

4C Strategies

Interim Report Q2 2023

July 21st 2023



4C STRATEGIES

Today's presenters



**MAGNUS
BERGQVIST**

CEO



**ANDERS
NORDGREN**

CFO

AGENDA – Q2 2023



**COMPANY
HIGHLIGHTS**



**FINANCIALS
UPDATE**



SUMMARY

*Q&A SESSION AT
THE END*

Key Highlights Q2 2023

- ✓ Important software contracts signed with the Swedish Armed Forces and British Army
- ✓ Continued geographical expansion - establishment of new business unit in North America and increased activity in the APAC-region
- ✓ Exonaut next generation generates new possibilities to rapidly extend our offering

4C in numbers

347

Net sales
2023 Q2 RTM
SEKm

21%

Net sales CAGR
2019-2023 Q2
RTM

10%

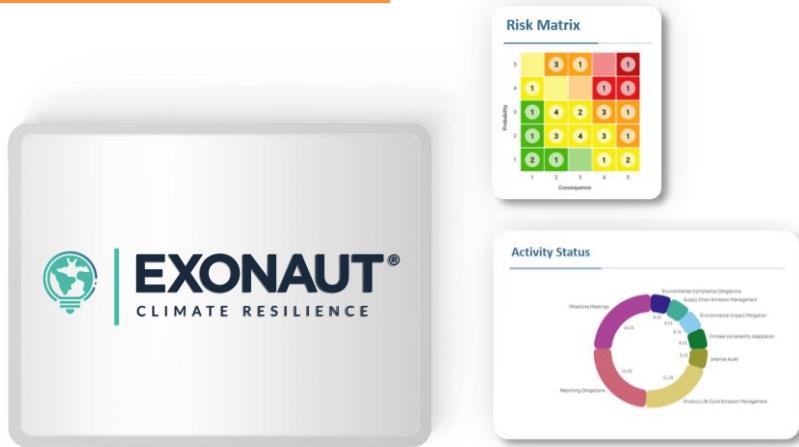
Adj. EBIT margin
2023 Q2
RTM

*EBIT adjusted for items affecting comparability (IPO-related costs)

FINANCIALS	Q2 2023	Q1-Q2 2023	Q2 2023 RTM
Net sales growth	3%	10%	9%
Software revenue	66%	64%	65%
Adjusted EBIT-margin*	1%	7%	10%



4C Q2 FOCUS



NEW EXONAUT SOLUTIONS

- Launching our **new climate resilience solution** which will enable organizations to tackle challenges of climate change and manage their environmental impact.
- **Exonaut version 21 is now available** to the market and we are upgrading and implementing this broadly.



GEOGRAPHICAL EXPANSION

- Opening our new entity in **Washington D.C.** with focus on corporate and public sectors.
- Expanding in **APAC** and establishing operations in more markets in the Nordic region.
- **Expanding our sales-force** and global market awareness

AGENDA – Q2 2023

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COMPANY
HIGHLIGHTS

A white square with a large, faint number '2' on the right side. Below it is an orange rectangular box containing the text 'FINANCIALS UPDATE'.

FINANCIALS
UPDATE

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SUMMARY

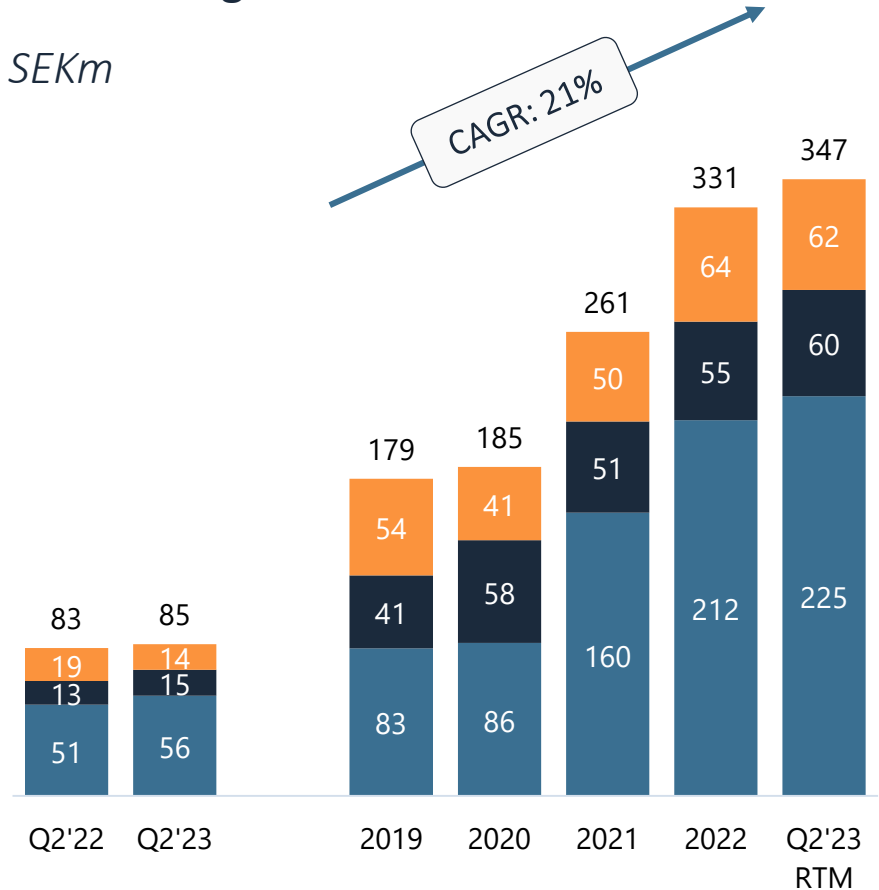
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*Q&A SESSION
AT THE END*

Financials | Net sales

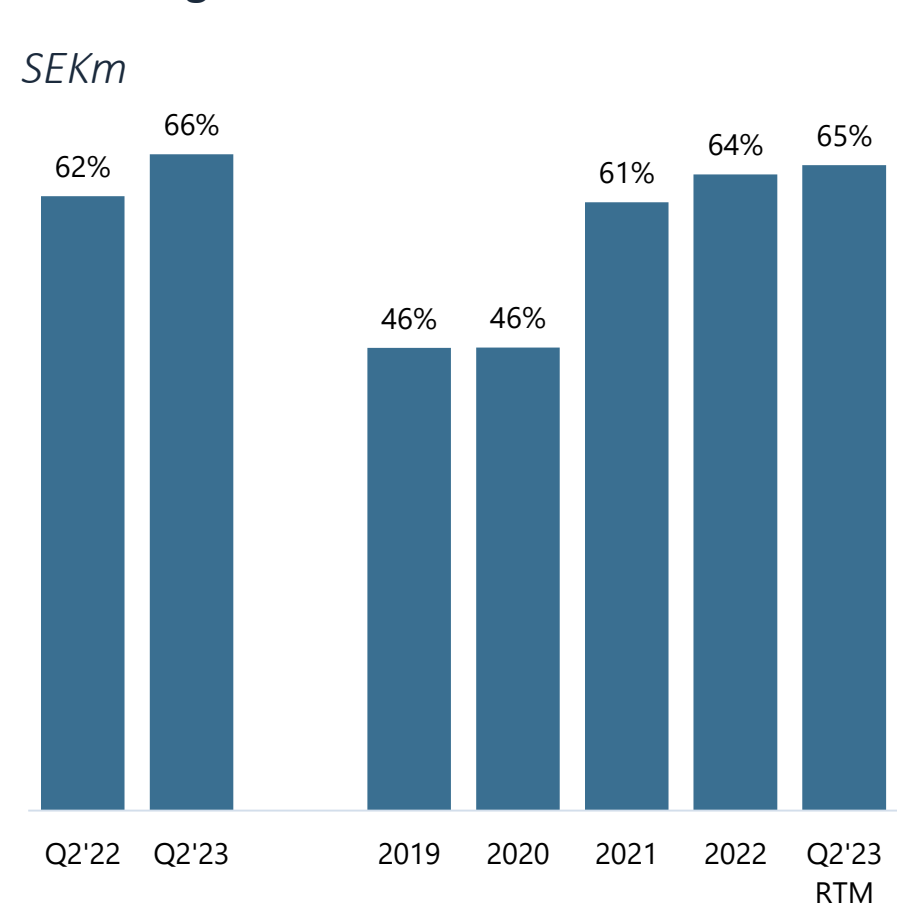
Continued growth

SEKm



Increasing share of software revenue

SEKm



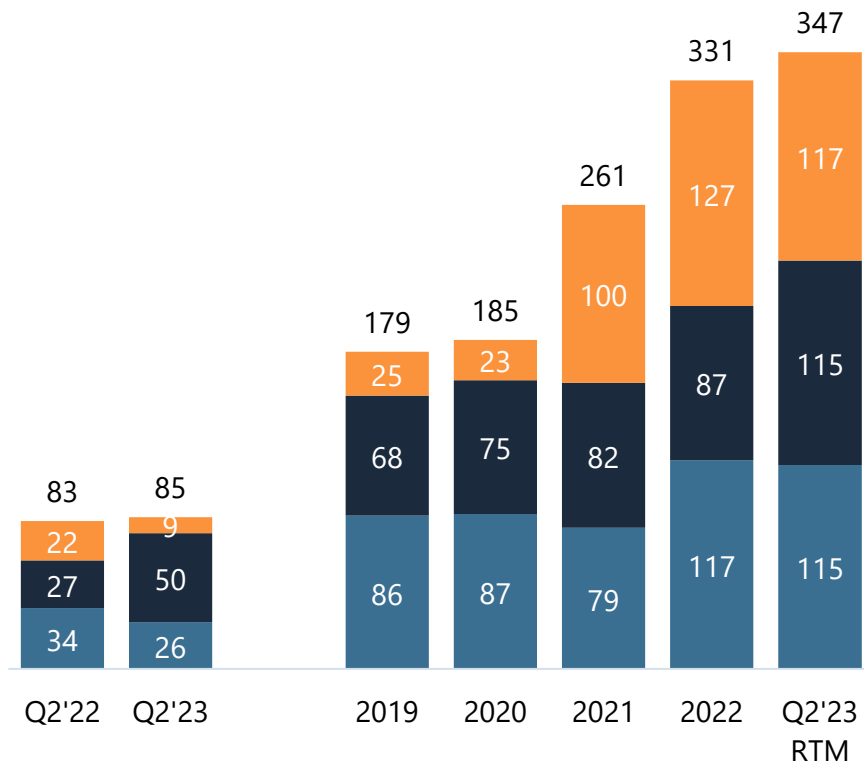
- Software revenue
- Software-related services
- Expert services revenue
- FX adjusted organic net sales growth

■ Software revenue percentage of net sales

Financials | Net sales

Quarterly net sales volatility in segments

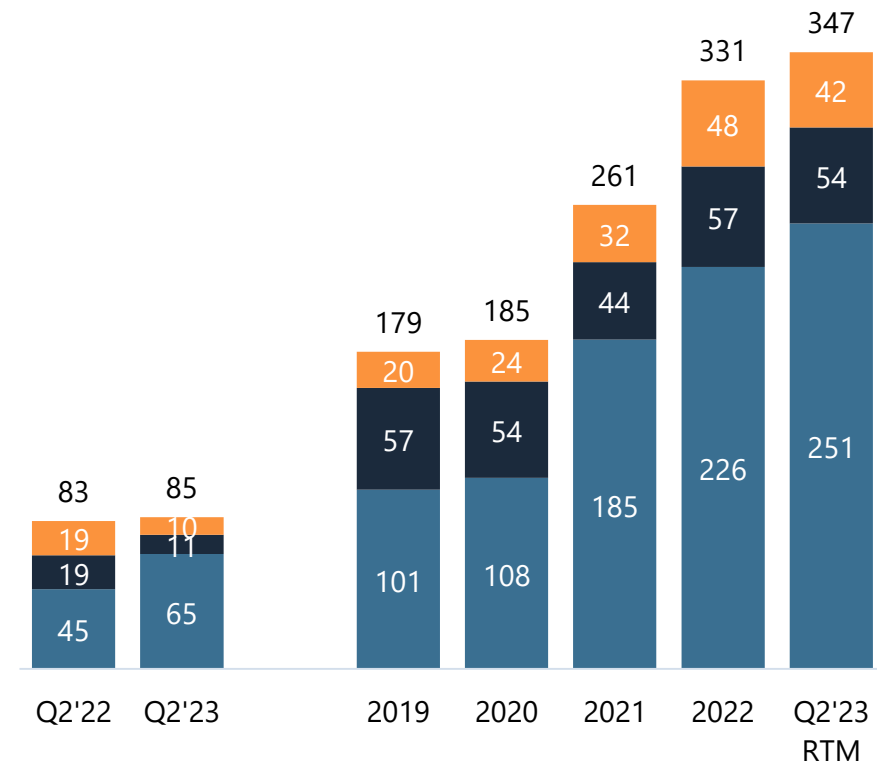
SEKm



■ Nordics
 ■ International
 ■ North America

..and customer verticals

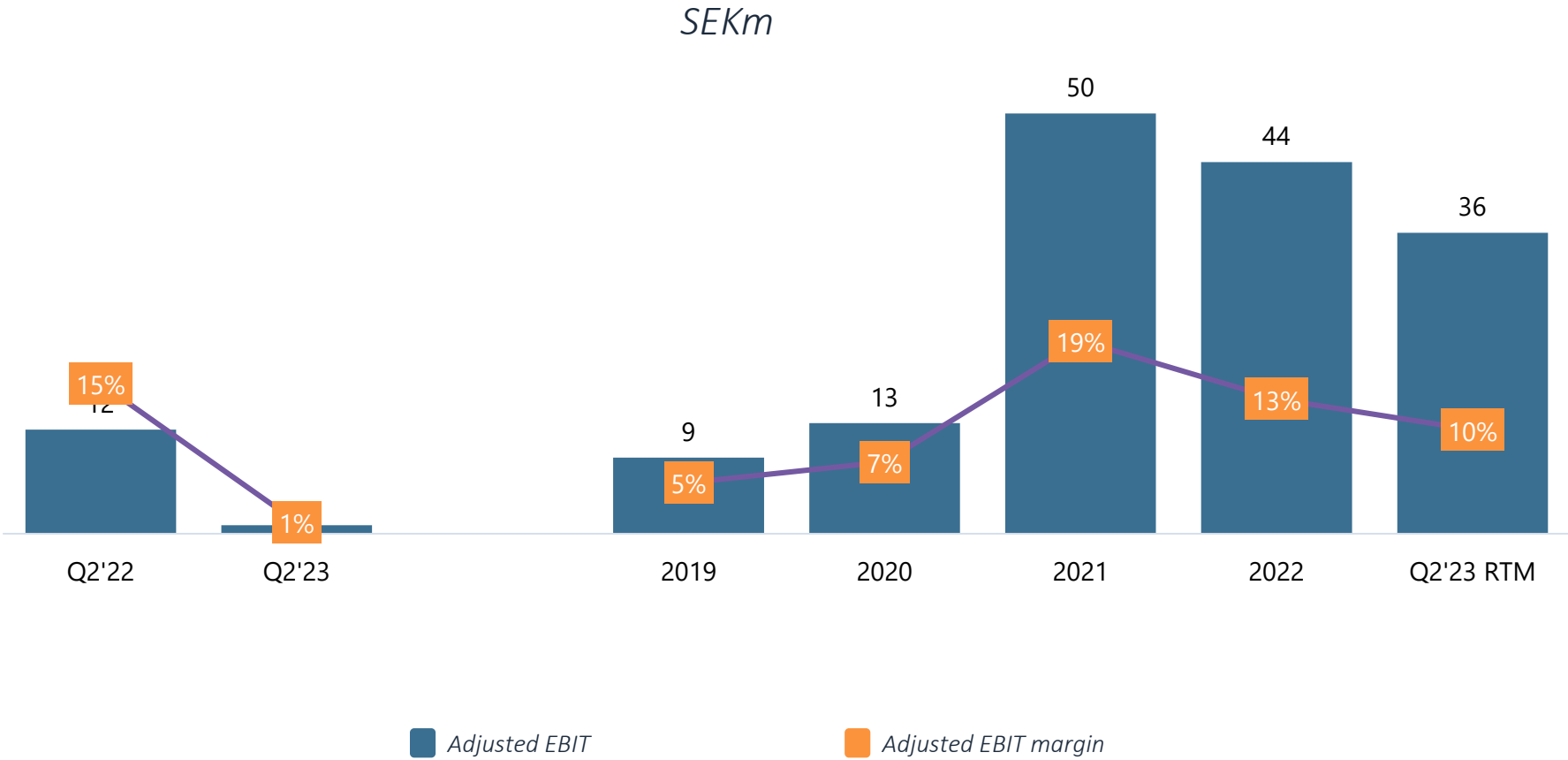
SEKm



■ Defence
 ■ Public
 ■ Corporate

Financials | Profitability

Profitability impacted by sales volatility



Financial Summary

June 30, 2023

- ✓ 4C maintains a balanced financial position and negative debt ratio. This gives us confidence during this expansion phase, as continuous investments in sales and tech are made in the organization
- ✓ Annual recurring revenue amounted to 109.8 MSEK with a software ARR of 73.4, an increase of 9.6 MSEK in total ARR compared to same period previous year
- ✓ Our software revenue accounted for a 65% revenue share in the last twelve months, which confirms the market's continued demand for our Exonaut software and is in line with our strategic objectives



Net debt
MSEK -44.1



Net working capital ¹⁾
MSEK 69.7



Capitalization
RTM ²⁾
MSEK 31.5



Annual recurring revenue
MSEK 109.8



Cash position
MSEK 110.3



Net sales growth
RTM
9%



Software revenue
RTM (%)
65%



Adjusted EBIT margin RTM
10%

¹⁾ Net working capital (NWC) - Net of current assets excl cash and current liabilities excl interest-bearing items,

²⁾ Capitalization for own account (CAPEX)



AGENDA – Q2 2023



1
COMPANY
HIGHLIGHTS



2
FINANCIALS
UPDATE



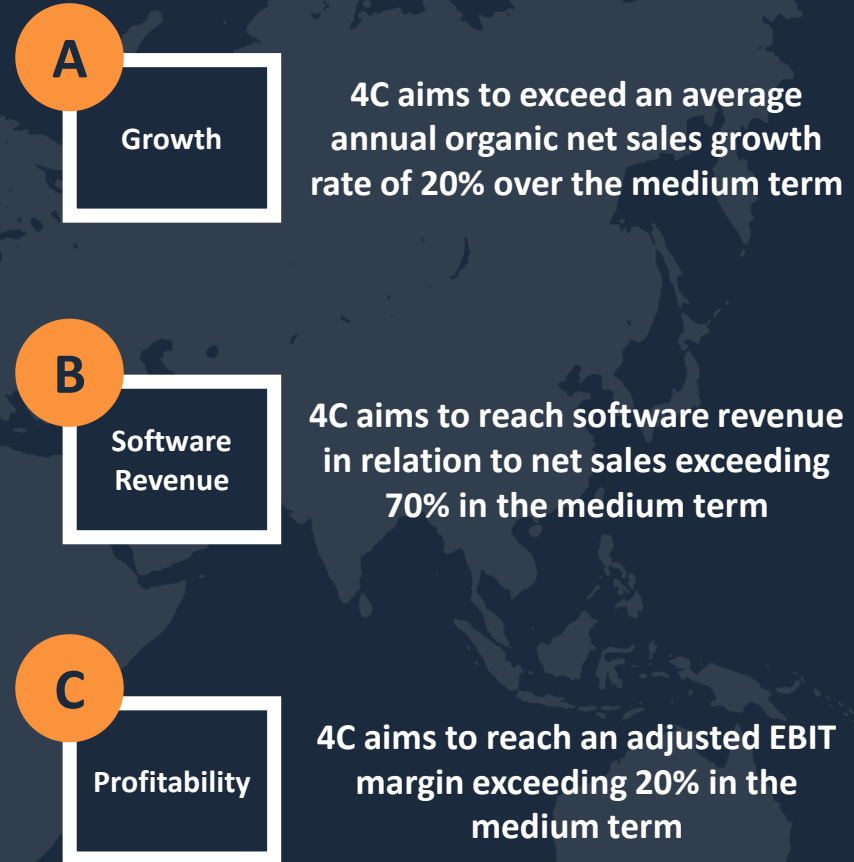
3
SUMMARY

*Q&A SESSION
AT THE END*

Highlights | Q2'23

- Important software contracts signed
- Continued geographical expansion in North America
- Investing in further growth during uncertain times

Financial Targets



AGENDA – Q2 2023

1
COMPANY
HIGHLIGHTS

2
FINANCIALS
UPDATE

3
SUMMARY

Q&A

Thank you

Be Ready. Be Resilient. Foresee.

Upcoming reports:

Interim Report Q3 2023: 31 Oct '23 | Interim Report Q4 2023: 15 Feb '24

