

CAG Q2 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



Leading technology
Lasting impact

What we do:

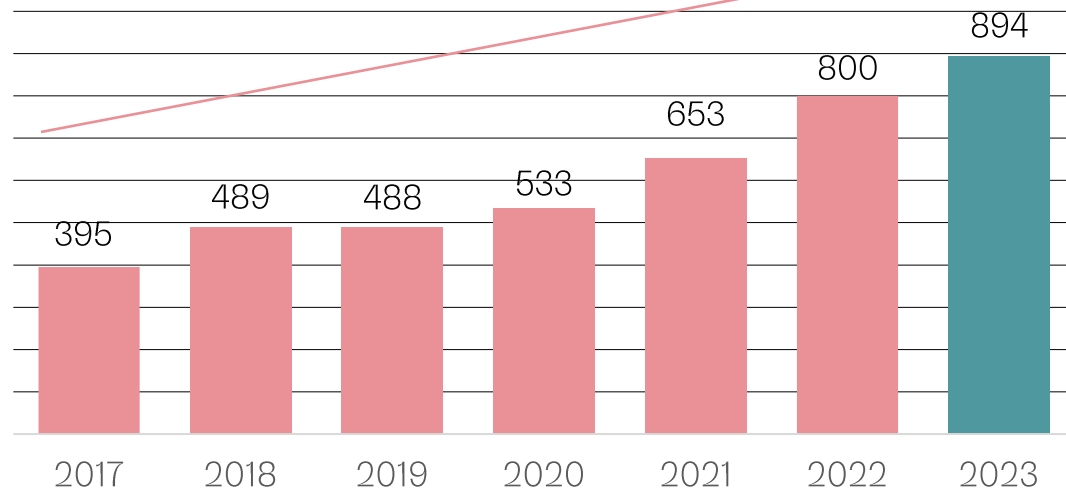
- System Development, Project Management, Test Automation, BI & Analytics
- Anti-Financial Crime, Payment Solutions
- IT Service Operations
- Security Operations Center (SOC)
- Cyber Security
- Systems Lifecycle Management
- E-commerce/PIM (Product Information Mgmt)
- ...in all of the above: AI in various forms



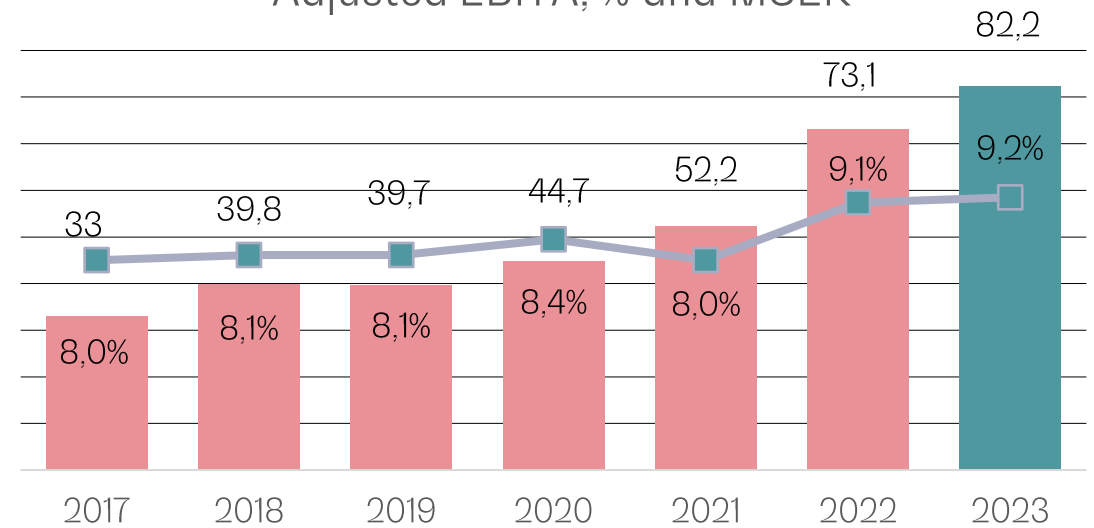
CAG 2017-2023

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 margin, Increased Market Activity



- Revenue MSEK 226 (223), growth 1.4%
 - Organic growth 1.4%, excluding subcontracting revenue 2.5%
 - Acquired growth 0.0%
 - Revenue affected by one extra working day in the quarter (+) and lower subcontracting volumes (-)
 - The system development market brightened; a number of new projects starting in August signed
- EBITA 19.0 (19.6)
- EBITA margin 8.4% (8.8)
- Cash flow from operations 27.1 MSEK (35.2)
- Avg number of employees 444 (429), at end of period 443 (428)
- After-tax profit 11.9 (12.0)
- Profit per share after dilution 1.67 (1.68) SEK

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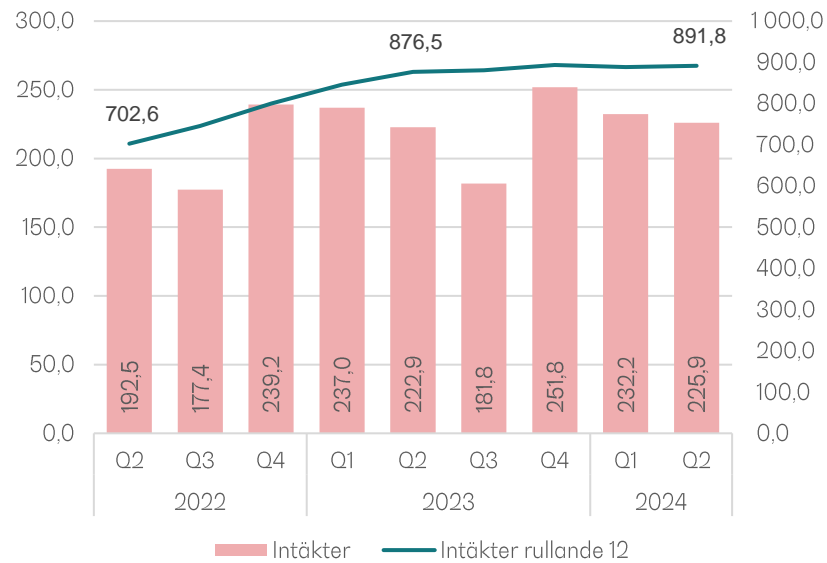
January – June 2024



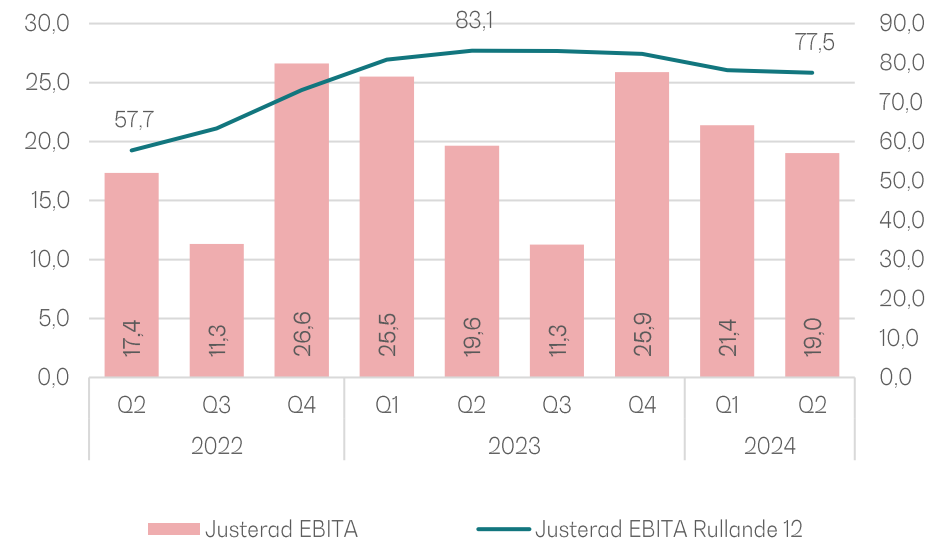
- Revenue 258 MSEK (260), Growth -0,4 %
 - Organic growth -0.4%, excluding subcontracting revenue 0.9%
 - Acquired growth 0.0%
- EBITA 40.4 (44.9) MSEK
- EBITA margin 8.8% (9.8)
- Cash flow from operations 39.4 MSEK (53.5)
- Average number of employees 447 (431), at end of period 443 (428)
- After-tax profit 26.7 (29.1)
- Profit per share after dilution 3.72 (4.06) SEK
- Dividend payment in May of 3,90 SEK/share, ~3.6 percent yield

Revenue and Profit Growth

Revenue per Quarter and R12



Adjusted EBITA per Quarter and R12



New Agreements and Assignments



New customers:

- Long-term project undertaking within system development for well-reputed fintech customer
- Servi Group (NO), PIM and web/e-com solution
- IT and security outsourcing, Spiltan Fonder
- IT outsourcing, Industrikraft (jointly owned by Stora Enso, Alfa Laval, Boliden, SKF and Volvo)
- Several penetration testing and DORA assignments in the public and financial sector (new and existing customers)

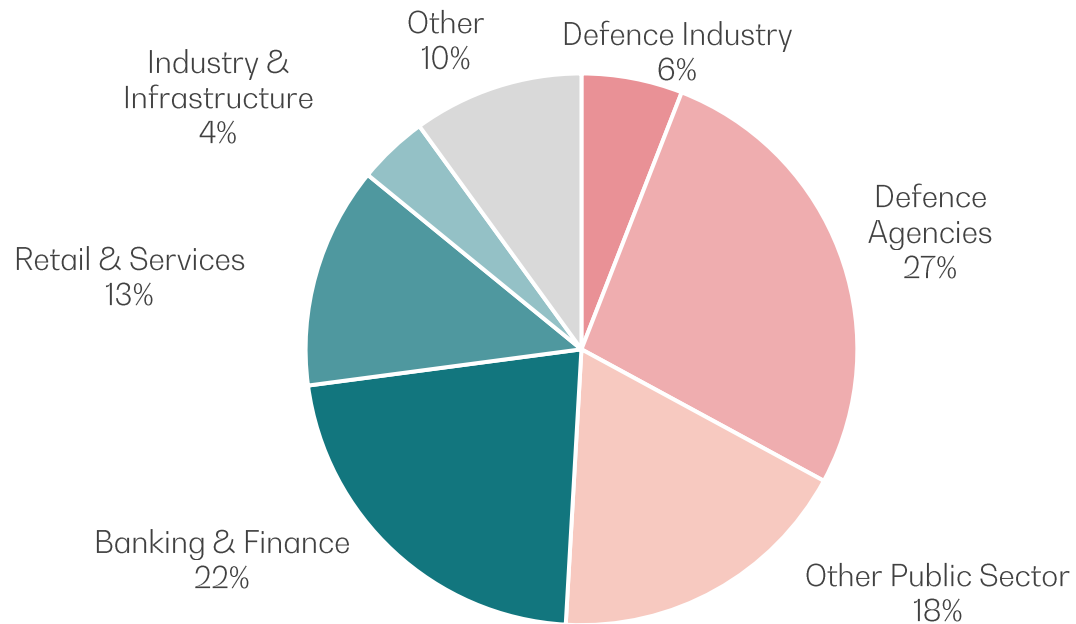
New Agreements and Assignments



New Assignments, existing customers:

- Several advisory and implementation projects within Microsoft 365 Copilot
- Riksgälden, Skolverket, Bolagsverket, Trafikförvaltningen, Riksidrottsförbundet
- Nordea, Länsförsäkringar, Nasdaq
- ID06, Candela, Xylem, Keolis
- FMV (e.g., Armé, Sjukvård), BAE Systems, Saab

Revenue per Segment Q2 2024



- ~300 active customers
- Defence segment, ~33 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

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Lasting impact



A Solid Customer Base



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Outlook 2024



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- Increasing market activity
- Stabilizing demand in system development
- Solid demand in Defence and Banking & Finance
- Slower price and salary inflation
- Regulatory requirements drive demand for qualified advisory services (NIS-2, DORA, CSRD)
- M&A market may provide opportunities at lower valuation multiples
- ...continued trends into 2025...

Invest in CAG

BALANCED SECTOR MIX

- Stable segments
- >30% in Defence segment
- 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

- AI, 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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