



The period in summary

First quarter 2026 compared to 2025, group

- ➔ Net sales amounted to SEK 60.1 million (90.9), corresponding to a change of -34% (20), primarily driven by timing effects
- ➔ Growth adjusted for foreign exchange (FX) amounted to -28% (19).
- ➔ Software revenue amounted to SEK 31.9 million (50.2), corresponding to 53% (55) of net sales
- ➔ Operating profit (EBIT) amounted to SEK -20.4 million (9.0), corresponding to an EBIT margin of -34% (10), as a result of lower revenue and a one-off restructuring cost of SEK 4 million
- ➔ Net income for the period amounted to SEK -17.8 million (-9.4)
- ➔ Earnings per share before dilution amounted to SEK -0.47 (-0.25) and diluted to SEK -0.47 (-0.25)

“With the transformation largely completed and a lower cost base in place, we are emerging from the period more capable and more efficient than when we entered it.”

Jonas Jonsson, CEO

Key ratios

mSEK	2026 Q1	2025 Q1	2026 Q1 LTM	2025 Q1 LTM
Net sales	60.1	90.9	321.5	358.3
FX adjusted organic net sales growth (%)	-28%	19%	-4%	12%
Software revenue	31.9	50.2	206.6	242.8
Software revenue in relation to net sales (%)	53%	55%	64%	68%
EBIT	-20.4	9.0	-20.9	19.2
EBIT margin (%)	-34%	10%	-6%	5%
Net income for the period	-17.8	-9.4	-25.2	-1.4
Earnings per share before dilution (SEK)	-0.47	-0.25	-0.66	-0.04
Earnings per share after dilution (SEK)	-0.47	-0.25	-0.66	-0.04

-4%

FX-adjusted organic
net sales growth
LTM

64%

Software revenue in
relation to net sales
LTM

-6%

EBIT margin
LTM



CEO comment

Strategic steps toward long-term growth

The first quarter came in below our expectations. Net sales were SEK 60.1 million (90.9), EBIT was SEK -20.4 million (9.0), and software accounted for 53 percent of net sales (55). The Q1 2025 comparison period included a sizable U.S. software transaction, and several defense contracts we had expected to close in Q1 2026 have moved out, including a NATO award, U.S. COTS deals, and an award in one European market. Even so, order intake reached SEK 91 million, weighted clearly toward defense.

From Q1 2026, we have also updated our revenue recognition principles and now take less upfront on license and software revenue at initial delivery. The change reflects how our customers actually buy today. The value of the software in our deliveries is increasingly an evolving capability, and our faster development cadence reduces the share of revenue tied to license installation. Reported revenue now tracks cash conversion more closely. We are applying the principle prospectively from Q1 2026, and the change reduced reported revenue by approximately SEK 12 million in the quarter relative to the previous model.

Defence

Order intake in the defense segment was good in Q1, but revenue was held back by the nature of the new contracts and by temporarily lower exercise activity, particularly in the United Kingdom. We expect exercise volumes to return to more normal levels from Q2 onward. Two of the quarter's orders were in the U.S. defense market and totaled just over SEK 40 million combined. They strengthen our position in a priority market and are the result of long-term work to

establish Exonaut with U.S. defense customers. We also extended a Canadian agreement by five years during the quarter, an example of how our customer relationships evolve from initial implementation into longer engagements that combine project delivery with recurring revenue.

Resilience

The cost reduction program we announced after Q3 2025 was fully implemented by the end of Q1 2026. We are running Resilience selectively, focused on renewals and expansions where the profitability is clear. A key customer expanded its agreement during the quarter, which confirms our view that a more selective Resilience continues to create value.

Expert Services

Expert Services is performing on plan. Q1 is seasonally the segment's quietest quarter, but the orderbook and pipeline going into the rest of the year are strong. The segment reinforces our operational presence close to customers and supports the exercise and training software business by

deepening our domain knowledge and market position.

Market development

For several quarters, European governments have communicated higher investment levels and larger defense budgets, and that spending is now beginning to flow past platforms and munitions into the capabilities that determine whether armed forces are actually ready. Exercise and training systems are part of the capability set now entering procurement plans. At the same time, procurement capacity has become the binding constraint across most of our markets, and purchasing cycles are lengthening in several countries as volumes grow. We are adjusting by qualifying pipeline earlier and by working more closely with the larger defense industry primes to capture a greater share of the available market.

In North America, the approval of the U.S. defense budget in February has improved predictability relative to the autumn shutdown, although the political environment continues to create short-term uncertainty. In APAC, deliveries are on plan and customer activity remains healthy, deliveries are progressing according to plan and customer activity remains strong.

Cash flow, financing and priorities for the remainder of the year

Cash remained tight during the quarter, partly reflecting delays in certain projects and variation in the timing of customer payments. The position has improved since quarter end. During the quarter, we also negotiated new financing with Svensk Exportkredit and Exportkreditnämnden, placing the company on

a more long-term financing footing. Improving cash conversion is the operating priority alongside the strategic transformation.

We are largely through the transformation we announced after Q3 2025. It has been a significant body of work, and I am beginning to see the effect in the right places. The strength of the quarter is in order intake, weighted clearly toward defense. Combined with the lower cost base we now have in place, that gives us a better starting point than the one we entered the quarter with. What I find most interesting in the day-to-day work is what AI is enabling inside the company, both in how we develop Exonaut and in how we run our own operations. It is one of the reasons I am confident we will come out of this period more capable and more efficient than we went in.

Jonas Jonsson
CEO

Financial overview

Net sales

Net revenue amounted to SEK 60.1 million (90.9), corresponding to a change of -34 percent compared with the same period last year. The decline is primarily explained by lower software revenues of SEK 31.9 million (50.2), driven by timing effects in larger license deals. Software-related services amounted to SEK 12.5 million (23.9) and Expert Services to SEK 15.7 million (16.8), resulting in a somewhat lower software mix of 53 percent (55).

Performance varied across segments and regions, but is overall assessed to be primarily driven by timing effects rather than changes in underlying demand. The decline in North America should also be viewed in light of a particularly strong first quarter last year, driven by larger deals in the US, impacting comparability. At the same time, longer decision-making processes persist in the region.

ARR amounted to SEK 157.1 million (147.3), indicating continued stable development in the recurring revenue base.

Currency fluctuations had a negative impact on net revenue of -6 percent (1), mainly due to a weaker USD/SEK. As the majority of revenues are generated in currencies other than SEK, while the cost base is largely in SEK, exchange rate movements may continue to impact reported revenue going forward.

*For definition see [page 20](#)

EBITDA

EBITDA amounted to SEK -9.0 million (18.3), corresponding to an EBITDA margin of -15 percent (20). The decline compared with the previous year is primarily explained by lower revenue during the quarter, particularly within software. Previously communicated measures impacted the result by approximately SEK 4 million during the quarter, while a lower cost base began to materialize in March. The effects of these measures are expected to have a more visible impact during the second quarter.

EBIT

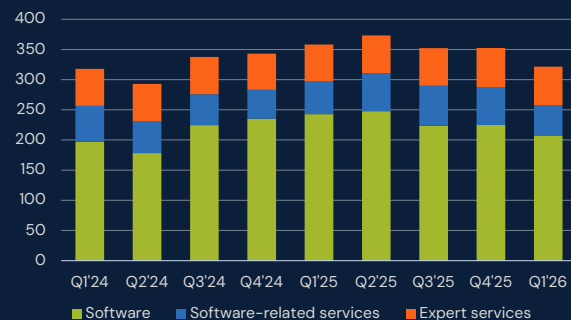
EBIT amounted to SEK -20.4 million (9.0), corresponding to an EBIT margin of -34 percent (10). In addition to lower revenue, EBIT was also impacted by depreciation and amortization, while implemented cost measures are expected to contribute positively to earnings going forward, in line with previous communication.

Financial position

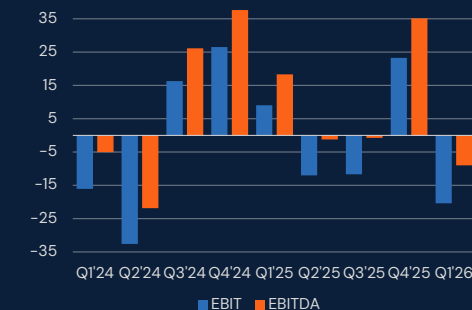
At the end of the quarter, the equity ratio amounted to 47 percent (57). Equity totaled SEK 251.3 million (280.4), corresponding to SEK 6.6 (7.4) per share before and after dilution.

Interest-bearing liabilities amounted to SEK 161.3 million (109.8), of which SEK 37.7 million

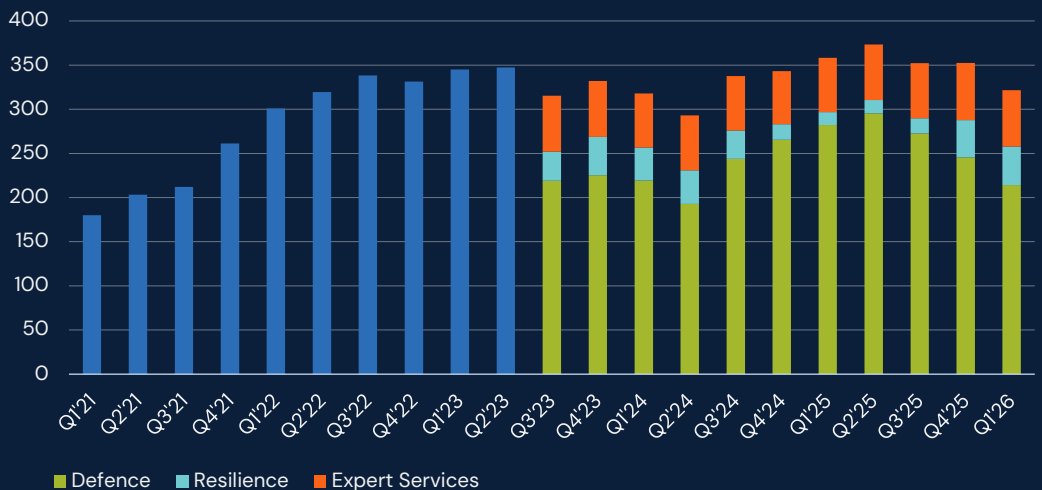
Net sales, mSEK



EBITDA and EBIT, mSEK



Total net sales LTM



(39.7) relates to lease liabilities. The remaining interest-bearing liabilities of SEK 123.6 million (70.1) consist of bank loans of SEK 25.0 million, shareholder loans of SEK 37 million, a revolving credit facility of SEK 59.4 million, and financing of software licenses of SEK 2.2 million. The increase compared to the previous year is primarily attributable to higher utilization of credit facilities as well as the raising of bank and shareholder loans during the period.

Cash and cash equivalents amounted to SEK 0.4 million (56.6) at the end of the quarter, resulting in a net debt of SEK 160.9 million (53.2), and SEK 123.2 million (13.5) excluding lease liabilities. At the end of the period, the unutilized portion of the overdraft facility amounted to SEK 6.9 million, which together with cash and cash equivalents corresponded to a total available liquidity of SEK 7.3 million.

Cash flow and liquidity

- Cash flow from operating activities amounted to SEK -29.0 million (-27.5) during the quarter. The negative cash flow is primarily explained by the lower operating result and an increase in working capital. The change in working capital amounted to SEK -17.7 million (-43.5) and is partly attributable to high business activity towards the end of the quarter, resulting in increased accounts receivable. In addition, unrealized foreign exchange effects had a negative impact on working capital of SEK 1.7 million.
- Cash flow from investing activities amounted

to SEK -7.0 million (-9.8) and primarily relates to capitalized development of intangible assets associated with Exonaut.

- Cash flow from financing activities amounted to SEK 25.0 million (70.5). The cash flow was impacted by the raising of shareholder loans of SEK 22 million and changes in credit facilities, including net changes in the revolving credit facility, partly offset by lease payments of SEK -5.0 million.
- Cash flow for the period amounted to SEK -10.9 million (33.3), resulting in cash and cash equivalents decreasing to SEK 0.4 million (56.6) at the end of the quarter, compared to SEK 11.5 million at the beginning of the period. At the end of the period, the company's revolving credit facility amounted to approximately SEK 66.3 million (78.0), of which SEK 59.4 million (66.6) was utilized. During the quarter, SEK 22 million in shareholder loans was raised, which, together with available credit facilities, helped manage the company's liquidity needs.
- The Board of Directors assesses that the Group has sufficient financing for the coming twelve months, based on available credit facilities and the current business forecast. Liquidity is monitored continuously, and the company continues to implement measures to strengthen cash flow and the liquidity position.

The 4C share

4C Group AB (publ) is listed on Nasdaq First North Premier Growth Market since 24 May 2022.

Total shares at the end of period were 38,274,999 (38,109,829).

Number of employees

Number of employees are presented as an average of full-time employees during the last 12-month period considering normal working hours during a year. The number of full-time employees at the end of the period was 191 (200) whereof 47 (55) were women. As of 31 March 2026, the actual number of employees amounted to 165 (191). As several employees left the company during March, restructuring-related personnel costs impacted the results for the majority of the quarter.

The Parent Company

The Parent Company business is primarily focused on product development and group administration. The financial statements for the Parent Company can be found on page 12-13.

Other significant events during and after the period

- During the quarter, the Company signed a five-year Exonaut agreement with an organization within the U.S. defense sector, valued at approximately SEK 23.9 million.
- The Company also received a call-off order from the Swedish Armed Forces for customization and support of Exonaut, valued at approximately SEK 20 million, with delivery during 2026 and 2027.
- Furthermore, a five-year extension

agreement was signed with the Canadian Department of National Defence regarding Exonaut, with a total contract value of approximately SEK 20 million.

- During the period, the Company also entered into an agreement with NATO regarding the continued use and development of Exonaut within the framework of training and experimentation activities.
- During the period, the Nomination Committee proposed Magnus Hansson as a new Board member for election at the 2026 Annual General Meeting.

Annual general meeting 2026

The 4C Group Annual General Meeting will be held on May 21, 2026 at the company's office in Stockholm.

Declaration

The Board of Directors and the CEO declares that the Interim Report provides a fair view of the parent company's and the Group's business, financial position and results of operations.

29th of April 2026
Stockholm, Sweden

Board of Directors of 4C Group AB (publ):

Andreas Hedskog
Chairman

Louise Bagewitz
Board Member

Anders Fransson
Board Member

Erik Ivarsson
Board Member

Christine Rankin
Board Member

Jörgen Ericsson
Board Member

Jonas Jonsson
CEO

Financial reporting information

Financial calendar

AGM 2026
21 May 2026

Interim Report Q2
15 July 2026

Interim Report Q3
3 November 2026

Interim Report Q4
12 February 2027

Report information

4C Group AB (publ) has published the report in both English and Swedish. This is an unaudited translation of the Swedish Interim Report. If any disparities between the Swedish and the English version would exist, the Swedish version shall prevail. This report has not been subject to review by the company's auditor. The information inside this report is information that 4C Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation (MAR).

Financial reports and calendar are available on 4C's website, investors.4cstrategies.com.

Contact

4C Group AB (publ)
Vattugatan 17 | 111 52 Stockholm | Sweden
+46 (0)8-522 27 900
info@4cstrategies.com
www.4cstrategies.com

For investor enquiries,
investor.relations@4cstrategies.com.



Jonas Jonsson
CEO



Veronica Wallin
CFO

Consolidated statement of profit and loss in summary

kSEK	2026 Q1	2025 Q1	2025 Q1-Q4
Net sales	60,074	90,948	352,386
Other revenue	781	171	726
Total revenue	60,855	91,119	353,111
Operating expenses			
Other external costs	-14,784	-20,258	-84,106
Personnel costs	-60,566	-60,692	-255,717
Capitalized work for own account	7,045	9,506	41,447
Other operating expenses	-1,539	-1,376	-3,345
Total operating expenses	-69,843	-72,820	-301,720
Operating income before depreciation and amortization	-8,988	18,299	51,391
Depreciation	-5,209	-5,756	-23,020
Amortization	-6,223	-3,525	-19,798
Operating income	-20,420	9,018	8,573
Financial income	9,538	1,185	8,027
Financial expenses	-11,305	-13,631	-35,537
Income after financial items	-22,187	-3,428	-18,936
Taxes	4,349	-5,978	2,181
Net income for the period	-17,839	-9,406	-16,755
Income attributable to:			
Parent company's shareholders	-17,839	-9,406	-16,755
Other information			
Earnings per share before dilution (SEK)	-0.47	-0.25	-0.44
Earnings per share after dilution (SEK)	-0.47	-0.25	-0.44

Consolidated statement of other comprehensive income in summary

kSEK	2026 Q1	2025 Q1	2025 Q1-Q4
Net income for the period	-17,839	-9,406	-16,755
Other comprehensive income			
<i>Items which will be reclassified to the income statement (net of tax)</i>			
Translation adjustments attributable to foreign operations	263	-2,501	-4,311
Adjustment	-	-	-282
Other comprehensive income for the period, net of tax	263	-2,501	-4,593
Total comprehensive income for the period	-17,576	-11,907	-21,348

Consolidated statement of financial position in summary

kSEK	2026-03-31	2025-03-31	2025-12-31
ASSETS			
Intangible assets	114,784	99,048	113,962
Tangible assets	2,802	3,187	3,133
Right-to-use assets	38,130	40,014	37,974
Financial fixed assets	1,267	1,417	1,306
Contract assets	114,529	105,071	113,042
Deferred tax asset	27,120	9,530	20,814
Total non-current assets	298,632	258,267	290,231
Accounts receivables	40,938	25,770	30,343
Tax receivables	6,704	7,403	5,949
Contract assets	170,646	129,626	160,353
Other current receivables	13,909	16,057	19,138
Cash and cash equivalents	434	56,560	11,483
Total current assets	232,631	235,416	227,265
Total assets	531,264	493,682	517,496

kSEK	2026-03-31	2025-03-31	2025-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Equity attributable to the parent company's shareholders</i>	251,285	280,404	268,861
Total equity	251,285	280,404	268,861
Interest-bearing non-current liabilities	866	2,134	1,264
Non-current lease liabilities	19,559	19,961	19,324
Deferred tax liability	23,283	19,835	23,062
Total non-current liabilities	43,708	41,929	43,651
Interest-bearing current liabilities	122,730	67,932	92,256
Current lease liabilities	18,186	19,770	18,397
Accounts payables	12,656	12,710	15,209
Tax liabilities	6,205	6,057	4,253
Contract liabilities	38,678	29,574	29,830
Other current liabilities	37,815	35,306	45,039
Total current liabilities	236,270	171,349	204,985
Total equity and liabilities	531,264	493,682	517,496

Changes in consolidated equity in summary

kSEK	Share capital	Other contributed capital	Reserves	Profit/loss brought forward	Total equity
Opening balance 1 January 2025	615	167,192	5,066	64,439	237,311
Net income for the period				-16,755	-16,755
Other comprehensive income			-4,311	-282	-4,593
Total other comprehensive income			-4,311	-17,037	-21,348
Transaction with owners					
New share issues	55	52,156			52,211
Costs related to new share issue	-	-480			-480
Payment warrants	-	1,168			1,168
Total transaction with owners	55	52,843			52,898
Closing balance 31 December 2025	670	220,035	754	47,402	268,861
Opening balance 1 January 2026	670	220,035	754	47,402	268,861
Net income for the period			-	-17,839	-17,839
Other comprehensive income			263	-	263
Total other comprehensive income			263	-17,839	-17,576
Closing balance 31 March 2026	670	220,035	1,017	29,563	251,285

Consolidated cash flow statement in summary

kSEK	2026 Q1	2025 Q1	2025 Q1-Q4
Cash flow from operating activities			
Operating income	-20,420	9,018	8,573
Adjustment for non-cash items	12,265	10,519	45,101
Financial items	-2,546	-1,466	-6,891
Income tax paid	-588	-2,046	-2,420
Cash flow from operating activities, before changes in working capital	-11,289	16,025	44,363
Change in working capital	-17,682	-43,514	-91,347
Cash flow from operating activities	-28,971	-27,489	-46,984
Cash flow from investing activities			
Acquisition of intangible assets	-7,045	-9,506	-41,447
Acquisition of tangible assets	-	-278	-1,433
Acquisition of financial assets	47	-	25
Cash flow from investing activities	-6,998	-9,785	-42,854

kSEK	2026 Q1	2025 Q1	2025 Q1-Q4
Cash flow from financing activities			
New share issues	-	52,110	52,210
Costs related to new share issue	-	-	-480
Warrant premiums	-	-	1,168
Change in liabilities to credit institutions	-394	-118	24,514
Change in loans from shareholders	22,000	-	15,000
Net change of overdraft account	8,374	25,157	9,509
Repayment of interest bearing debts	-	-1,455	-1,985
Cash payments for principal portion of the lease liability	-4,959	-5,148	-20,506
Cash flow from financing activities	25,021	70,545	79,430
Cash flow for the period	-10,948	33,272	-10,409
Change in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year	11,483	24,169	24,168
Exchange rate differences in cash and cash equivalents	-100	-881	-2,277
Cash and cash equivalents at the end of the period	435	56,560	11,483

Parent company income statement

kSEK	2026 Q1	2025 Q1	2025 Q1-Q4
Operating revenue			
Net sales	17,816	25,604	142,035
Other revenue	143	29	74
Total revenue	17,959	25,633	142,109
Operating expenses			
Other external costs	-26,362	-18,044	-84,453
Personnel costs	-22,463	-20,530	-92,977
Other operating expenses	-383	-4	-125
Total operating expenses	-49,207	-38,579	-177,555
Operating income before depreciation and amortization	-31,248	-12,946	-35,446
Depreciation and amortization	-129	-387	-1,544
Operating income	-31,378	-13,333	-36,990
Financial income and expenses	999	-10,607	-20,448
Income after financial items	-30,378	-23,940	-57,438
Appropriations	-	-1,600	-
Income before tax	-30,378	-25,540	-57,438
Taxes	6,321	-	11,716
Net income for the period	-24,058	-25,540	-45,722

Parent company balance statement

kSEK	2026-03-31	2025-03-31	2025-12-31
ASSETS			
Fixed assets			
Intangible assets	1,758	2,763	2,009
Tangible assets	851	1,337	981
Total tangible fixed assets	2,609	4,100	2,990
<i>Financial fixed assets</i>			
Shares in subsidiaries	21,680	21,680	21,680
Deferred tax asset	26,591	8,555	20,270
Total financial fixed assets	48,272	30,235	41,951
Total non-current assets	50,881	34,335	44,941
<i>Current assets</i>			
Current intercompany receivables	263,892	160,895	241,372
Contract assets	2,329	2,017	1,066
Other current receivables	2,247	5,146	1,727
Accrued income and prepaid expenses	9,454	9,222	8,663
Cash and cash equivalents	42	52,057	5
Total current assets	277,964	229,337	252,833
Total assets	328,845	263,672	297,773

kSEK	2026-03-31	2025-03-31	2025-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	670	667	670
Total restricted equity	670	667	670
<i>Unrestricted equity</i>			
Additional paid in capital	220,035	222,140	220,035
Profit/loss brought forward	-56,013	-10,291	-10,291
Net income for the period	-24,309	-25,540	-45,722
Total unrestricted equity	139,712	186,309	164,021
Total equity	140,382	186,975	164,691
Untaxed reserves	-	-	-
<i>Interest-bearing non-current liabilities</i>			
Interest-bearing non-current liabilities	866	2,134	1,264
Total non-current liabilities	866	2,134	1,264
<i>Current liabilities</i>			
Interest-bearing current liabilities	38,364	762	16,264
Accounts payables	8,871	9,012	7,939
Current intercompany liabilities	124,016	48,042	83,478
Other current liabilities	8,891	4,821	13,795
Contract liabilities	-	1,998	-
Accrued expenses and prepaid income	7,454	9,928	10,343
Total current liabilities	187,596	74,563	131,818
Total equity and liabilities	328,845	263,672	297,773

Notes

Accounting principles

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts act. The group's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and the accounting policies which constitute the accounting standard for this Interim Report, are stated in the most recent annual report. New accounting principles that came into effect on 1 January 2026 have not had any significant impact on the Group's reporting as of 31 March 2026. Preparing the financial reports in accordance with IFRS requires the 4C management team to decide on how to apply the accounting policies which may impact the reported figures of assets, liabilities and result. The Parent Company prepares its financial statements in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The same accounting policies have been applied in the Interim Report.

In February 2026, the EU approved the new standard IFRS 18 Presentation and Disclosure in Financial Statements, which will become effective on 1 January 2027. 4C has initiated an initial analysis of the standard and is in the process of evaluating its potential impact on the Group's financial reporting. The assessment of the effects will continue over the coming periods.

Note that rounding in the financial tables may incur differences of maximally kSEK 1 in column subtotals or totals.

The Company has simplified the presentation of certain key ratios, tables and notes in the report during the period, including the removal of previous labels such as adjusted performance measures. These changes relate solely to presentation and do not affect the calculation or comparability of the reported performance measures.

Risks and uncertainties

4C Strategies is exposed to risks in its operations, both business and financial, and these are described together with other risks in the latest published report, the Annual Report, 16th of April 2026. The beginning of the year 2026 was characterized by sustained global turbulence, with geopolitical unrest contributing to heightened uncertainty for businesses and organizations worldwide. However, macroeconomic conditions have shown signs of stabilization, supported by a reduction in the interest rate and declining inflation, which have facilitated a modest economic recovery. 4C Strategies has implemented appropriate measures to ensure that existing risks are effectively managed. No additional changes to risk or uncertainty factors have been identified during the reporting period.

Currency translations

The Group operates in different countries and currently the following currencies are managed: Swedish Krona (SEK), Sterling Pound (GBP), US Dollar (USD), Norwegian Krone (NOK), Australian Dollar (AUD) and Euro (EUR). Assets and liabilities in foreign exchange are translated at the closing rate on the date of the balance statement.

Transaction differences of operational balance items due to translation are recognized as 'Other Revenue' and 'Other Operating Expenses'. The differences of other balance sheet items in foreign currency, such as 'Cash and cash equivalents', are recognized within financial items. Differences that occur from translating net sales and operating expenses in foreign currency are recognized under respective revenue and cost item.

Transactions with related parties

Transactions with related parties have been conducted on market terms. During the quarter, shareholder loans of MSEK 22 were raised. As of 31 March 2026, the company's shareholder loans amounted to MSEK 37.5. Apart from the shareholder loans, no material related party transactions occurred during the period.

Taxes

The tax expense has been based on the earnings in each subsidiary and the current tax situation in each domestic area.

Earnings per share

The calculation of Earnings per share is based on the period's earnings in the Group attributable to the parent company's owners and on the weighted average number of shares outstanding during the period. When calculating Earnings per share after dilution, the average number of shares is adjusted to take into account the effects of issued options. The dilution effect from warrants is only accounted for if a conversion to shares results in a lower profit per share or a higher loss per share.

Financial instruments

The Group's financial instruments are valued at accrued acquisition value. The carrying amount of all the Group's financial instruments is considered to be a good approximation of the fair value.

Segment summary

The Group's operating segments are divided into Defence, Resilience, and Expert Services. These operating segments have the same business model, i.e. sales and delivery. The operating segments are reported in compliance with the internal reporting structure as provided to the chief operating decision maker for the Group (CODM). The CODM is the function responsible for allocation of resources and assessment of the operating segments' profit or loss. In the Group, this function is identified as the Chief Executive Officer.

During the period, the Group updated its segment structure from a geographical to a business-based organization, in order to better reflect the Group's internal management and performance monitoring. Comparative figures have been restated to reflect the new segment structure. Operating segments are assessed based on net sales and EBITDA. The evaluation excludes the management of assets and liabilities, which are instead managed centrally by Group Management. To provide a more accurate view of each segment's performance, the line "internal costs" includes both intercompany revenue and costs and is therefore netted out at Group level. Internal transactions between segments refer to cost allocation related to the use of shared resources.

Segment reporting

kSEK	Defence	Resilience	Expert Services	Total Segment	Group Common	Group
Q1 2026						
Software	29,489	2,445	-	31,934	-	31,934
Software-related services	9,851	2,599	-	12,450	-	12,450
Expert Services	-	-	15,690	15,690	-	15,690
Net sales	39,340	5,045	15,690	60,074	-	60,074
<hr/>						
Other revenue	224	259	1	484	297	781
Total revenue	39,564	5,304	15,691	60,559	297	60,855
<hr/>						
Capitalized work for own account	-	-	-	-	7,045	7,045
Personnel costs	-15,376	-3,944	-10,732	-30,052	-30,514	-60,566
Operating costs	-4,368	-1,211	-3,401	-8,980	-7,343	-16,323
Internal transactions	394	183	-1,133	-555	555	-
Total cost	-19,350	-4,972	-15,265	-39,587	-30,256	-69,843
<hr/>						
EBITDA	20,214	332	426	20,971	-29,959	-8,988

kSEK	Defence	Resilience	Expert Services	Total Segment	Group Common	Group
Q1 2025						
Software	48,580	1,665	-	50,245	-	50,245
Software-related services	22,075	1,849	-	23,924	-	23,924
Expert services	-	-	16,779	16,779	-	16,779
Net sales	70,655	3,514	16,779	90,948	-	90,948
<hr/>						
Other revenue	136	-45	45	136	34	171
Total revenue	70,791	3,469	16,824	91,085	34	91,119
<hr/>						
Capitalized work for own account	-	-	-	-	9,506	9,506
Personnel costs	-10,396	-6,279	-9,784	-26,459	-34,233	-60,692
Other external costs	-7,366	-2,249	-2,561	-12,175	-9,459	-21,634
Internal costs	-	-18	-195	-214	214	-
Total cost	-17,761	-8,546	-12,540	-38,848	-33,972	-72,820
<hr/>						
EBITDA	53,030	-5,077	4,284	52,237	-33,938	18,299

Net sales by income stream

The Group's income streams are Software, Software-related services and Expert services. Software consists of revenue from our Exonaut software which can be divided into licenses, software development and service and support agreements (SSA). Software-related services refers to software consultancy related to Exonaut. Software consultancy involves both implementation and integration of software, as well as Managed Services. Expert services incorporate our advisory and consulting services which refer to building risk, business continuity and crisis management capability of organizations.

kSEK	2026 Q1	2025 Q1
Software	31,934	50,245
Software-related services	12,450	23,924
Expert services	15,690	16,779
Net sales	60,074	90,948

Net sales by geographic region

The Group's net sales are distributed across three geographical regions: EMEA, APAC and North America. EMEA represents the largest market, followed by North America and APAC. The presentation of net sales by geographical region is intended to provide an overview of how the Group's revenues are distributed across different regions.

kSEK	2026 Q1	2025 Q1
EMEA	32,019	70,655
APAC	2,102	9,031
North America	25,743	11,262
Rest of the world	210	-
Net sales	60,074	90,948

Key Ratios

Alternative Performance measures (APM)

Alternative performance measures (APM) have been identified, which are believed to enhance management and investors' possibility to evaluate the company's performance. The APMs presented in the report may differ from equivalently named measures used by other companies, thereby a definition of each measure can be found under the section Key Ratios. The APMs should be seen as a supplement to the key ratios defined by IFRS.

FX adjusted organic net sales growth

FX adjusted organic net sales growth consists of organic net sales growth adjusted for foreign exchange effects. The measure neutralizes the effects of currency effects on the net sales growth and indicates what the real growth is. This is a financial target for 4C.

kSEK	2026 Q1	2025 Q1
Software	31,934	50,245
Software-related services	12,450	23,924
Expert services	15,690	16,779
Net sales	60,074	90,948
Net sales growth (%)	-34%	20%
FX adjusted organic net sales growth (%)	-28%	19%

The currency translation effect on net sales growth during the quarter amounted to -6 percent (1%).

Software revenue

Software revenue consists of revenue from our Exonaut software. Software as a percentage of net sales indicates the share of total sales that is derived from Exonaut sales. This is a financial target for 4C.

kSEK	2026 Q1	2025 Q1
Software	31,934	50,245
Software-related services	12,450	23,924
Expert services	15,690	16,779
Net sales	60,074	90,948
Software as a percentage of net sales (%)	53%	55%

Annual recurring software revenue (ARR)

Recurring revenue at the last month of the quarter, recalculated to a 12-month period. There is thus no direct connection between the ARR-figure and future software revenues. The figure should be seen as an indication. The total recognized recurring revenue is affected by contract initiation date and especially, by the initiation date of contract extensions. The company has updated the definition of Annual Recurring Revenue (ARR), whereby software-related service revenues are no longer included. The purpose is to more clearly reflect the company's recurring software revenues. Comparative figures have been restated in accordance with the new definition.

kSEK	2026 Q1	2025 Q1
Annual recurring software revenue	157,093	147,261
Annual recurring revenue	157,093	147,261
Annual recurring software revenue growth (%)	7%	73%

EBITDA

Earnings before depreciation and amortization on fixed assets. The measure indicates the performance of the operational activities.

kSEK	2026 Q1	2025 Q1
Operating income	-20,420	9,018
Depreciation	5,209	5,756
Amortization	6,223	3,525
EBITDA	-8,988	18,299
Net sales	60,074	90,948
EBITDA (%)	-15%	20%

EBIT

Earnings before interest and tax. The measure indicates the performance of the operational activities including the cost of capital investments and the company's earning ability.

kSEK	2026 Q1	2025 Q1
Operating income	-20,420	9,018
EBIT	-20,420	9,018
Net sales	60,074	90,948
EBIT (%)	-34%	10%

Net working capital

Net of current assets excluding cash and cash equivalents, and current liabilities excluding interest-bearing items. The purpose is to show the business' short term liquidity and operational efficiency.

kSEK	2026-03-31	2025-12-31
Current assets excl cash and cash equivalents	232,197	178,856
Current liabilities excl interest-bearing items	95,354	83,647
Net working capital	136,843	95,208

Net debt

Net of cash and cash equivalents and interest-bearing liabilities. Net debt ratio calculated as a percentage of EBITDA RTM. The measure shows the real level of debt and indicates the ability to fulfil financial commitments.

kSEK	2026-03-31	2025-03-31
Interest-bearing non-current liabilities	20,425	22,094
Interest-bearing current liabilities	140,917	87,702
Cash and cash equivalents	434	56,560
Net debt	160,907	53,236
EBITDA RTM	24,104	60,197
Net debt ratio	6.68	0.88

Earnings per share

Earnings per share and Earnings per share after dilution are defined in accordance to IFRS.

	2026 Q1	2025 Q1
Weighted average number of shares	38,274,999	38,109,829
Dilution effect after dilutive shares	-	35,000
Weighted average number of shares after dilution	38,274,999	38,144,829

The dilution effect from warrants is only accounted for if a conversion to shares results in a lower profit per share or a higher loss per share.

	2026 Q1	2025 Q1
Net income for the period (kSEK)	-17,839	-9,406
Income attributable to Parent company's shareholders (kSEK)	-17,839	-9,406
Weighted average number of shares	38,274,999	38,109,829
Earnings per share before dilution (SEK)	-0.47	-0.25
Weighted average number of shares after dilution	38,274,999	38,144,829
Earnings per share after dilution (SEK)	-0.47	-0.25

Selected historical financials

mSEK	2026 Q1	2025 Q4	2025 Q3	2025 Q2	2025 Q1	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2025	2024
Net sales	60.1	113.1	72.7	75.6	90.9	113.1	93.8	60.5	75.7	352.4	343.1
Net sales growth (%)	-34%	0%	-22%	25%	20%	5%	91%	-29%	-16%	3%	3%
FX adjusted organic net sales growth (%)	-28%	6%	-18%	33%	19%	2%	93%	-29%	-17%	7%	2%
Software revenue	31.9	84.0	48.5	42.1	50.2	83.0	72.3	37.3	42.6	225.0	235.2
Software as a percentage of net sales (%)	53%	74%	67%	56%	55%	73%	77%	62%	56%	64%	69%
Software Annual Recurring Revenue	157.1	181.0	173.5	147.4	147.3	129.2	117.5	94.0	85.2	181.0	129.2
EBITDA	-9.0	35.1	-0.8	-1.2	18.3	37.6	26.1	-21.8	-5.1	51.4	36.8
EBITDA margin (%)	-15%	31%	-1%	-2%	20%	33%	28%	-36%	-7%	15%	11%
EBIT	-20.4	23.3	-11.7	-12.0	9.0	26.5	16.3	-32.6	-16.1	8.6	-5.9
EBIT margin (%)	-34%	21%	-16%	-16%	10%	23%	17%	-54%	-21%	2%	-2%
Net income for the period	-17.8	15.0	-13.3	-9.0	-9.4	24.3	11.1	-27.5	-11.4	-16.8	-3.5
Earnings per share before dilution (SEK)	-0.47	0.39	-0.35	-0.24	-0.25	0.69	0.32	-0.79	-0.33	-0.44	-0.10
Earnings per share after dilution (SEK)	-0.47	0.39	-0.35	-0.24	-0.25	0.69	0.32	-0.79	-0.33	-0.44	-0.10
Net working capital	136.8	121.5	110.7	135.8	95.2	64.2	76.7	68.9	67.9	121.5	63.4
Net debt	160.9	119.8	112.6	97.4	53.2	67.4	89.3	59.8	13.3	119.8	67.4
Order intake	91.3	185.0	59.9	53.2	202.9	194.4	93.5	34.6	56.7	500.9	379.2
Order backlog	363.5	332.1	281.5	298.3	319.6	199.9	113.7	114.9	141.6	332.1	199.9

Definitions

Annual recurring revenue (ARR)

Recurring revenue in the last month of the quarter, recalculated to a 12-month period. There is thus no direct connection between the ARR-figure and future software revenues. The figure should be seen as an indication.

EBIT

Operating income before financial income and expenses, and taxes.

EBIT margin

EBIT as a percentage of net sales.

EBITDA

Operating income before depreciation and amortization.

EBITDA margin

EBITDA as a percentage of net sales.

EBT

Income before taxes, after financial income and expenses.

Earnings per share after dilution

Net income divided by the average number of shares after dilution during the period.

Earnings per share before dilution

Net income divided by the average number of shares during the period.

Equity ratio

Total equity as a percentage of total assets.

Expert services

The total revenue of advisory and consulting related income.

FX adjusted organic net sales growth

Organic growth in net sales adjusted for foreign exchange effects.

kSEK

The currency Swedish Krona in thousands.

LTM

Latest twelve months, the past 12 consecutive months.

mSEK

The currency Swedish Krona in millions.

Net debt

Net of cash and cash equivalents and interest-bearing liabilities.

Net debt ratio

Net debt as a percentage of adjusted EBITDA LTM.

Net income

Net profit after tax.

Net sales

The total revenue of software, software-related

services and expert services.

Net working capital

Net of current assets excluding cash and cash equivalents, and current liabilities excluding interest-bearing items.

Number of employees

Number of employees are presented as an average of full-time employees during the last 12-month period considering normal working hours during a year.

Order backlog

The value of customer orders received but not yet delivered or recognized as revenue at the end of the period.

Order intake

The value of new customer orders received during the period.

Other revenue

The total revenue of FX-effects and items that cannot be defined into one of the other categories.

SEK

The currency Swedish Krona.

Software (revenue)

The total revenue from our Exonaut software, which can be divided into licenses and software development, as well as income from service and

support agreements (SSA).

Software-related services

Software-related services refer to the implementation and integration of the software, as well as revenue from Managed Services.

This is 4C Strategies

4C Strategies

4C Strategies was founded in 2000 and is a leading global provider of software solutions and expert services for organizational readiness, training, and crisis management. Through the Exonaut® software platform, 4C Strategies offers a complete platform for building organizational readiness. Exonaut enables effective, secure, and seamless management of incidents, crises, risks, and compliance assurance. Exonaut also supports the sustainment and continuity of operations affected by disruptions and crises and provides a software solution for both military and civilian customers in training management and capability development.

In addition to Exonaut, 4C also provides software-related services and expert services. We provide our solutions primarily to customers in mission-critical environments such as defence forces, public organizations, and companies in the corporate sector that have a need of managing risks and training for sudden and critical events.

4C Strategies has its headquarter in Sweden and has a global presence with offices in the Sweden, UK, US and Australia.

Sustainability

4C Strategies recognizes that its business activities have direct and indirect environmental and social impacts, which the company believes it has an obligation to manage to the best of its abilities. Therefore, 4C Strategies has since 2005 been a member of the UN Global Compact, an initiative designed to encourage companies to adopt sustainable and socially responsible policies and to report on their implementation to bring about positive change in human rights, labour, the environment, and corruption.

For more examples of our sustainability work, please visit our website: investors.4cstrategies.com.



Vision

4C's vision is to always be the preferred provider of solutions that create and maintain organizational readiness.



Our values

4C is a value-driven organization. Our core values are primarily regard how we live and interact with each other, as well as with customers, partners, providers and other stakeholders. They are summed up in four words.

Lead with Integrity

Do what's right for 4C and our customers.

Innovate to Solve Problems

We challenge the status quo, learn from failure and always find better ways to deliver value.

Own the Customer Outcome

Our success is measured by the results we deliver for our customers.

Stronger as One 4C

Collaboration beats silos.



Mission

4C's mission is to combine the power of digital innovation with industrial expertise to build a safe society.



Financial targets

4C Strategies strives to achieve an average annual currency-adjusted organic net sales growth exceeding 20 per cent in the medium term.

20%

4C Strategies strives for software revenue to exceed 70 per cent of net sales in the medium term.

70%

4C Strategies aims to achieve an adjusted EBIT margin of at least 20 per cent in the medium term.

20%

Dividend policy: The board of directors have determined that generated cash flow is to be used for investments and further growth in the company, and no dividend is proposed in the short and medium term.



Brisbane
23 Dunmore Terrace
Auchenflower
Queensland 4066
Brisbane
Australia

London
Nova North
11 Bressenden Place
London SW1E 5BY
United Kingdom

Malmö
Neptunigatan 42
211 18 Malmö
Sweden

Orlando
Resource Square III
12001 Research Park way
Orlando
Florida 32826
USA

Stockholm (HQ)
Vattugatan 17
111 52 Stockholm
Sweden

Warminster
The Design Centre
Roman Way
Warminster BA12 8SP
United Kingdom

Washington
1765 Greensboro Station Place
Suite 900
McLean VA 22102
USA



4C Group AB (publ)
556706-0412
Vattugatan 17
111 52 Stockholm
Sweden

Visit [4C Investor Relations](#) for more information.

