

Be Ready.
Be Resilient.
Foresee.

4C Group AB
Interim Report
Q1 2025

The period in summary

2025 Q1

- **Net sales (MSEK)**
90.9 (75.7)
- **Net sales growth**
20% (-16%)
- **FX adjusted organic net sales growth**
19% (-17%)
- **Software revenue in relation to net sales**
55% (56%)
- **Adjusted EBIT margin**
10% (-21%)
- Solid start to the year with organic growth of 19% and an EBIT margin of 10%
- Completed share issue of approx. SEK 55 million strengthens the balance sheet and provides increased financial flexibility in a continued uncertain global environment
- Transparency Notice published by the UK MoD – potential contract value of SEK 295 million over five years
- Strengthened leadership – new CTO in place and new CFO appointed to support the next phase of growth

Key ratios

	2025 Q1	2024 Q1	2025 Q1 RTM	2024 Q1-Q4
Net sales (MSEK)	90.9	75.7	358.3	343.1
FX adjusted organic net sales growth (%)	19%	-17%	12%	2%
Software revenue (MSEK)	50.2	42.6	242.8	235.2
Software revenue in relation to net sales (%)	55%	56%	68%	69%
EBIT (MSEK)	9.0	-16.1	19.2	-5.9
EBIT margin (%)	10%	-21%	5%	-2%
Adjusted EBIT (MSEK)	9.0	-16.1	19.2	-5.9
Adjusted EBIT margin (%)	10%	-21%	5%	-2%
Net income for the period (MSEK)	-9.4	-11.4	-1.4	-3.5
Earnings per share before dilution (SEK)	-0.25	-0.33	-0.04	-0.10
Earnings per share after dilution (SEK)	-0.25	-0.33	-0.04	-0.10

12%

FX-adjusted organic
net sales growth
RTM

68%

Software revenue in
relation to net sales
RTM

5%

Adjusted
EBIT margin
RTM

“While some deals were delayed due to greater caution among decision-makers, we made clear progress – both commercially and operationally”

Jonas Jonsson, CEO



CEO comment

A steady start in a challenging environment

The first quarter of the year was marked by continued geopolitical and economic uncertainty, affecting the business climate across several of our markets. At the same time, the increased focus on defence readiness and crisis management continues to underscore the long-term need for our solutions. While some deals were delayed due to greater caution among decision-makers, we made clear progress – both commercially and operationally.

Net sales for the quarter amounted to SEK 90.9 million (75.7), representing a 20% increase compared to the same period last year. EBIT was SEK 9.0 million (-16.1), corresponding to an EBIT margin of 10%. Operating expenses (OPEX) totalled SEK 72.8 million.

North America

The quarter started strong in North America with a significant contract for AI-enabled exercise evaluation in the defence segment. Market activity slowed somewhat thereafter, but we secured additional contracts for our standard software (COTS), in line with our strategy. We continue to see strong potential, although some deals may take longer to materialize given current market conditions.

In the Resilience segment, several contracts were signed during the quarter. At the same time, we

are seeing increased caution linked to the new U.S. administration—decision-making processes are taking longer as stakeholders await political clarity. Nevertheless, market response remains positive, and the need for robust preparedness in both the public and private sectors is clear.

EMEA

Our defence operations in EMEA continued to develop positively. Collaboration with key UK customers is progressing according to plan, and during the quarter we signed a new multi-year agreement with the Norwegian Armed Forces, where our Exonaut platform will now serve as a comprehensive system for exercise and training management. We are now seeing that the larger investments in European defence capability, often discussed at political levels and in the media, are increasingly aligning with our core areas: training, exercises, and capability development.

“With a clear strategy, and a strong global team, we are well positioned for the remainder of the year”

In the Resilience segment, we signed new contracts with Swedish government agencies and private-sector clients and expanded into full-scope solutions with several customers from the end of last year. Interest in business continuity, crisis management and total defence continues to grow, and our combination of software and expert services is well positioned. At the same time, decision-making processes tend to be prolonged, likely due to continued uncertainty in the market.

APAC

Revenue in APAC was low during the quarter, as expected, since several major defence projects are scheduled for delivery later this year. Preparations are progressing according to plan, including for Talisman Sabre 2025 exercise in Australia, which represents a key delivery for us.

During the quarter, we also advanced our presence in the Resilience market through new collaborations and customer dialogues related to crisis management and continuity planning. These initiatives are still in an early phase but are aligned with our long-term strategy. While quarterly results may fluctuate due to long sales cycles and project-based business, the overall trajectory is positive.

Expert Services

Expert Services delivered a strong quarter with improved margins, a growing order backlog, and consistently high delivery capacity. We also strengthened the team with a number of key hires. Demand for our consulting services remains high, particularly in the Nordic region within preparedness and total defence, and we are also seeing growing international interest. Expert Services continues to play an important role in complementing our software business, helping customers realize the value of our solutions and build long-term resilience.

Looking ahead

We continue to execute on our strategy focused on productization, innovation, and scalability. Our work to package and standardize solutions is ongoing, making it easier for customers to purchase, implement, and generate value quickly.

At the same time, we are accelerating the development of new AI capabilities—central to enhancing training, exercises, and preparedness. The recent contract in North America is a concrete example of how we are integrating advanced AI into our offering. Here, we hold a clear advantage: our established platform and extensive experience in secure, isolated environments (on-premise) position us well where AI is to be deployed in sensitive defence and security domains. We will continue to build on this strength in upcoming product generations.

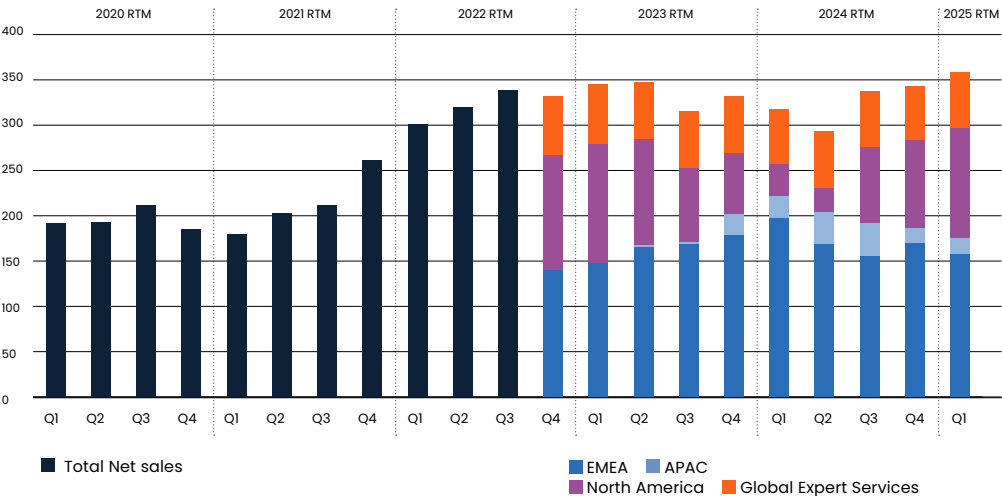
At the end of the quarter, we completed a directed share issue to create a financial buffer, particularly in light of the timing uncertainty

surrounding certain large defence contracts in North America and Europe. This enhances our stability in an uncertain market environment.

Jonas Jonsson
CEO

Despite a quarter shaped by global uncertainty, we strengthened our position, improved our financial results, and made important operational advances. With a clear strategy and a strong global team, we are well positioned for the remainder of the year. It may take slightly longer than previously estimated to achieve full impact, but our direction is clear and we remain firmly committed to creating long-term value for our customers, employees, and shareholders.

Net sales per segment, RTM



Financial overview

Net sales

Net sales in the quarter increased by 20% (–16%) compared to same period previous year and amounted to MSEK 90.9 (75.7). Software revenue amounted to MSEK 50.2 (42.6) for the period. Revenue from software-related services amounted to MSEK 23.9 (18.0).

Our expert services business contributed with a revenue of MSEK 16.8 (15.1) during the quarter.

The annual rate of recurring revenue, ARR*, at the end of the quarter was MSEK 180.7 (120.7). Software accounted for MSEK 147.3 (85.2).

Exchange rate fluctuations had an impact on net sales during the quarter compared to the same period previous year. During the first quarter, the exchange rate effect on net sales was 1% (2%) in comparison to same period previous year. The limited impact is mainly explained by relatively stable exchange rates—particularly USD/SEK—compared to the corresponding period in the previous year. As a significant portion of our revenue is invoiced in USD, a stronger Swedish krona going forward could result in more noticeable currency translation effects in the coming quarters.

Software revenue

Software revenue accounted for 55% (56%) of total net sales during the quarter, representing a decrease of 1 percent.

EBITDA

Operating income before depreciation and amortization (EBITDA) amounted to MSEK 18.3 (–5.1), rendering an EBITDA margin of 20% (–7%) during the quarter.

Adjusted EBITDA for the quarter is at the same level as EBITDA, as no items are affecting comparability for the period.

EBIT

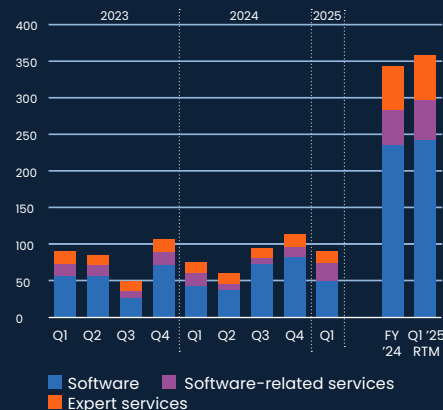
Operating income (EBIT) amounted to MSEK 9.0 (–16.1), rendering an EBIT margin of 10% (–21%) for the quarter.

Adjusted EBIT for the quarter is at the same level as EBIT, as no items are affecting comparability for the period.

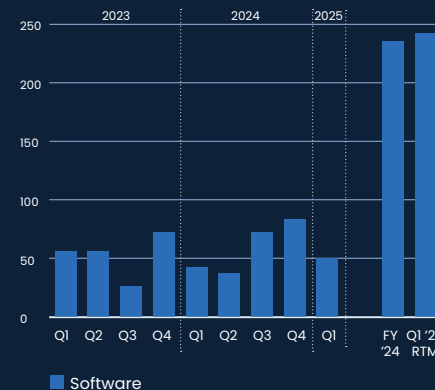
Financial position

At the end of the quarter, the equity ratio was 57% (61%). Shareholders' equity amounted to MSEK 280.4 (224.5), corresponding to SEK 7.4 (6.5) per outstanding share and SEK 7.4 (5.4) per share after dilution. The increase in equity is partly attributable to the directed share issue resolved by the Board of Directors on 27 March 2025. The issue was carried out in two tranches

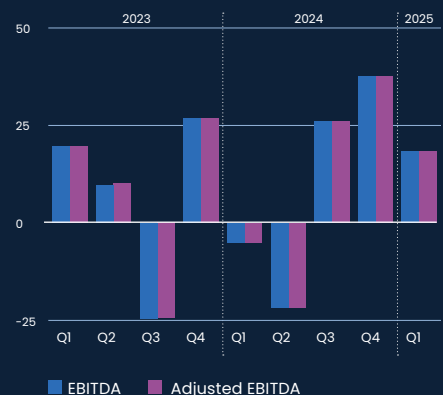
Net sales, MSEK



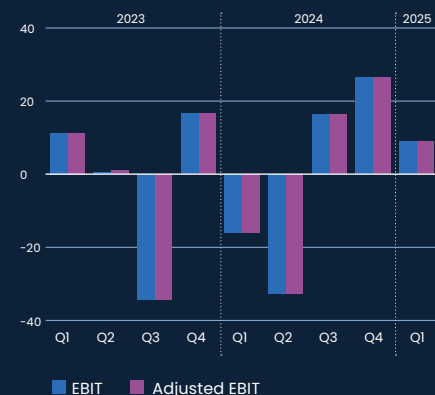
Software revenue, MSEK



EBITDA, MSEK



EBIT, MSEK



*For definition see page 18

and provided the company with approximately MSEK 55 before transaction costs. The first tranche was completed in March and is included in the cash flow for the first quarter, while the second tranche was executed in April.

Interest-bearing debt amounted to MSEK 109.8 (50.8) at the end of the quarter, of which MSEK 39.7 (46.3) relates to lease liabilities. The remaining interest-bearing liabilities of MSEK 70.1 (4.5) consist of tax deferrals of MSEK 0.5 (4.5), financing of software licenses amounting to MSEK 2.9 (0.0), and a utilized overdraft facility of MSEK 66.6 (0.0). The full amount of the tax deferral is scheduled for repayment during Q2 2025.

Cash and cash equivalents amounted to MSEK 56.6 (37.5) at the end of the quarter. Net debt thereby totalled MSEK 53.2 (13.3). Adjusted for lease liabilities under IFRS 16, net debt amounted to MSEK 13.5 (-33.0).

Liquidity & Cash flow

- Cash flow from operating activities for the quarter amounted to MSEK -27.5 (-11.1). The cash flow has been positively affected by increased operating income, but negatively affected by an increase in working capital. This increase was partly driven by high business activity towards the end of the quarter, leading to higher accounts receivables and contract assets. In addition, unrealized exchange effects had a negative impact on working capital, amounting to approximately MSEK 11 during the quarter.

- Cash flow from investing activities for the quarter amounted to MSEK -9.8 (-10.3). The change in cash flow refers to development and investments of Exonaut.
- Cash flow from financing activities amounted to MSEK 70.5 (-4.8) for the quarter. The change is primarily attributable to the directed share issue and increased utilization of the overdraft facility, both of which had positive impact on cash flow. At the same time, cash flow was negatively affected by repayments of postponed tax and by lease payments. During the period, repayments related to postponed tax amounted to MSEK 1.5 (7.9).

Quarter

- Cash and cash equivalents amounted to MSEK 56.6 at the end of period, and MSEK 24.2 at the beginning of the period.

The company has access to a credit facility of approximately MSEK 78 at the end of the period, of which MSEK 66.6 was utilized at the end of the period. At the corresponding time last year, the credit facility was approximately MSEK 37.5 and was unutilized.

The completed share issue has strengthened the company's liquidity and provides improved conditions to support continued growth. Management's assessment is that the company has sufficient financing for the next 12 months, based on the current forecast and available credit facilities. The company's liquidity is monitored

continuously, and we expect a more stable and improved cash flow in the coming quarters.

The 4C share

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

Number of new shares issued were 2 977 687 (388,000) during the period, attributable to the share issue. Total shares at the end of period were 38,109,829 (34,587,142).

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 200 (207) whereof 55 (64) were women.

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 first quarter of 2025, several significant contracts with a total value of approximately SEK 400 million were announced via press releases. Of this amount, approximately SEK 50 million related to software deliveries that were completed and recognized as revenue already in the fourth quarter of 2024, in accordance with the applicable accounting principles.

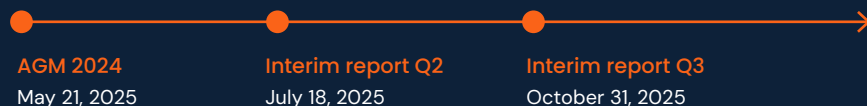
On 27 March 2025, the Board of Directors resolved on a directed share issue. The issue was carried out in two tranches and was completed in April 2025. The subscription price was SEK 17.50 per share, corresponding to approximately MSEK 55 before transaction costs. The purpose of the issue was to strengthen the company's financial position.

Annual general meeting (AGM)

The AGM 2024 will be held on the 21th of May 2025.

Financial Reporting Information

Financial calendar



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.

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.

Jonas Jonsson, CEO
4C Group AB (publ)

April 29, 2025
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

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Jonas Jonsson
CEO



Anders Nordgren
CFO

Consolidated statement of profit and loss in summary

KSEK	2025 Q1	2024 Q1	2024 Q1–Q4
Net sales	90,948	75,712	343,102
Other revenue	171	1,156	3,156
Total revenue	91,119	76,868	346,257
Operating expenses			
Other external costs	-20,258	-22,199	-85,692
Personnel costs	-60,692	-69,540	-259,397
Capitalized work for own account	9,506	10,063	37,607
Other operating expenses	-1,376	-257	-1,942
Total operating expenses	-72,820	-81,933	-309,424
Operating income before depreciation and amortization	18,299	-5,065	36,834
Depreciation	-5,756	-5,413	-21,824
Amortization	-3,525	-5,613	-20,942
Operating income	9,018	-16,091	-5,932
Financial income	1,185	5,431	19,608
Financial expenses	-13,631	-3,422	-16,732
Income after financial items	-3,428	-14,082	-3,057
Taxes	-5,978	2,656	-411
Net income for the period	-9,406	-11,425	-3,468
Income attributable to:			
Parent company's shareholders	-9,406	-11,425	-3,468
Other information			
Earnings per share before dilution (SEK)	-0.25	-0.33	-0.10
Earnings per share after dilution (SEK)	-0.25	-0.33	-0.10

Consolidated statement of other comprehensive income in summary

KSEK	2025 Q1	2024 Q1	2024 Q1–Q4
Net income for the period	-9,406	-11,425	-3,468
Other comprehensive income			
<i>Items which will be reclassified to the income statement (net of tax)</i>			
Translation adjustments attributable to foreign operations	-2,501	1,466	2,250
Adjustment	-	-	-30
Other comprehensive income for the period, net of tax	-2,501	1,466	2,220
Total comprehensive income for the period	-11,907	-9,959	-1,248

Consolidated statement of financial position in summary

KSEK	2025-03-31	2024-03-31	2024-12-31
ASSETS			
Intangible assets	99,048	78,089	93,318
Tangible assets	3,187	4,036	3,404
Right-to-use assets	40,014	47,326	45,398
Financial fixed assets	1,417	1,509	1,529
Contract assets	105,071	47,075	105,940
Deferred tax asset	9,530	8,814	9,556
Total non-current assets	258,267	186,849	259,145
Accounts receivables	25,770	20,708	14,219
Tax receivables	7,403	9,769	6,703
Contract assets	129,626	100,074	121,760
Other current receivables	16,057	13,903	11,582
Cash and cash equivalents	56,560	37,545	24,168
Total current assets	235,416	181,999	178,432
Total assets	493,682	368,849	437,577

KSEK	2025-03-31	2024-03-31	2024-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Equity attributable to the parent company's shareholders</i>	<i>280,404</i>	<i>224,538</i>	<i>237,311</i>
Total equity	280,404	224,538	237,311
Interest-bearing non-current liabilities	2,134	530	2,411
Non-current lease liabilities	19,961	27,184	24,058
Deferred tax liability	19,835	16,086	18,603
Other non-current liabilities	-	837	-
Total non-current liabilities	41,929	44,637	45,072
Interest-bearing current liabilities	67,932	3,970	44,071
Current lease liabilities	19,770	19,132	21,030
Accounts payables	12,710	10,906	13,411
Tax liabilities	6,057	1,731	2,664
Contract liabilities	29,574	28,470	37,613
Other current liabilities	35,306	35,463	36,406
Total current liabilities	171,349	99,674	155,195
Total equity and liabilities	493,682	368,849	437,577

Changes in consolidated equity in summary

KSEK	Share capital	Other contributed capital	Reserves	Profit/loss brought forward	Total equity
Opening balance 1 January 2024	598	155,149	2,816	67,937	226,501
Net income for the period	-	-	-	-3,468	-3,468
Adjustment	-	-	-	-30	-30
Other comprehensive income	-	-	2,250	-	2,250
Total other comprehensive income	0	0	2,250	-3,498	-1,249
Transaction with owners					
New share issues	16	12,042	-	-	12,059
Payment warrants	-	-	-	-	0
Repurchased warrants	-	-	-	-	0
Total transaction with owners	16	12,042	0	0	12,059
Closing balance 31 December 2024	615	167,192	5,066	64,439	237,311
Opening balance 1 January 2025	615	167,192	5,066	64,439	237,311
Net income for the period	-	-	-	-9,406	-9,406
Other comprehensive income	-	-	-2,501	-	-2,501
Total other comprehensive income	0	0	-2,501	-9,406	-11,907
Transaction with owners					
New share issues	52	54,948	-	-	55,000
Total transaction with owners	52	54,948	0	0	55,000
Closing balance 31 March 2025	667	222,140	2,565	55,033	280,404

Consolidated cash flow statement in summary

KSEK	2025 Q1	2024 Q1	2024 Q1–Q4
Cash flow from operating activities			
Operating income	9,018	-16,091	-5,932
Adjustment for non-cash items	10,519	9,253	41,852
Financial items	-1,466	2,009	2,876
Income tax paid	-2,046	-1,363	1,394
Cash flow from operating activities, before changes in working capital	16,025	-6,192	40,190
Change in working capital	-43,514	-4,914	-65,894
Cash flow from operating activities	-27,489	-11,106	-25,704
Cash flow from investing activities			
Acquisition of intangible assets	-9,506	-10,063	-40,621
Acquisition of tangible assets	-278	-212	-501
Acquisition of financial assets	-	-68	-45
Cash flow from investing activities	-9,785	-10,343	-41,167

KSEK	2025 Q1	2024 Q1	2024 Q1–Q4
Cash flow from financing activities			
New share issues	52,110	7,997	12,059
Change in liabilities to credit institutions	-118	-	3,014
Net change of overdraft account	25,157	-	41,483
Repayment of interest bearing debts	-1,455	-7,886	-10,401
Cash payments for principal portion of the lease liability	-5,148	-4,873	-19,389
Cash flow from financing activities	70,545	-4,762	26,766
Cash flow for the period	33,272	-26,211	-40,106
Change in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year	24,169	62,227	62,227
Exchange rate differences in cash and cash equivalents	-881	1,530	2,047
Cash and cash equivalents at the end of the period	56,560	37,546	24,169

Parent company income statement

KSEK	2025 Q1	2024 Q1	2024 Q1-Q4
Operating revenue			
Net sales	25,604	34,559	199,576
Other revenue	29	8	101
Total revenue	25,633	34,567	199,677
Operating expenses			
Other external costs	-18,044	-24,335	-137,145
Personnel costs	-20,530	-32,666	-84,482
Other operating expenses	-4	-57	-171
Total operating expenses	-38,579	57,058	-221,799
Operating income before depreciation and amortization	-12,946	-22,491	-22,122
Depreciation and amortization	-387	-131	-562
Operating income	-13,333	-22,622	-22,683
Financial income and expenses	-10,607	3,686	5,396
Income after financial items	-23,940	-18,937	-17,288
Appropriations	-1,600	-	-7,500
Income before tax	-25,540	-18,937	-24,788
Taxes	-	3,853	4,879
Net income for the period	-25,540	-15,083	-19,909

Parent company balance statement

KSEK	2025-03-31	2024-03-31	2024-12-31
ASSETS			
Fixed assets			
Intangible assets	2,763	-	3,014
Tangible assets	1,337	1,856	1,472
Total tangible fixed assets	4,100	1,856	4,486
<i>Financial fixed assets</i>			
Shares in subsidiaries	21,680	21,680	21,680
Deferred tax asset	8,555	7,530	8,555
Total financial fixed assets	30,235	29,210	30,235
Total non-current assets	34,335	31,066	34,721
<i>Current assets</i>			
Current intercompany receivables	160,895	138,593	147,393
Contract assets	2,017	-	1,260
Other current receivables	5,146	5,330	1,781
Accrued income and prepaid expenses	9,222	10,155	7,802
Cash and cash equivalents	52,057	2,360	1,312
Total current assets	229,337	156,438	159,548
Total assets	263,672	187,503	194,269

KSEK	2025-03-31	2024-03-31	2024-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	667	610	615
Total restricted equity	667	610	615
<i>Unrestricted equity</i>			
Additional paid in capital	222,140	163,135	167,192
Profit/loss brought forward	-10,291	9,618	9,618
Net income for the period	-25,540	-15,083	-19,909
Total unrestricted equity	186,309	157,670	156,901
Total equity	186,975	158,279	157,515
Untaxed reserves	-	-	-
Interest-bearing non-current liabilities	2,134	-	2,411
Total non-current liabilities	2,134	0	2,411
<i>Current liabilities</i>			
Interest-bearing current liabilities	762	-	603
Accounts payables	9,012	7,145	10,266
Current intercompany liabilities	48,042	2,369	6,811
Current tax liabilities	-	-	-
Other current liabilities	4,821	8,835	6,208
Contract liabilities	1,998	-	2,013
Accrued expenses and prepaid income	9,928	10,875	8,442
Total current liabilities	74,563	29,224	34,343
Total equity and liabilities	263,672	187,503	194,269

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 2025 have not had any significant impact on the Group's reporting as of 31 March 2025. 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.

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

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 2025. The year 2025 continues to be 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

Any transactions with related parties have been conducted on market terms. No significant transactions with related parties to be considered for 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 EMEA Software, APAC Software, North America Software and Global 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.

Operating segments are assessed based on net sales and EBITDA. The evaluation excludes the management of assets and liabilities, which instead are managed centrally by group management. Internal transactions between the segments refer to cost allocation due to the use of resources between the entities.

Segment reporting

The comparative figures for the segments have been restated for the full financial year 2023 and Q1 and Q2 2024. When recalculating the comparative figures, revenues and expenses have been allocated based on geographical region (EMEA, APAC and North America) and based on whether revenue and costs are attributable to software or services. Software and software-related services have been allocated to EMEA Software, APAC Software and North America Software, while expert services have been allocated to Global Expert Services.

KSEK	EMEA	APAC	North America	Global Expert Services	Total Segment	Group Common	Eliminations	Group
Q1 2025								
Software	18,157	552	31,536	-	50,245	-	-	50,245
Software-related services	20,369	698	2,857	-	23,924	-	-	23,924
Expert services	-	-	-	16,779	16,779	-	-	16,779
Revenue from contracts with customers	38,526	1,250	34,393	16,779	90,948	0	0	90,948
Other revenue	72	2	18	45	136	34	-	171
Internal revenue	732	109	284	369	1,495	312	-1,807	0
Total revenue	39,330	1,361	34,695	17,193	92,579	347	-1,807	91,119
Personnel costs	-10,859	-1,147	-4,110	-9,783	-25,900	-34,792	-	-60,692
Other external costs	-3,891	-772	-5,512	-2,563	-12,738	610	-	-12,128
Internal costs	-764	-101	-275	-563	-1,704	-103	1,807	0
Total cost	-15,515	-2,021	-9,898	-12,909	-40,343	-34,285	1,807	-72,820
EBITDA	23,815	-659	24,798	4,284	52,237	-33,938	0	18,299
Amortization	-	-	-	-	0	-3,525	-	-3,525
Depreciation	-	-	-	-	0	-5,756	-	-5,756
Financial income	-	-	-	-	0	1,185	-	1,185
Financial expenses	-	-	-	-	0	-13,631	-	-13,631
Income before tax	23,815	-659	24,798	4,284	52,237	-55,665	0	-3,428
Items affecting comparability	-	-	-	-	0	-	-	0
Adjusted EBT	23,815	-659	24,798	4,284	52,237	-55,665	0	-3,428

KSEK	EMEA	APAC	North America	Global Expert Services	Total Segment	Group Common	Eliminations	Group
Q1 2024								
Software	33,373	631	8,611	-	42,615	-	-	42,615
Software-related services	16,601	245	1,169	-	18,015	-	-	18,015
Expert services	-	-	-	15,082	15,082	-	-	15,082
Revenue from contracts with customers	49,974	877	9,780	15,082	75,712	0	0	75,712
Other revenue	802	-	221	19	1,041	115	-	1,156
Internal revenue	4,213	167	6,930	437	11,746	5,354	-17,099	0
Total revenue	54 988	1,043	16 930	15,537	88,499	5,468	-17,099	76,868
Personnel costs	-20,104	-1,807	-12,110	-9,960	-43,981	-25,559	-	-69,540
Other external costs	-5,289	-563	-4,109	-1,583	-11,545	-848	-	-12,393
Internal costs	-1,713	-175	-656	-1,101	-3,645	-13,454	17,099	0
Total cost	-27,106	-2,546	-16,875	-12,644	-59,171	-39,861	17,099	-81,933
EBITDA	27,882	-1,502	55	2,893	29,328	-34,393	0	-5,065
Amortization	-	-	-	-	0	-5,613	-	-5,613
Depreciation	-	-	-	-	0	-5,413	-	-5,413
Financial income	-	-	-	-	0	5,431	-	5,431
Financial expenses	-	-	-	-	0	-3,422	-	-3,422
Income before tax	27,882	-1,502	55	2,893	29,328	-43,410	0	-14,082
Items affecting comparability	-	-	-	-	0	-	-	0
Adjusted EBT	27,882	-1,502	55	2,893	29,328	-43,410	0	-14,082

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	2025 Q1	2024 Q1
Software	50,245	42,615
Software-related services	23,924	18,015
Expert services	16,779	15,082
Net sales	90,948	75,712

Net sales by sector

The Group finds their customers in three different sectors which are named Defence, Public and Corporate. In the Defence sector, most of the customers can be found in the world's leading armed forces. In the Public and Corporate sector, the majority of the customer originates from government institutions and large international corporations. Net sales by sector is presented to describe how the Group's revenue is divided depending on what type of market the customers are operating in.

KSEK	2025 Q1	2024 Q1
Defence	70,655	54,657
Public	9,031	10,184
Corporate	11,262	10,870
Net sales	90,948	75,712

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	2025 Q1	2024 Q1
Software	50,245	42,615
Software-related services	23,924	18,015
Expert services	16,779	15,082
Net sales	90,948	75,712
Net sales growth (%)	20%	-16%
FX adjusted organic net sales growth (%)	19%	-17%

The currency translation effect on net sales growth during the quarter amounted to 1% (2%).

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	2025 Q1	2024 Q1
Software	50,245	42,615
Software-related services	23,924	18,015
Expert services	16,779	15,082
Net sales	90,948	75,712
Software as a percentage of net sales (%)	55%	56%

Recurring revenue

Revenue of an annually recurring nature such as software and software-related services related income. The measure obtains the amount of revenue that are of recurring nature of the total revenue during the period.

KSEK	2025 Q1	2024 Q1
Software	31,173	24,395
Software-related services	15,463	12,973
Recurring revenue	46,636	37,369
Recurring revenue growth (%)	25%	45%

KSEK	2025 Q1	2024 Q1
Recurring revenue	46,636	37,369
Net sales	90,948	75,712
Recurring revenue, as percentage of net sales (%)	51%	49%

Annual recurring 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.

KSEK	2025 Q1	2024 Q1
Software	147,261	85,188
Software-related services	33,447	35,553
Annual recurring revenue	180,708	120,741
Annual recurring revenue growth (%)	50%	12%

EBITDA

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

KSEK	2025 Q1	2024 Q1
Operating income	9,018	-16,091
Depreciation	5,756	5,413
Amortization	3,525	5,613
EBITDA	18,299	-5,065
Net sales	90,948	75,712
EBITDA (%)	20%	-7%

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	2025 Q1	2024 Q1
Operating income	9,018	-16,091
EBIT	9,018	-16,091
Net sales	90,948	75,712
EBIT (%)	10%	-21%

Items affecting comparability

Items affecting comparability refers to items that are reported separately since they affect comparability and are considered to be divergent to the company's ordinary operations. Examples are expenses related to public listing, restructuring and acquisition-related expenses, which are defined in the table below.

KSEK	2025 Q1	2024 Q1
Expenses related to public listing	-	-
Items affecting comparability	0	0

Adjusted EBITDA

EBITDA before items affecting comparability. The measure is a supplement to EBITDA adjusted for items affecting comparability and enables the comparison with other periods.

KSEK	2025 Q1	2024 Q1
EBITDA	18,299	-5,065
Items affecting comparability	-	-
Adjusted EBITDA	18,299	-5,065
Net sales	90,948	75,712
Adjusted EBITDA (%)	20%	-7%

Adjusted EBIT

EBIT before items affecting comparability. The measure is a supplement to EBIT adjusted for items affecting comparability and enables comparison with other periods. The measure is a financial target for 4C.

KSEK	2025 Q1	2024 Q1
EBIT	9,018	-16,091
Items affecting comparability	-	-
Adjusted EBIT	9,018	-16,091
Net sales	90,948	75,712
Adjusted EBIT (%)	10%	-21%

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	2025-03-31	2024-03-31	2024-12-31
Current assets excl cash and cash equivalents	178,856	129,899	153,496
Current liabilities excl interest-bearing items	83,647	76,571	90,094
Net working capital	95,208	53,328	63,402

Net debt

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

KSEK	2025-03-31	2024-03-31	2024-12-31
Interest-bearing non-current liabilities	22,094	27,714	26,067
Interest-bearing current liabilities	87,702	23,102	65,502
Cash and cash equivalents	56,560	37,545	24,168
Net debt	53,236	13,271	67,401
Adjusted EBITDA RTM	60,197	7,626	36,834
Net debt ratio	0.88	1.74	1.83

Earnings per share

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

	2025 Q1	2024 Q1
Weighted average number of shares	38,109,829	34,587,142
Dilution effect after dilutive shares	35,000	1,610,000
Weighted average number of shares after dilution	38,144,829	36,197,142

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.

	2025 Q1	2024 Q1
Net income for the period (KSEK)	-9,406	-11,425
Income attributable to Parent company's shareholders (KSEK)	-9,406	-11,425
Weighted average number of shares	38,109,829	34,587,142
Earnings per share before dilution (SEK)	-0.25	-0.33
Weighted average number of shares after dilution	38,144,829	36,197,142
Earnings per share after dilution (SEK)	-0.25	-0.33

Selected historical financials per quarter and year

	2025 Q1	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1		2024 YTD	2023 YTD	2022 YTD
Net sales (MSEK)	90.9	113.1	93.8	60.5	75.7	107.7	49.1	85.4	89.9		343.1	332.1	331.3
Net sales growth (%)	20%	5%	91%	-29%	-16%	18%	-39%	3%	18%		3%	0%	27%
FX adjusted organic net sales growth (%)	19%	2%	93%	-29%	-17%	18%	-41%	-1%	13%		2%	-3%	18%
Software revenue (MSEK)	50.2	83.0	72.3	37.3	42.6	72.2	26.2	56.3	55.8		235.2	210.4	211.6
Software as a percentage of net sales (%)	55%	73%	77%	62%	56%	67%	53%	66%	62%		69%	63%	64%
Recurring revenue (MSEK)	46.6	76.3	72.7	34.3	37.4	47.5	28.4	39.5	25.8		220.7	141.2	114.0
Annual recurring revenue (MSEK)	180.7	163.8	152.0	129.9	120.7	119.1	110.5	109.8	108.2		163.8	119.1	107.2
Annual recurring revenue - Software (MSEK)	147.3	129.2	117.5	94.0	85.2	82.9	75.0	73.4	72.7		129.2	82.9	70.5
Annual recurring revenue - Software-related services (MSEK)	33.4	34.7	34.4	35.9	35.6	36.2	35.5	36.4	35.5		34.7	36.2	36.8
EBITDA (MSEK)	18.3	37.6	26.1	-21.8	-5.1	26.9	-24.5	9.7	19.5		36.8	31.6	58.0
EBITDA margin (%)	20%	33%	28%	-36%	-7%	25%	-50%	11%	22%		11%	10%	18%
EBIT (MSEK)	9.0	26.5	16.3	-32.6	-16.1	16.6	-34.3	0.5	11.3		-5.9	-5.9	28.6
EBIT margin (%)	10%	23%	17%	-54%	-21%	15%	-70%	1%	13%		-2%	-2%	9%
Items affecting comparability (MSEK)	-	-	-	-	-	-	0.1	0.5	-		-	0.6	15.3
Adjusted EBITDA (MSEK)	18.3	37.6	26.1	-21.8	-5.1	26.9	-24.4	10.2	19.5		36.8	32.2	73.3
Adjusted EBITDA margin (%)	20%	33%	28%	-36%	-7%	25%	-50%	12%	22%		11%	10%	22%
Adjusted EBIT (MSEK)	9.0	26.5	16.3	-32.6	-16.1	16.6	-34.2	1.0	11.3		-5.9	-5.3	43.9
Adjusted EBIT margin (%)	10%	23%	17%	-54%	-21%	15%	-70%	1%	13%		-2%	-2%	13%
Net income for the period (MSEK)	-9.4	24.3	11.1	-27.5	-11.4	16.2	-34.2	1.0	7.6		-3.5	-9.3	26.3
Earnings per share before dilution (SEK)	-0.25	0.69	0.32	-0.79	-0.33	0.48	-1.01	0.03	0.22		-0.10	-0.27	0.79
Earnings per share after dilution (SEK)	-0.25	0.69	0.32	-0.79	-0.33	0.44	-1.01	0.03	0.21		-0.10	-0.27	0.74
Net working capital (MSEK)	95.2	63.4	76.7	68.9	67.9	69.3	62.0	69.6	61.3		63.4	69.3	37.7
Net debt (MSEK)	53.2	67.4	89.3	59.8	13.3	-0.6	-1.1	-44.1	-54.5		67.4	-0.6	-76.3

Definitions

SEK

The currency Swedish Krona.

KSEK

The currency Swedish Krona in thousands.

MSEK

The currency Swedish Krona in millions.

RTM

Rolling twelve months, the past 12 consecutive months.

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

The total revenue of our software consultancy services, which include both implementation and integration of software, as well as income from managed services.

Expert services

The total revenue of advisory and consulting related income.

Net sales

The total revenue of software, software-related services and expert services.

Other revenue

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

Recurring revenue

Revenue of a recurring nature such as software and software-related services related income.

Annual recurring revenue

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.

FX adjusted organic net sales growth

Organic growth in net sales adjusted for foreign exchange effects.

Items affecting comparability

Items affecting comparability refers to items that are reported separately since they affect comparability and are considered to be divergent to the company's ordinary operations. Examples are expenses related to public listing, restructuring and acquisition-related expenses.

EBITDA

Operating income before depreciation and amortization.

Adjusted EBITDA

Operating income before depreciation, amortization and items affecting comparability.

EBITDA margin

EBITDA as a percentage of net sales.

EBIT

Operating income before financial income and expenses, and taxes.

Adjusted EBIT

Operating income before financial income and expenses, taxes and items affecting comparability.

EBIT margin

EBIT as a percentage of net sales.

EBT

Income before taxes, after financial income and expenses.

Adjusted EBT

Income before taxes and items affecting comparability, after financial income and expenses.

Net income

Net profit after tax.

Earnings per share before dilution

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

Earnings per share after dilution

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

Net working capital

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

Equity ratio

Total equity as a percentage of total assets.

Net debt

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

Net debt ratio

Net debt as a percentage of adjusted EBITDA RTM.

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.

This is 4C

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 Nordics, 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.

Results

We always strive to deliver clear results that exceed our customers' expectations and to advance the development of our solutions through incremental and ground-breaking innovations.

Integrity

We handle the information that we receive and the trust that has been granted to us with the utmost professionalism and discretion.

Fun

We enjoy going to work and we actively contribute to a pleasant, inclusive and respectful work environment.

Competence

We attract, develop and motivate exceptional colleagues to deliver value to our customers and grow as individuals and as an organization.



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.

Our offering

[→ Read more about our offering](#)

Exonaut

Resilience platform

Exonaut is a complete platform for building organizational resilience and enabling the efficient, secure and seamless management of incidents, crises and risks

Training and exercise platform

Exonaut is a world-leading software solution for both military and civilian customers in training management and capability development.

Expertise

Software-related services

Our software consultants provide ongoing technical support to our customers. To begin with, this relates to scoping, initiating and implementing Exonaut.

Expert services

We have an integrated approach to risk, continuity and crisis management with a focus on assisting our clients in building organizational resilience.

Global operations with local presence



Brisbane

23 Dunmore Terrace
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Brisbane
Australia

London

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United Kingdom

Malmö

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Sweden

Orlando

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Stockholm

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111 52 Stockholm
Sweden

Warminster

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United Kingdom

Washington

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Place
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USA



4C Strategies is the leading provider of training readiness and organisational resilience solutions. With over 20 years of expertise, we support high-profile international institutions, global enterprises and armed forces across 100 countries. We help you to train effectively and be ready for the resilience challenges ahead.

Our innovative Exonaut® platform empowers capability development, building on key insights for when it matters the most. Our experts work alongside you to prepare your operations for the future, allowing you to transform training, rethink risk, manage crises, and uphold continuity. With offices around the world, we are never far away.

Be Ready.
Be Resilient.
Foresee.

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