



# Good development in the services business and cost program that delivers results

## July - September 2023

- Revenues decreased by 3.0 per cent to SEK 1,065.3 million (1,098.6).
- Adjusted EBITA decreased by 7.0 per cent and amounted to SEK 72.8 million (78.3), corresponding to an adjusted EBITA margin of 6.8 per cent (7.1).
- Profit before tax amounted to SEK 63.7 million (56.1).
- Profit after tax amounted to SEK 50.9 million (43.9).
- Profit per share amounted to SEK 1.85 (1.60).
- New contracts relating to cloud services worth SEK 118.8 million (158.1) were contracted, a decrease by 24.9 per cent.
- Recurring revenues (revenues from cloud and support services) amounted to SEK 436.7 million (369.7), corresponding to an annualized rate of SEK 1,746.8 million (1,478.6) and an increase of 18.1 per cent.
- On August 28<sup>th</sup>, Proacts subsidiary in Lithuania was divested, which had a positive effect on the operating profit of SEK 3.1 million, which is reported under items affecting comparability, and is expected to have a marginally positive effect on the result going forward.

## January - September 2023

- Revenues increased by 5.1 per cent to SEK 3,487.3 million (3,316.8).
- Adjusted EBITA decreased by 0.8 per cent and amounted to SEK 211.0 million (212.8), corresponding to an adjusted EBITA margin of 6.0 per cent (6.4).
- Cost efficiency program implemented with estimated savings amounting to between SEK 45 and 50 million in the current year, which has resulted in restructuring costs during the second quarter, accounted for as items affecting comparability of SEK -19.8 million.
- Profit before tax amounted to SEK 135.5 million (158.2).
- Profit after tax amounted to SEK 107.5 million (127.0).
- Profit per share amounted to SEK 3.91 (4.62).
- New contracts relating to cloud services worth SEK 351.1 million (421.0) were contracted, a decrease by 16.6 per cent.
- Recurring revenues (revenues from cloud and support services) amounted to SEK 1,255.6 million (1,069.3), an increase of 17.4 per cent.

## Financial summary

Amounts in SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	Jan-Dec 2022
Total Revenues	1,065.3	1,098.6	3,487.3	3,316.8	4,927.3	4,756.8
Growth, %	-3.0	35.6	5.1	28.4	15.7	34.9
of which currency rate effects, %	5.7	4.2	4.6	3.8	5.0	4.4
of which effects from acquisitions and divestments, %	-0.4	10.1	1.1	9.1	1.6	7.7
Organic growth, % <sup>1</sup>	-8.3	21.2	-0.5	15.6	9.1	22.8
Adjusted EBITA <sup>2</sup>	72.8	78.3	211.0	212.8	313.2	315.0
Adjusted EBITA margin, %	6.8	7.1	6.0	6.4	6.4	6.6
Operating profit (EBIT)	61.5	60.1	152.5	171.9	241.2	260.6
Operating margin (EBIT), %	5.8	5.5	4.4	5.2	4.9	5.5
Profit before tax	63.7	56.1	135.5	158.2	221.4	244.2
Net Margin, %	6.0	5.1	3.9	4.8	4.5	5.1
Profit after tax	50.9	43.9	107.5	127.0	172.1	191.5
Profit Margin, %	4.8	4.0	3.1	3.8	3.5	4.0
Earnings per share (outstanding shares), SEK <sup>3</sup>	1.85	1.60	3.91	4.62	6.25	6.97
Return on capital employed, % <sup>4</sup>	-	-	-	-	16.5	17.2
Cash flow from operations	132.5	-74.0	291.7	99.2	646.8	454.3

1) Organic growth refers to growth excluding currency rate effects and acquired and divested companies.

2) EBITA before items affecting comparability.

3) Proact has long-term performance-based share programs that could result in dilution of maximum 1.82 percent.

The company has bought back own shares which affects the key ratios above.

4) Calculated only for full year and rolling 12 months

### About Proact

Proact is Europe's leading specialist in data and information management with a focus on cloud services and data centre solutions. We help our customers to store, connect, protect, secure and drive value through their data whilst increasing agility, productivity and efficiency.

We have completed thousands of successful projects around the world, have more than 4 000 customers and currently manage hundreds of petabytes of information in the cloud. We employ over 1 200 people in 12 countries in Europe and in North America.

Founded in 1994, our parent company, Proact IT Group AB (publ) was listed on Nasdaq Stockholm in 1999 (under the symbol PACT).

# Comments from the CEO of Proact



**"Proact's third quarter shows a continued good development within the services business with continued good demand in several markets."**

Proact's third quarter shows a continued good development within the services business with continued good demand in several markets. Overall revenues declined, however, due to an organic drop in the systems business compared to a high level last year. Revenues in the quarter declined by 3% in total to SEK 1,065 million (1,099) and organically by 8%.

In the third quarter, the system business revenues declined by 17% and organically by 20% compared to the same quarter last year. The organic decline in the systems business is partly explained by a record high third quarter 2022, when we were able to deliver systems from our order backlog that had built up earlier during the semiconductor shortage. Outside of the Nordics we have also seen longer sales cycles, connected to the uncertain macroeconomic environment.

The services business continues to develop and grew by 15% to SEK 541 million (469) where the organic growth was 7%. Our recurring revenues, i.e., revenues from contracted managed cloud and support services, continue to grow at a high pace. Overall, they increased by 18% to an annualized level of SEK 1,747 million (1,479) and organically they grew by 9%, with organic growth in all Business Units. The recurring revenues also increased sequentially, with a growth of 4% compared to the previous quarter. We concluded contracts for our managed cloud services of SEK 119 million (158), where Business Unit West showed high growth with several large contracts closed. Business Unit Central also closed larger deals, however with contracts that give the customer more flexibility in usage volumes, which thus is not fully reflected in the reported contracted volumes. Our assessment remains that the reduction in contracted volumes primarily is due to the timing of the closing of certain deals, and to some extent that customers request more flexible contracts, which reduces the contracted volume but has good possibility for growth in reported recurring revenues from cloud services going forward. The professional services business declines somewhat organically, primarily due to lower systems sales outside of the Nordics. Utilization continues to be good, while we see less competition for recruiting competence.

We are starting to see the effects of our cost program that we implemented in earlier quarters. We are 5% fewer employees than at

the same time last year, while we deliver more services to our customers. The cost base is reducing according to plan compared to the first quarter this year, which impacts both the gross margin and sales and administration costs.

The gross margin after depreciation increased in the quarter from 22.5% to 23.5% with increases both in systems and services margins. The biggest increase is due to the cost saving program and earlier efficiencies in our service delivery, which has counteracted inflationary increases in other costs.

Adjusted EBITA declined during the quarter to SEK 72.8 million (78.3) corresponding to a margin of 6.8% (7.1), as the reduction in revenues wasn't fully compensated by increased gross margins and organically lower sales and administration costs compared to last year.

We continue working closely with our important partners, and have received further awards during the quarter, such as Partner of the Year by Netapp in Sweden. We are also being recognized for our work to attract and retain employees and were again selected as one of Sweden's 10 best IT companies for young people by "Årets Karriärföretag" (Career Company of the Year).

René Schüleïn has left the company during the quarter and Maria Gomez replaces him in the role of Business Unit Director, BU Central. Maria comes most recently from Microsoft Germany and has many years of experience from the German IT industry. The group management team and the company governance has also been strengthened with the appointment of Magnus Lönn as deputy CEO, in particular to contribute to the continued growth and development of the company.

During times of continued macroeconomic uncertainty, it feels very satisfactory that we continue to deliver stable results and strong cash flow while maintaining a good position in the market.

Solna 27 October, 2023

Jonas Hasselberg,  
CEO

# The Group's development July-September

## Revenues and result

For the third quarter, total revenues amounted to SEK 1,065.3 million (1,098.6), a decrease by 3.0 per cent. Currency rate effects affected positively by 5.7 per cent, and acquisitions and divestments affected negatively by 0.4 per cent. Organically, revenues decreased by 8.3 per cent.

System revenues decreased by 16.8 per cent to SEK 523.6 million (629.2) and organically they decreased by 19.8 per cent, compared to the same period previous year, primarily due to a strong comparison quarter. In some of our markets outside the Nordics, revenues are also negatively impacted by longer sales cycles connected to macro-economic uncertainty.

Service revenues increased by 15.3 per cent to SEK 540.8 million (469.1) and organically they increased by 6.9 per cent, as a result of good demand for support and cloud services both in the current and previous quarters. Service revenues accounted for 50.8 per cent (42.6) of the company's total revenues for the quarter.

New contracts relating to cloud services worth SEK 118.8 million (158.1) were contracted during the quarter. The contracts normally have a term of three to five years. Total revenues from cloud services increased by 18.2 per cent and amounted to SEK 282.2 million (238.7). Organically they increased by 8.1 per cent. Recurring revenues, revenues from cloud and support services, amounted to SEK 436.7 million (369.7), corresponding to an annualized rate of SEK 1,746.8 million (1,478.6). This corresponds to an increase of 18.1 per cent in the quarter, of which the organic increase was 9.4 per cent.

The gross margin after depreciation increased in the quarter,

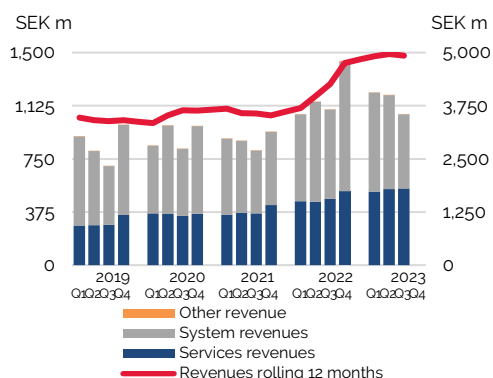
compared to the same period previous year, and amounted to 23.5 per cent (22.5), with increased gross margins in both the system business and the service business. The gross margin in the services business increased primarily due to efficiencies and the cost-saving program, offset to some extent by cost increases due to inflation and external subcontractors.

Sales and administration expenses decreased organically by 11 per cent primarily as a result of the implemented cost savings, partially offset by investments in sales skills and inflationary cost increases.

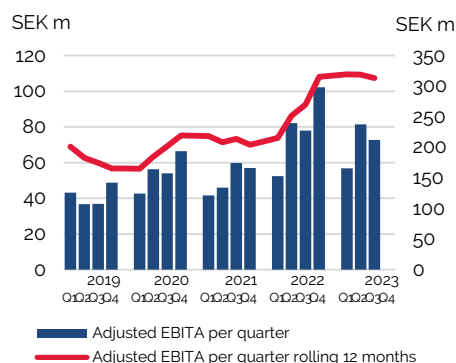
Adjusted EBITA decreased by 7.0 per cent compared to the same period previous year and amounted to SEK 72.8 million (78.3) as the increase in gross margins and organically reduced costs did not fully compensate for the decline in sales. Adjusted EBITA margin decreased to 6.8 per cent (7.1). Profit before tax amounted to SEK 63.7 million (56.1) where the financial net was positively affected by a write-down of the earn-out related to the acquisition of sepago of SEK 6.9 million, and the operating profit was positively affected by the realised profit from the sale of Proact's Lithuanian subsidiary during the quarter by SEK 3.1 million.

Proact reports items affecting comparability separately to show the development in the underlying business. Items affecting comparability refer to items that are non-recurring and are not part of the ordinary business. During the third quarter of 2023, non-recurring items in EBITA amounted to SEK 2.9 million (-4.9) which primarily consists of realised profits from the sale of Proact's Lithuanian subsidiary.

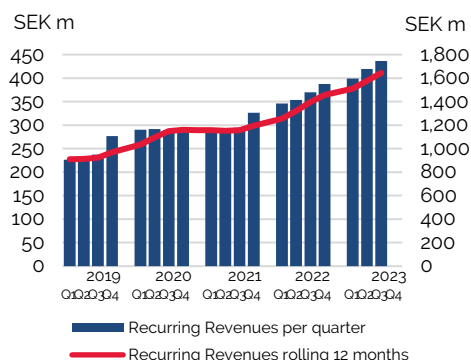
## Revenues



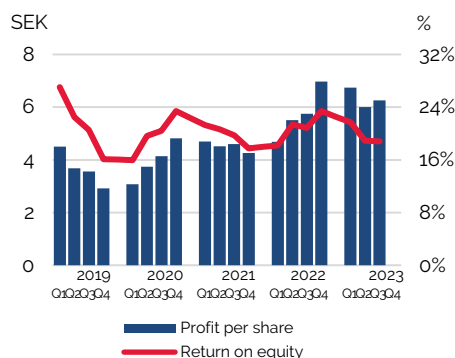
## Adjusted EBITA



## Recurring Revenues



## Profit per share, and return on equity 12 months, %



# The Group's development January-September

## Revenues and result

For the first nine months, total revenues amounted to SEK 3,487.3 million (3,316.8), an increase by 5.1 per cent. Currency rate changes affected volumes positively by 4.6 per cent, and acquisitions and divestments affected positively by 1.1 per cent. Organically, revenues decreased by 0.5 per cent.

System revenues decreased by 3.2 per cent to SEK 1,886.1 million (1,948.8) and organically they decreased by 6.5 per cent.

Service revenues increased by 16.9 per cent to SEK 1,597.3 million (1,367.0) and the organic increase was 7.7 per cent. Service revenues accounted for 45.8 per cent (41.2) of the company's total revenues for the first nine months.

New contracts relating to cloud services worth SEK 351.1 million (421.0) were contracted during the first nine months. The contracts normally have a term of three to five years. Total revenues from cloud services increased by 17.5 per cent and amounted to SEK 815.1 million (693.5). Organically they increased by 8.3 per cent.

The gross margin increased for the first nine months, compared to the same period previous year, both within the system and services business.

Sales and administration expenses increased organically by 5.3 per cent, primarily due to inflation-driven cost increases.

Adjusted EBITA decreased by 0.8 per cent compared to the same period previous year and amounted to SEK 211.0 million (212.8) as increases in selling and administrative costs were not fully offset by increased gross profit. Adjusted EBITA margin amounted to 6.0 per cent (6.4). Profit before tax amounted to SEK 135.5 million (158.2).

## Revenue by industry

Amounts in SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	Jan-Dec 2022
Telecom	97.1	77.9	284.6	344.3	366.1	425.8
Bank, Finance	85.6	75.3	233.5	218.2	328.2	312.8
Energy	36.5	61.2	189.7	181.3	259.5	251.2
Manufacturing	100.4	141.8	383.3	466.3	592.2	675.2
Media	24.3	27.5	84.1	82.0	115.4	113.3
Trading & Services	221.1	226.3	678.5	640.5	1,008.3	970.3
Public sector	322.1	288.4	1,079.5	850.1	1,502.3	1,272.9
Other	178.2	200.2	554.1	534.1	755.3	735.3
<b>Total revenue</b>	<b>1,065.3</b>	<b>1,098.6</b>	<b>3,487.3</b>	<b>3,316.8</b>	<b>4,927.3</b>	<b>4,756.8</b>

During the first nine months, non-recurring items amounted to SEK -16.7 million (-5,7) and relate to the cost saving program communicated during the first quarter and implemented during the second quarter, as well as the realised profit from the sale of Proact's Lithuanian subsidiary.

Amounts in SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	Jan-Dec 2022
Total Revenues	1,065.3	1,098.6	3,487.3	3,316.8	4,927.3	4,756.8
<i>Cost of goods and services sold, excl. amortisations and depreciations</i>	-773.5	-813.4	-2,579.4	-2,480.5	-3,656.4	-3,557.5
<b>Gross profit excl. amortisations and depreciations</b>	<b>291.8</b>	<b>285.2</b>	<b>907.9</b>	<b>836.3</b>	<b>1,270.9</b>	<b>1,199.3</b>
<i>Gross margin excl. amortisations and depreciations, %</i>	27.4	26.0	26.0	25.2	25.8	25.2
Operational expenses, excl. amortisations and depreciations	-175.3	-167.1	-567.0	-504.7	-782.6	-720.4
<b>Adjusted EBITDA<sup>1</sup></b>	<b>116.5</b>	<b>118.0</b>	<b>340.9</b>	<b>331.6</b>	<b>484.4</b>	<b>475.1</b>
<i>Adjusted EBITDA margin, %</i>	10.9	10.7	9.8	10.0	9.8	10.0
Depreciations and write-downs of tangible assets	-43.7	-39.8	-129.9	-118.7	-171.3	-160.1
<b>Adjusted EBITA<sup>1</sup></b>	<b>72.8</b>	<b>78.3</b>	<b>211.0</b>	<b>212.8</b>	<b>313.2</b>	<b>315.0</b>
<i>Adjusted EBITA margin, %</i>	6.8	7.1	6.0	6.4	6.4	6.6
Amortizations and write-downs of intangible assets	-14.2	-13.3	-41.8	-35.2	-59.1	-52.5
Items affecting comparability in EBITA	-0.2	-4.9	-16.7	-5.7	-13.0	-2.0
<b>Operating profit/loss (EBIT)</b>	<b>61.5</b>	<b>60.1</b>	<b>152.5</b>	<b>171.9</b>	<b>241.2</b>	<b>260.6</b>
<i>Operating margin (EBIT), %</i>	5.8	5.5	4.4	5.2	4.9	5.5

1) EBITDA and EBITA before items affecting comparability

## Cash flow

### July - September

Cash flow for the quarter was SEK -4.9 million (-246.0), of which SEK 132.5 million (-74.0) from operating activities. Cash flow from changes in working capital amounted to SEK 29.3 million (-186.5), primarily affected by decreased operating receivables partly offset by decreased operating liabilities.

The cash flow from investment activities was SEK -7.4 million (-132.3) and cash flow from financing activities amounted to SEK -129.9 (-39.7) million, primarily affected by repayment of loans of SEK 98.0 million.

### January - September

Cash flow for the first nine months was SEK -85.2 million (-197.1) of which SEK 291.7 million (99.2) from operating activities. Cash flow from changes in working capital amounted to SEK 11.8 million (-219.3) where decreased accounts receivables and inventories were offset by a corresponding decrease in accounts payable. Cash flow from investing activities amounted to SEK -40.1 million (-155.3) and cash flow from financing activities was SEK -336.8 million (-141.0) which consisted of repayments of loans, dividends and amortisations of leasing liabilities of SEK 80.4 million (99.4).

### Investments

During the first nine months 2023, SEK 31.8 million (27.3) has been invested in fixed assets, of which SEK 4.3 million (9.7) in Proact Finance for customer deliveries.

During the first quarter, the minority in the Czech subsidiary was acquired, and Proact now owns 100 per cent of the shares, which affected the cash flow from investments negatively by SEK 8.4 million for the first nine months.

## Financial position

Cash and cash equivalents amounted to SEK 429.3 million as of September 30, 2023, compared to SEK 284.9 million previous year. Of the total bank overdraft facility of SEK 154.7 million, none was utilized. Bank loans amounted to SEK 254.8 million and relate partly to a three-year credit facility of EUR 20 million from Svensk Exportkredit (Swedish Export Credit Corporation), and partly to a three-year revolving credit facility that Proact signed during the third quarter of 2021. The facility amounts to a total of SEK 600 million, of which SEK 25 million was utilized as of September 30, 2023, and it has been extended by a maximum of two years, which means that it runs until the third quarter of 2026.

Investments in IT equipment for the cloud operations are financed through leasing agreements.

The Group's equity ratio at the end of the period was 26.5 per cent (22.8).

## Net debt

	30 sep	30 jun	30 sep	30 jun
Amounts in SEK million	2023	2023	2022	2022
Cash and cash equivalents	429.3	442.9	284.9	528.0
Bank overdraft facilities	-	-	-	-
Liabilities to credit institutions, excl. liabilities related to financial leasing	-256.0	-361.5	-507.4	-502.3
<b>Net cash (+)/Net debt (-) excl. financial leasing</b>	<b>173.3</b>	<b>81.4</b>	<b>-222.4</b>	<b>25.7</b>
Financial leasing liabilities	-255.0	-280.0	-261.4	-223.9
<b>Net cash (+)/Net debt (-) incl. financial leasing</b>	<b>-81.7</b>	<b>-198.6</b>	<b>-483.9</b>	<b>-198.2</b>
Unutilized bank overdraft facility	154.7	155.0	158.9	158.6
Total bank overdraft facility	154.7	155.0	158.9	158.6

## Income tax

The Group's tax expense includes the sum of current tax and deferred tax calculated based on current tax rates in each country. The reported tax expense for the first nine months amounted to SEK 28.0 million (31.2), corresponding to an efficient tax rate of 20.7 per cent (19.7).

## Buy-back of own shares

The Annual General Meeting on May 4, 2023, authorized the Board to acquire up to 10.0 percent of the company's shares until the next Annual General Meeting. As of September 30, 2023, no shares have been acquired within this authorization.

As of September 30, 2023, the company held 501,710 shares in own repository, which corresponds to 1.8 per cent of the total number of shares.

## Employees

The company had 1,187 employees (1,255) as of September 30, 2023.

## Parent Company in brief

The Parent Company's total revenues for the period amounted to SEK 113.1 million (100.4). Profit before tax amounted to SEK 127.0 million (56.5).

The Parent Company's liabilities in a joint group currency account amounted to SEK 377.5 million (254.9) as of 30 September 2023.

At the end of the period, the number of employees in the parent company totalled 19 (19).

The Parent Company's operations have remained unchanged during the period. There have been no significant transactions with related parties.

# Business Units

**Nordic & Baltics** Denmark, Estonia, Finland, Latvia, Lithuania, Norway, Sweden, and the US

Net sales



Jan-Sep 2023

## Revenues and result

### July - September

In Nordic & Baltics, revenues increased by 3.5 per cent during the quarter and organically by 2.2 per cent, where the difference is due to exchange rate effects and to a smaller extent the divestiture of the Lithuanian subsidiary. System revenues decreased by 2.4 per cent and organically by 3.1 per cent with a good underlying demand but where the revenues last year were unusually strong. Service revenues increased by 16.8 per cent and organically by 14.1 per cent, with good growth in all areas, partly connected to system deals won during this and previous quarters as well as won cloud service contracts.

Adjusted EBITA amounted to SEK 57.1 million (40.8) and the EBITA margin was 10.1 per cent (7.5) for the quarter. EBITA and the EBITA margin increased primarily as a result of higher sales and improved gross margins in both the systems and services business combined with a limited increase in selling and administrative expenses.

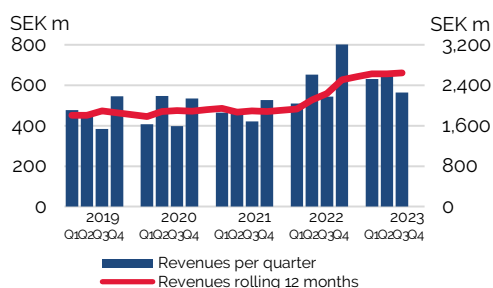
### January - September

In Nordic & Baltics, revenues increased by 7.9 per cent during the first nine months and organically by 6.6 per cent. System revenues increased by 4.3 per cent and organically by 3.5 per cent. System revenues developed positively primarily in Sweden due to good demand. Service revenues increased by 16.7 per cent and organically by 14.3 per cent, with good demand within all service segments.

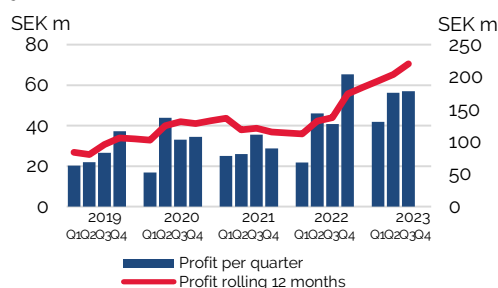
Adjusted EBITA amounted to SEK 155.1 million (108.7) and the EBITA margin was 8.4 per cent (6.4) for the year. In Nordic & Baltics, EBITA and EBITA margin developed positively due to increased revenues in combination with higher gross margins, partly offset by higher sales and administration expenses.

Amounts in SEK million	Jul-Sep 2023	Jul-Sep 2022	Change, %	Jan-Sep 2023	Jan-Sep 2022	Change, %	Rolling 12 months	Jan-Dec 2022
System revenues	371.7	380.8	-2.4	1,269.9	1,217.6	4.3	1,878.2	1,825.9
Service revenues	191.0	163.5	16.8	569.9	488.3	16.7	762.3	680.7
of which support revenue	91.3	78.4	16.5	261.2	220.9	18.3	344.0	303.6
of which revenue from cloud services	62.2	50.6	22.8	175.4	144.5	21.4	228.4	197.4
of which consulting revenue	37.5	34.5	8.6	133.2	122.8	8.5	190.0	179.6
Other	0.8	0.3	156.3	2.7	1.1	143.5	3.2	1.6
<b>Total Revenues</b>	<b>563.4</b>	<b>544.6</b>	<b>3.5</b>	<b>1,842.5</b>	<b>1,706.9</b>	<b>7.9</b>	<b>2,643.7</b>	<b>2,508.2</b>
Adjusted EBITA	57.1	40.8	39.9	155.1	108.7	42.7	220.5	174.1
Margin, %	10.1	7.5		8.4	6.4		8.3	6.9

## Revenues



## Adjusted EBITA





**Revenues and result**

**July – September**

In UK, revenues decreased by 14.8 per cent during the quarter and organically by 23.6 per cent, where the difference is due to currency rate effects. System revenues decreased by 45.1 per cent and organically by 51.3 per cent, compared to a strong third quarter 2022, partly due to longer sales cycles. Service revenues increased by 23.6 per cent and increased organically by 11.0 per cent, with growth mainly in cloud services due to previously won contracts. The decrease in consulting revenues is connected to the low system sales.

Adjusted EBITA amounted to SEK 3.5 million (10.2) and the EBITA margin was 2.2 per cent (5.6) for the quarter. Both EBITA and EBITA margin decreased because of decreased revenues, partly offset by higher gross margins and organically lower sales and administration expenses.

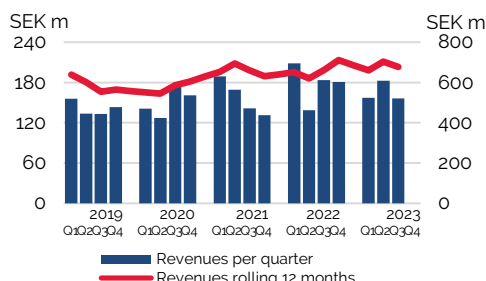
**January – September**

In UK, revenues decreased by 6.5 per cent during the first nine months and organically by 11.8 per cent, where the difference is due to currency rate effects. System revenues decreased by 25.1 per cent and organically by 29.3 per cent due to somewhat longer sales cycles compared to previous year. Service revenues increased by 14.4 per cent and organically by 7.8 per cent, with cloud services showing good growth, which was offset by decreased consulting revenues connected to weaker system sales.

Adjusted EBITA amounted to SEK 16.8 million (29.1) and the EBITA margin was 3.4 per cent (5.5) for the first nine months. Both EBITA and the EBITA margin were negatively affected by decreasing revenues partially offset by increased gross margins compared to the same period previous year.

Amounts in SEK million	Jul-Sep 2023	Jul-Sep 2022	Change, %	Jan-Sep 2023	Jan-Sep 2022	Change, %	Rolling 12 months	Jan-Dec 2022
System revenues	56.2	102.4	-45.1	210.8	281.4	-25.1	301.9	372.4
Service revenues	100.2	81.1	23.6	285.4	249.5	14.4	374.3	338.4
of which support revenue	29.8	24.3	22.7	79.7	76.9	3.6	106.9	104.1
of which revenue from cloud services	62.9	47.7	31.9	178.6	144.5	23.6	230.3	196.2
of which consulting revenue	7.5	9.1	-17.5	27.1	28.2	-3.9	37.0	38.1
Other	-	-	-	-	-	-	0.8	0.8
<b>Total Revenues</b>	<b>156.4</b>	<b>183.5</b>	<b>-14.8</b>	<b>496.3</b>	<b>530.9</b>	<b>-6.5</b>	<b>677.0</b>	<b>711.6</b>
Adjusted EBITA	3.5	10.2	-65.8	16.8	29.1	-42.4	24.0	36.4
Margin, %	2.2	5.6		3.4	5.5		3.6	5.1

**Revenues**



**Adjusted EBITA**





**Revenues and result**

**July - September**

In West, revenues increased by 7.5 per cent during the quarter but decreased organically by 3.2 per cent, where the difference is due to currency effects. System revenues decreased by 12.5 per cent and organically by 22.2 per cent. Service revenues increased by 13.1 per cent and organically by 2.0 per cent with support services showing good growth due to new won contracts, while consulting revenues decreased, partly because of a lack of personnel in some competence areas, and partly due to lower demand in other areas.

Adjusted EBITA amounted to SEK 4.4 million (9.8) and the EBITA margin was 2.3 per cent (5.6) for the quarter where EBITA and the EBITA margin decreased due to lower gross margins and increased sales and administration expenses both due to inflation-related cost increases that have not fully been compensated by the implemented cost-saving program.

**January - September**

In West, revenues increased by 10.0 per cent during the first nine months and organically by 0.9 per cent. System revenues increased by 5.8 per cent but decreased organically by 3.0 per cent where the difference is due to currency effects. Service revenues increased by 11.4 per cent and organically by 2.2 per cent, with a good underlying demand primarily for cloud and support services, while consulting revenues decreased due to lack of personnel in some competence areas and due to lower demand in other areas.

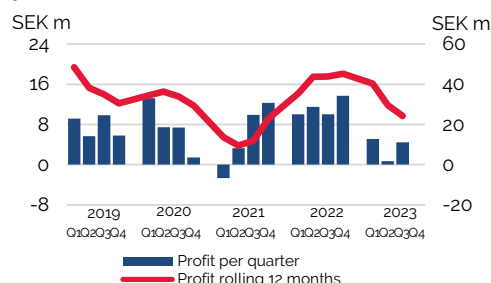
Adjusted EBITA amounted to SEK 10.3 million (31.4) and the EBITA margin was 1.7 per cent (5.6) for the first nine months. The decrease is attributable to lower gross margins and higher sales and administration expenses due to cost inflation and increased usage of external subcontractors.

Amounts in SEK million	Jul-Sep 2023	Jul-Sep 2022	Change, %	Jan-Sep 2023	Jan-Sep 2022	Change, %	Rolling 12 months	Jan-Dec 2022
System revenues	33.4	38.2	-12.5	150.4	142.2	5.8	249.1	240.9
Service revenues	156.0	137.9	13.1	462.4	415.1	11.4	612.2	564.9
of which support revenue	17.6	14.0	26.0	52.2	40.7	28.2	66.3	54.9
of which revenue from cloud services	107.0	93.5	14.4	310.2	271.3	14.3	407.6	368.7
of which consulting revenue	31.3	30.3	3.4	100.1	103.1	-3.0	138.3	141.3
Other	0.0	0.0	-	0.0	0.0	-	-	-
<b>Total Revenues</b>	<b>189.4</b>	<b>176.1</b>	<b>7.5</b>	<b>612.9</b>	<b>557.4</b>	<b>10.0</b>	<b>861.3</b>	<b>805.8</b>
Adjusted EBITA	4.4	9.8	-54.9	10.3	31.4	-67.4	24.2	45.3
Margin, %	2.3	5.6		1.7	5.6		2.8	5.6

**Revenues**



**Adjusted EBITA**







**Revenues and result**

**July - September**

In Central, revenues decreased by 14.0 per cent during the quarter and organically by 22.7 per cent, where the difference is due to currency effects. System revenues decreased by 41.0 per cent and organically by 47.3 per cent, due to longer sales cycles and weaker demand connected to macroeconomic uncertainty. Service revenues increased by 12.8 per cent and organically by 1.6 per cent due to good underlying demand primarily for support services but also due to fewer employed consultants.

Adjusted EBITA amounted to SEK 1.5 million (10.2) and the EBITA margin was 0.8 per cent (4.9) for the quarter. In Central, EBITA and the EBITA margin were primarily affected negatively by the reduced revenues, partly offset by higher margins within the systems business and organically decreasing sales and administration expenses.

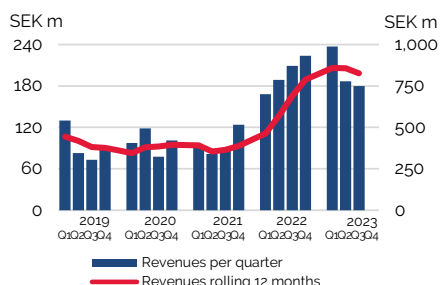
**January - September**

In Central, revenues increased by 6.7 per cent during the year due to the acquisition of sepago and currency effects but decreased organically by 9.8 per cent. System revenues decreased by 16.3 per cent and organically by 26.0 per cent, due to longer sales cycles and macroeconomic uncertainty. Service revenues increased by 32.7 per cent and organically by 8.5 per cent due to good organic growth in all services areas.

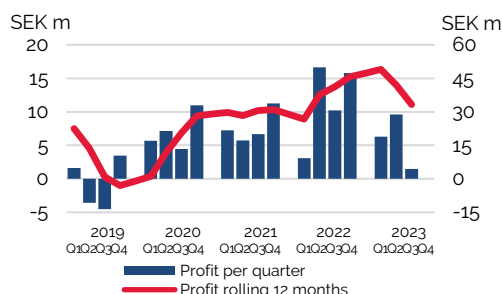
Adjusted EBITA amounted to SEK 17.4 million (29.9) and the EBITA margin was 2.9 per cent (5.3) for the first nine months. In Central, EBITA and the EBITA margin were negatively affected primarily by lower organic sales in combination with increased sales and administration expenses, partly related to cost inflation, and partly to integration costs attributable to acquisitions.

Amounts in SEK million	Jul-Sep 2023	Jul-Sep 2022	Change, %	Jan-Sep 2023	Jan-Sep 2022	Change, %	Rolling 12 months	Jan-Dec 2022
System revenues	61.6	104.3	-41.0	253.4	302.9	-16.3	366.9	416.4
Service revenues	117.9	104.6	12.8	348.4	262.6	32.7	458.1	372.3
of which support revenue	15.8	12.7	24.8	47.1	35.4	33.1	60.6	48.9
of which revenue from cloud services	72.3	63.8	13.2	211.4	176.9	19.5	276.7	242.2
of which consulting revenue	29.8	28.0	6.6	89.9	50.4	78.4	120.7	81.2
Other	0.3	0.1	217.0	1.7	0.2	726.0	2.0	0.5
<b>Total Revenues</b>	<b>179.8</b>	<b>209.0</b>	<b>-14.0</b>	<b>603.5</b>	<b>565.7</b>	<b>6.7</b>	<b>827.0</b>	<b>789.2</b>
Adjusted EBITA	1.5	10.2	-85.5	17.4	29.9	-41.8	33.2	45.7
Margin, %	0.8	4.9		2.9	5.3		4.0	5.8

**Revenues**



**Adjusted EBITA**



# Operating segments

**Nordics & Baltics:** Denmark, Estonia, Finland, Latvia, Lithuania (divested August 28, 2023), Norway, Sweden, and USA | **UK:** United Kingdom | **West:** Belgium and the Netherlands | **Central:** Czech Republic and Germany |

As the operations in Proact Finance have decreased significantly due to the decision to primarily offer financing via partners, Proact Finance is no longer reported as a separate segment, but is instead reported as part of Groupwide.

jan-sep 2023 Amounts in SEK million	Nordics & Baltics	UK	West	Central	Groupwide	Eliminations	Group
Total revenue	1,842.5	496.3	612.9	603.5	136.0	-203.8	3,487.3
EBITDA before items affecting comparability	183.7	59.0	45.8	40.3	12.1	-	340.9
Depreciations and write-downs on tangible fixed assets	-28.6	-42.2	-35.6	-22.9	-0.6	-	-129.9
EBITA before items affecting comparability	155.1	16.8	10.3	17.4	11.5	-	211.0
Items affecting comparability	-4.8	-1.0	-6.4	-2.0	-2.5	-	-16.7
<b>EBITA</b>	<b>150.3</b>	<b>15.8</b>	<b>3.8</b>	<b>15.4</b>	<b>9.0</b>	-	<b>194.3</b>
Amortizations and write-downs on intangible fixed assets	-4.3	-4.0	-6.2	-22.4	-4.9	-	-41.8
EBIT	146.0	11.8	-2.4	-7.1	4.2	-	152.5
Net Financial Items	1.1	-1.9	-7.5	-8.5	-0.2	-	-17.0
<b>Profit before tax</b>	<b>147.1</b>	<b>9.9</b>	<b>-9.9</b>	<b>-15.6</b>	<b>4.0</b>	-	<b>135.5</b>
Tax							-28.0
<b>Comprehensive income for the period</b>							<b>107.5</b>

jan-sep 2022 Amounts in SEK million	Nordics & Baltics	UK	West	Central	Groupwide	Eliminations	Koncernen
Total revenue	1,706.9	530.9	557.4	565.7	152.8	-196.9	3,316.8
EBITDA before items affecting comparability	135.2	64.8	56.5	50.5	24.6	-	331.6
Depreciations and write-downs on tangible fixed assets	-26.6	-34.7	-25.0	-20.5	-12.0	-	-118.7
EBITA before items affecting comparability	108.7	30.1	31.5	29.9	12.6	-	212.8
Items affecting comparability	-	-	-	-5.7	-	-	-5.7
<b>EBITA</b>	<b>108.7</b>	<b>30.1</b>	<b>31.5</b>	<b>24.2</b>	<b>12.6</b>	-	<b>207.1</b>
Amortizations and write-downs on intangible fixed assets	-4.3	-3.8	-6.0	-15.9	-5.2	-	-35.2
EBIT	104.4	26.3	25.6	8.3	7.4	-	171.9
Net Financial Items	-4.5	-2.1	-1.9	-4.6	-0.7	-	-13.7
<b>Profit before tax</b>	<b>99.9</b>	<b>24.2</b>	<b>23.7</b>	<b>3.7</b>	<b>6.7</b>	-	<b>158.2</b>
Tax							-31.2
<b>Comprehensive income for the period</b>							<b>127.0</b>

# Market review

Proact's strategic direction and operations are largely driven by the core trends in the market. Over the last few years, there have been three overarching trends:

- Digitalisation and value creation from data
- Hybrid cloud adoption for flexible and agile IT delivery
- Concerns about cybersecurity and increasing IT complexities

## Digitalisation and value creation from data

Businesses need to digitalise in order to streamline processes, maintain market share and drive growth as well as operational and financial efficiency. IT-driven automation, artificial intelligence and more effective delivery of internal and external IT services enable new ways of analysing and processing data. This also increases complexity, resource constraints and new IT budget needs. Proact's portfolio of professional services, infrastructure solutions, and cloud services are increasingly important as customers need the right specialist skills for digitalisation.

Proact helps conceptualise, implement and build IT solutions and can store, connect, protect and secure data to drive digitalisation, innovation, advanced analytics and automation.

## Hybrid cloud adoption

Different types of business data, workflows and applications have different requirements. Hybrid cloud solutions seamlessly combine different types of private, hosted and public cloud services for faster, more secure and more efficient response to business needs. However, how businesses balance different IT delivery models varies depending on industry, availability of skills and strategic goals. If done in the wrong way, customers will not only fail to leverage the

advantages of hybrid cloud, but also increase the risks of security threats and accelerated costs.

Proact helps customers with everything from assessing their current IT estate and providing strategic advice to design, delivery, implementation, support and full-service management. Proact's strong portfolio and skills give customers unique flexibility to combine on-premises IT infrastructure with private, hosted and public cloud services.

## Cybersecurity

The number of cyberthreats and data breaches has increased significantly due to rapid technological developments, increased digitalisation and geopolitical turmoil. Most businesses struggle with how to best manage security threats and stricter regulatory requirements, especially with distributed and unstructured data increasing potential attack points. Many organisations lack in-house resources to deal with security threats, putting them at risk of missing out on business opportunities, losing sales, and damaging their reputations.

Proact offers unique access to local and international specialist expertise, well-packaged security solutions and services, business continuity blueprints, backup and disaster recovery solutions and services as well as round-the-clock monitoring and processes via its own Security Operations Centres.

# Other information

## Events after the balance sheet date

No events of significance to the Group have occurred since the end of the report period.

## Transactions with related parties

No transactions between Proact and related parties, which have significantly affected the Group's position and profits, have taken place during the quarter.

## Risks and uncertainty factors within the business

Proact is not significantly affected by ongoing conflicts in the world. However, the development of the global economy, in the form of inflation, exchange rate fluctuations, lower economic growth and disturbances in supply chains, can entail increased risks for Proact. Delivery disruptions linked to the global semiconductor shortage at present has a limited effect on Proact, as the situation normalised during the second half of 2022, but new disturbances could negatively affect the ability for Proact to deliver customer orders received. Otherwise, no risks or uncertainties have changed in comparison to those described in the most recently published

annual report. For a more detailed description of significant risks and uncertainty factors, please see Proact's annual report for 2022.

## Alternative Performance Measures

The company presents financial key figures in the interim report that are not defined according to IFRS. The company believes that these key figures provide valuable supplementary information to investors and the company's management. For definitions of the financial ratios, see the Annual Report 2022.

## Nomination Committee

According to a decision from the previous Annual General Meeting of Proact IT Group AB, after the end of the quarter, a nomination committee was appointed with the task to work out proposals to be submitted to the company's annual general meeting 2024.

The Nomination Committee consists of the following members:

- Katarina Berggren, Chair (Aktiebolaget Grenspecialisten)
- Stephanie Göthman (Livförsäkringsbolaget Skandia)
- Wilhelm Gruvberg (Alcur Fonder AB)
- Johannes Wingborg (Länsförsäkringar Fondförvaltning AB)

## Financial calendar

8 Feb 2024	Interim Report Q4 2023
7 May 2024	Interim Report Q1 2024
7 May 2024	Annual General Meeting 2024
12 Jul 2024	Interim Report Q2 2024
25 Oct 2024	Interim Report Q3 2024
11 Feb 2025	Interim Report Q4 2024

Solna 27 October 2023  
Proact IT Group AB (publ)

Jonas Hasselberg  
CEO

This interim report has not been audited.

## Note

The information in this interim report is such information as Proact IT Group (publ) is obliged to publish pursuant to the EU Market Abuse Regulation, the Securities Market Act, and/or the Act on Trading in Financial Instruments. This information was submitted for publication at 8:00 (CET) on 27 October, 2023.

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Linda Höljö, CFO +46 725 07 40 85 [linda.holjo@proact.eu](mailto:linda.holjo@proact.eu)

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Org.nr: 556494-3446 | Reg Office: Solna

# Financial reports

## Consolidated statement of comprehensive income

Amounts in SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	Jan-Dec 2022
System revenue	523.6	629.2	1,886.1	1,948.8	2,798.7	2,861.4
Service revenue	540.8	469.1	1,597.3	1,367.0	2,119.3	1,889.0
<i>of which support revenue</i>	154.5	130.9	440.5	375.8	578.0	513.3
<i>of which revenue from cloud services</i>	282.2	238.7	815.1	693.5	1,065.5	943.8
<i>of which consulting revenue</i>	104.1	99.4	341.7	297.7	475.8	431.8
Other operating revenue	0.9	0.3	3.9	1.0	9.3	6.4
<b>Total revenue</b>	<b>1,065.3</b>	<b>1,098.6</b>	<b>3,487.3</b>	<b>3,316.8</b>	<b>4,927.3</b>	<b>4,756.8</b>
Cost of goods and services sold	-814.7	-850.9	-2,700.3	-2,588.8	-3,815.6	-3,704.2
<b>Gross profit</b>	<b>250.6</b>	<b>247.7</b>	<b>787.0</b>	<b>728.0</b>	<b>1,111.7</b>	<b>1,052.7</b>
Sales and marketing expenses	-112.5	-106.3	-366.9	-325.4	-508.3	-466.8
Administration expenses	-79.7	-76.4	-251.0	-225.0	-345.5	-319.5
Items affecting comparability	2.9	-4.9	-16.7	-5.7	-16.7	-5.8
<b>Operating profit/loss (EBIT)</b>	<b>61.5</b>	<b>60.1</b>	<b>152.5</b>	<b>171.9</b>	<b>241.2</b>	<b>260.6</b>
Net financial items	2.2	-4.0	-17.0	-13.7	-19.7	-16.4
<b>Profit before tax</b>	<b>63.7</b>	<b>56.1</b>	<b>135.5</b>	<b>158.2</b>	<b>221.4</b>	<b>244.2</b>
Income tax	-12.8	-12.1	-28.0	-31.2	-49.4	-52.6
<b>Comprehensive income for the period</b>	<b>50.9</b>	<b>43.9</b>	<b>107.5</b>	<b>127.0</b>	<b>172.1</b>	<b>191.5</b>
<b>Other comprehensive income</b>						
<b>Items which may be reversed later in the income statement</b>						
Change of hedging reserve (net investment in foreign operations)	-9.7	7.6	13.2	23.2	19.9	29.9
Tax effect of change of reserve (net investment in foreign operations)	2.0	-1.6	-2.7	-4.8	-4.1	-6.2
Translation differences from remaining operations	-2.4	7.0	-14.2	20.9	-11.5	29.8
Total items which may be reversed later in the income statement	-10.1	13.0	-3.7	39.4	4.3	53.6
<b>Total comprehensive income for the period, net after tax</b>	<b>40.8</b>	<b>56.9</b>	<b>103.8</b>	<b>166.3</b>	<b>176.4</b>	<b>245.1</b>
<b>Comprehensive income attributable to:</b>						
Shareholders of the Parent company	50.0	43.8	107.0	126.9	171.4	191.3
Holdings without a controlling influence	0.8	0.1	0.5	0.1	-0.1	0.3
<b>Total comprehensive income for the period attributable to:</b>						
Shareholders of the Parent company	40.7	56.7	104.1	166.0	176.3	244.5
Holdings without a controlling influence	0.1	0.2	-0.3	0.3	0.1	0.6
<b>Data per share<sup>1</sup></b>						
Earnings per share for the period attributable to the shareholders of the parent company, SEK	1.05	1.60	3.91	4.62	6.00	6.97
Equity per share attributable to the shareholders of the parent company, SEK	36.14	30.51	36.14	30.51	33.44	33.49
Cash flow from operations per share, SEK	4.77	-2.86	10.41	3.27	23.27	16.13
Number of outstanding shares at end of period	27,499,948	27,454,851	27,499,948	27,454,851	27,499,948	27,454,851
Weighted average number of outstanding shares	27,499,948	27,454,851	27,474,351	27,454,851	27,469,437	27,454,851

1) Proact has a long-term performance-based share program that could give rise to dilution of maximum 1.82 per cent.

## Consolidated Balance Sheet in brief

Amounts in SEK million	30 sep 2023	30 sep 2022	31 Dec 2022
<b>ASSETS</b>			
<b>Fixed assets</b>			
Goodwill	1,013.8	991.0	983.6
Other intangible fixed assets	196.5	252.6	230.7
Tangible fixed assets	329.7	339.1	366.8
Other long-term receivables	547.5	448.6	548.2
Deferred tax receivables	24.0	22.6	25.6
<b>Current assets</b>			
Inventories	20.8	53.2	64.1
Trade and other receivables	1,191.1	1,290.2	1,517.1
Cash and cash equivalents	429.3	284.9	505.7
<b>Total assets</b>	<b>3,752.7</b>	<b>3,682.3</b>	<b>4,241.9</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to the shareholders of the parent company	993.7	837.6	919.5
Equity attributable to holdings without a controlling influence	-	3.5	3.9
<b>Total equity</b>	<b>993.7</b>	<b>841.1</b>	<b>923.4</b>
<b>Long-term liabilities</b>			
Long-term liabilities, interest-bearing	410.9	689.1	631.3
Long-term liabilities, non-interest-bearing	729.1	573.5	737.0
Deferred tax liabilities	61.3	74.0	73.1
<b>Short-term liabilities</b>			
Short-term liabilities, interest-bearing	116.8	151.1	118.7
Short-term liabilities, non-interest-bearing	1,440.9	1,353.6	1,758.4
<b>Total equity and liabilities</b>	<b>3,752.7</b>	<b>3,682.3</b>	<b>4,241.9</b>

## Consolidated statement of changes in Equity

Amounts in SEK million	30 sep 2023	30 sep 2022	31 Dec 2022
At beginning of period	923.4	713.9	713.9
Total comprehensive income for the period	103.7	166.3	245.1
Dividend	-50.8	-41.2	-41.2
Acquisition from holdings without a controlling influence	8.4	-	-
Share savings and share option programs	6.1	2.1	6.0
<b>At end of period</b>	<b>993.7</b>	<b>841.1</b>	<b>923.4</b>

Holdings without a controlling influence: Proact Lietuva UAB 26.14 per cent, was divested August 28, 2023.

## Consolidated Cash Flow Statement in brief

Amounts in SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	Jan-Dec 2022
<b>CASH FLOW FROM OPERATIONS FOR THE YEAR</b>						
<b>Operating profit for the year</b>	61.5	60.0	152.5	171.9	241.2	260.6
Adjustment for items not affecting cash flow:						
Reversal of depreciation and impairment of fixed assets	58.0	41.6	171.8	153.9	230.5	212.6
Financial leasing sales	10.7	9.7	22.8	28.7	30.8	36.7
Reversal of non-cash items	-6.6	8.1	-16.7	-3.8	-6.4	6.5
Change in provisions	-1.8	1.2	3.2	1.3	7.1	5.3
Income tax paid	-18.6	-8.2	-53.6	-33.6	-66.9	-46.9
<b>Cash flow from operating activities before changes in working capital</b>	<b>103.2</b>	<b>112.4</b>	<b>279.9</b>	<b>318.4</b>	<b>436.3</b>	<b>474.7</b>
Cash flow from changes in working capital						
Inventories	25.1	-14.7	44.9	-35.8	35.5	-45.1
Operating receivables	250.2	-6.5	334.3	-136.0	23.3	-447.0
Operating liabilities	-246.0	-165.2	-367.4	-47.4	151.7	471.7
<b>Cash flow from operating activities</b>	<b>132.5</b>	<b>-74.0</b>	<b>291.7</b>	<b>99.2</b>	<b>646.8</b>	<b>454.3</b>
<b>INVESTMENT ACTIVITIES</b>						
Acquisition of businesses	-0.6	-115.3	-8.4	-127.5	-34.3	-153.4
Capital expenditure on tangible fixed assets	-6.7	-8.8	-31.3	-26.1	-44.6	-39.4
Disposals of tangible fixed assets	-	0.1	0.2	1.6	0.4	1.9
Investments in intangible fixed assets	-0.3	-0.3	-0.6	-1.2	-1.1	-1.6
Increase / decrease, non current receivables	0.1	-7.9	0.1	-2.1	0.1	-2.1
<b>Cash flow from investing activities</b>	<b>-7.4</b>	<b>-132.3</b>	<b>-40.1</b>	<b>-155.3</b>	<b>-79.5</b>	<b>-194.6</b>
<b>FINANCING ACTIVITIES</b>						
Dividend	-	-	-50.8	-41.2	-50.8	-41.2
Borrowings and repaid loans	-98.0	-	-199.2	8.8	-270.3	-62.3
Interest earned	0.4	2.0	11.4	2.2	12.1	2.9
Interest paid	-1.8	-6.2	-16.7	-11.4	-20.5	-15.2
Amortisation of leasing debt	-31.2	-35.5	-80.4	-99.4	-114.2	-133.1
Other cash flow from financing activities	0.6	-0.0	-1.1	0.0	0.3	1.4
<b>Cash flow from financing activities</b>	<b>-129.9</b>	<b>-39.7</b>	<b>-336.8</b>	<b>-141.0</b>	<b>-443.3</b>	<b>-247.4</b>
Total cash flow for the period	-4.9	-246.0	-85.2	-197.1	124.0	12.2
Cash and cash equivalents at beginning of the period	442.9	528.0	505.7	463.9	284.9	463.9
Currency translation difference in cash and cash equivalents	-8.7	2.9	8.8	18.1	20.3	29.5
<b>Cash and cash equivalents at end of the period</b>	<b>429.3</b>	<b>284.9</b>	<b>429.3</b>	<b>284.9</b>	<b>429.3</b>	<b>505.7</b>

## Key ratios

	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Rolling 12	Jan-Dec
Amounts in SEK million	2023	2022	2023	2022	months	2022
<b>Total revenue</b>	<b>1,065.3</b>	<b>1,098.6</b>	<b>3,487.3</b>	<b>3,316.8</b>	<b>4,927.3</b>	<b>4,756.8</b>
of which attributable to acquisition and divestments	-4.5	82.0	34.9	234.0	70.2	271.0
of which currency effects	62.9	34.2	153.8	97.9	212.4	156.4
Total revenue, organic	1,006.9	950.6	3,298.6	2,931.1	4,644.8	4,174.0
<b>Organic growth total revenue, %</b>	<b>-8.3</b>	<b>21.2</b>	<b>-0.5</b>	<b>15.6</b>	<b>9.1</b>	<b>22.8</b>
System revenue	523.6	629.2	1,886.1	1,948.8	2,798.7	2,861.4
of which attributable to acquisition and divestments	-3.8	40.1	1.3	101.5	-7.4	69.5
of which currency effects	22.8	18.7	62.1	53.3	93.3	84.5
Total system revenue, organic	504.6	570.3	1,822.7	1,794.0	2,712.8	2,707.4
<b>Organic growth system revenue, %</b>	<b>-19.8</b>	<b>33.9</b>	<b>-6.5</b>	<b>23.0</b>	<b>10.1</b>	<b>35.2</b>
Services revenue	540.8	469.1	1,597.3	1,367.0	2,119.3	1,889.0
of which attributable to acquisition and divestments	-0.7	77.8	33.6	194.8	77.4	201.6
of which currency effects	40.0	15.4	91.5	44.5	118.8	71.8
Total service revenue, organic	501.5	375.9	1,472.2	1,127.6	1,923.2	1,615.7
<b>Organic growth service revenue, %</b>	<b>6.9</b>	<b>5.9</b>	<b>7.7</b>	<b>5.6</b>	<b>73.0</b>	<b>6.3</b>
<b>EBITDA</b>	<b>119.4</b>	<b>113.1</b>	<b>323.9</b>	<b>325.9</b>	<b>471.2</b>	<b>473.2</b>
EBITDA margin, %	11.2	10.3	9.3	9.8	9.6	9.9
Depreciation and write-down on tangible assets	-43.7	-39.8	-129.6	-118.7	-170.9	-160.1
<b>EBITA</b>	<b>75.7</b>	<b>73.4</b>	<b>194.3</b>	<b>207.1</b>	<b>300.3</b>	<b>313.1</b>
EBITA margin, %	7.1	6.7	5.6	6.2	6.1	6.6
Amortization and write-down on intangible assets	-14.2	-13.3	-41.8	-35.2	-59.1	-52.5
<b>EBIT</b>	<b>61.5</b>	<b>60.1</b>	<b>152.5</b>	<b>171.9</b>	<b>241.2</b>	<b>260.6</b>
EBIT marginal, %	5.8	5.5	4.4	5.2	4.9	5.5
<b>Profit before tax</b>	<b>63.7</b>	<b>56.1</b>	<b>135.5</b>	<b>158.2</b>	<b>221.4</b>	<b>244.2</b>
Net margin, %	6.0	5.1	3.9	4.8	4.5	5.1
<b>Profit after tax</b>	<b>50.9</b>	<b>43.9</b>	<b>107.5</b>	<b>127.0</b>	<b>172.1</b>	<b>191.5</b>
Profit margin, %	4.8	4.0	3.1	3.8	3.5	4.0
Equity	993.7	841.1	993.7	841.1	923.4	923.4
Total assets	3,752.7	3,682.3	3,752.7	3,682.3	4,241.9	4,241.9
<b>Equity ratio, %</b>	<b>26.5</b>	<b>22.8</b>	<b>26.5</b>	<b>22.8</b>	<b>26.5</b>	<b>21.8</b>
<b>Capital turnover rate, times<sup>1</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.3</b>	<b>1.2</b>
<b>Return on equity, %<sup>1</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18.8</b>	<b>23.4</b>
Financial costs included in net financial items	6.8	5.7	33.9	17.6	42.8	26.7
Capital employed	1,521.3	1,681.3	1,521.3	1,681.3	1,521.3	1,673.4
<b>Return on capital employed, %<sup>1</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16.5</b>	<b>17.2</b>
Investments in fixed assets	19.9	254.6	105.0	312.7	189.8	397.5
<b>Profit before tax per employee, SEK thousands</b>	<b>55.2</b>	<b>47.6</b>	<b>115.8</b>	<b>137.8</b>	<b>188.2</b>	<b>210.6</b>
Average number of employees	1,154.1	1,178.0	1,169.5	1,148.0	1,176.4	1,159.5

1) Calculated only for full year and rolling 12 months.

For a five-year summary, see Note 2. For definitions of key ratios, see Annual Report 2022.

The key ratios that Proact reports and monitors the business by are common key ratios used by the industry and by companies listed on Nasdaq Stockholm.



## Parent Company's Income Statement, in brief

Amounts in SEK million	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	113.1	100.4	139.9
Cost of goods and services sold	-	-	-
<b>Gross profit</b>	<b>113.1</b>	<b>100.4</b>	<b>139.9</b>
Administration expenses	-111.5	-102.4	-144.4
<b>Operating profit</b>	<b>1.6</b>	<b>-2.0</b>	<b>-4.5</b>
Net financial items	125.3	58.5	78.3
<b>Profit after financial items</b>	<b>127.0</b>	<b>56.5</b>	<b>73.8</b>
Provisions	-	-	-
<b>Profit before tax</b>	<b>127.0</b>	<b>56.5</b>	<b>73.8</b>
Income tax	-5.3	-4.4	-5.1
<b>Comprehensive income for the period</b>	<b>121.7</b>	<b>52.1</b>	<b>68.8</b>

## Parent Company's Balance Sheet, in brief

Amounts in SEK million	30 sep 2023	30 sep 2022	31 Dec 2022
<b>ASSETS</b>			
Fixed assets	1,031.7	1,204.5	1,204.0
Current assets	84.4	111.3	108.9
<b>Total assets</b>	<b>1,116.1</b>	<b>1,315.7</b>	<b>1,312.9</b>
<b>EQUITY AND LIABILITIES</b>			
Restricted Equity	82.3	81.5	81.7
Non-restricted Equity	272.1	325.3	345.6
<b>Equity</b>	<b>354.4</b>	<b>406.8</b>	<b>427.3</b>
Long-term liabilities	268.1	518.7	453.2
Short-term liabilities	493.6	390.2	432.3
<b>Total equity and liabilities</b>	<b>1,116.1</b>	<b>1,315.7</b>	<b>1,312.9</b>

# Explanatory information

## Note 1. Accounting principles

The consolidated accounts for the interim report have been compiled in accordance with IAS 34 and the Swedish Annual Accounts Act. The Parent Company's accounts have been compiled in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 (Accounting for Legal Entities). The Group applies the same accounting principles as those described in the annual report for 2022.

### Financial instruments

Proact's financial instruments consist of derivatives, accounts receivable, cash and cash equivalents, accounts payable, accrued trade creditors and interest-bearing liabilities. Derivative instruments are recognized in the balance sheet as per the contract date and are valued at fair value, both initially and in subsequent revaluations. All derivatives are reported continuously at fair value with the value changes reported in the statement of comprehensive income within cost of goods sold for those derivatives that are linked to accounts

payable and financial items for the derivatives that are linked to financial leasing contracts. Derivatives are valued at fair value within level 2, i.e., fair value determined on the basis of valuation techniques with observable market data, either directly (as price) or indirectly (hence to price). All other financial assets have been classified as loans and receivables, which includes accounts receivable and cash and cash equivalents. All other financial liabilities have been classified as other financial liabilities valued at amortised cost, which includes accounts payable, accrued supplier costs and liabilities to credit institutions. Liabilities to credit institutions run at variable interest rates and reported interest rates are on a par with current interest on liabilities to credit institutions and other financial assets and liabilities with short maturities. Based on this, the book values of all financial assets and liabilities are judged to be a reasonable estimate of fair value.

## Note 2. Five-year summary

Amounts in SEK million	Oct-Sep 22/23	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019
Total revenue	4,927.3	4,756.8	3,525.0	3,633.1	3,407.9
EBITDA	471.2	473.2	348.6	369.6	271.7
<i>EBITDA margin, %</i>	9.6	9.9	9.9	10.2	8.0
EBITA	300.3	313.1	197.5	216.7	134.2
<i>EBITA margin, %</i>	6.1	6.6	5.6	6.0	3.9
EBIT	241.2	260.6	166.2	182.1	105.4
<i>EBIT margin, %</i>	4.9	5.5	4.7	5.0	3.1
Profit before tax	221.4	244.2	151.9	167.7	101.7
<i>Net margin, %</i>	4.5	5.1	4.3	4.6	3.0
Profit after tax	172.1	191.5	117.2	132.3	80.2
<i>Profit margin, %</i>	3.5	4.0	3.3	3.6	2.4
<i>Equity ratio, %</i>	26.5	21.8	21.0	20.7	18.3
Capital turnover rate, times	1.3	1.2	1.1	1.3	1.3
<i>Return on equity, %</i>	18.8	23.4	17.8	23.4	16.1
<i>Return on capital employed, %</i>	16.5	17.2	13.4	17.1	13.2
Dividend to shareholders of the Parent company <sup>1</sup>	50.8	41.2	41.2	22.9	38.0
Investments in fixed assets	189.8	397.5	550.7	269.1	440.7
Financial costs included in net financial items	42.8	26.7	19.8	20.7	11.3
Profit before tax per employee, SEK thousands	188.2	210.6	147.9	172.3	122.0
Average number of employees	1,176.4	1,159.5	1,027.3	973.4	833.5
Earnings per share for the period, SEK <sup>2</sup>	6.25	6.97	4.27	4.80	2.92

1) Relates to the year in which the dividend was executed. For the fiscal year 2022 a dividend of SEK 1.85, total SEK 50.8 million, was made.

2) Calculated on the basis of the weighted average number of outstanding shares. The comparative figures have been adjusted for the 13 share split that was implemented in May 2021. Proact has long-term performance-based share programs that could give rise to dilution of maximum 182 per cent.