NIS-2, DORA, CSRD)
- M&A market may provide more interesting opportunities at lower multiple valuations

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cag

FINANCIAL TARGETS 2022 - 2025



CAG Group's ambition is to grow under stable profitability by combining organic growth and acquisitions and to reach SEK 1 billion in turnover by the end of FY 2025



Over the period, CAGs adjusted EBITA margin shall increase to 10 percent of revenue

Invest in CAG

BALANCED SECTOR MIX

- Stable segments
- >30% in Defence, public, industry
- Society-critical projects
- Stockholm geographical focal point

20% RECURRING REVENUE

- IT Service Operations
- Banking & Finance:
 - 3 year contracts
 - Blue-chip customers
 - Higher profitability

VALUE- CREATING TECHNOLOGY AREAS

- Cyber Security, AML, Payment solutions, SLCM
- Macro trends support market demand
- Senior competence

M&A-DRIVEN

- 1-2 deals per year
- Strong balance sheet
- Decentralized structure attracts and simplifies integration

...IN ADDITION...

- Progressing dividend payouts
- Strong company culture
- Blue-chip investors
- High internal ownership
- Carnegie Investment Bank liquidity guarantor and CA

Thank You! Questions?

Åsa Landén Ericsson, CEO CAG Group

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