

Second quarter 2021

Q2

Pontus Bodelsson, CEO and Dora Brink Clausen, CFO | 26 August 2021

A portrait of Pontus Bodelsson, a man with short brown hair and a beard, wearing a dark suit jacket over a light blue shirt. He is standing with his arms crossed against a dark grey background.

Q2 highlights and operational update

Pontus Bodelsson

Financial highlights

Continued expansion

+13%

Net sales

+7%

Organic growth

35%

Adjusted EBITA
margin

3.0X

Leverage

Introduction of Pontus Bodelsson

Experienced business leader in content, authors and experts



Key comments

- 23 years as CEO - five different companies
 - Including digital knowledge companies NE/Nationalencyklopedin and the media group Sydsvenskan/HD
- Master of Laws (LL.M) 1995 and MBA 2007
- Author and speaker with focus on leadership
- Board assignments in e-health

Early reflections as CEO

It's not about changing the strategy – it's about improving the execution

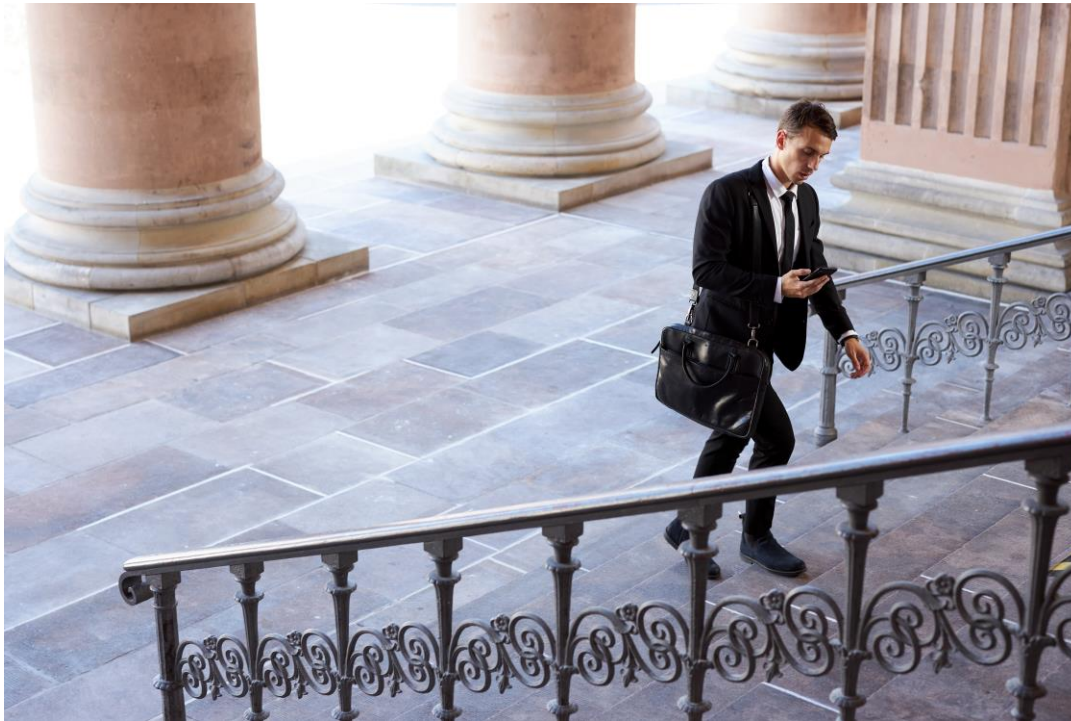


Key comments

- Karnov plays an important part in a society based on justice and democracy
- Increase the customer value by putting our unique content in the customers' context
- Our quality content is more needed than ever
- Promising potential in our newly enhanced products and our verticals

Strong performance in Denmark

Enhanced platform now default solution for a majority of our customers



Key comments

- Organic growth of 4.8% and adjusted EBITA margin of 40.1%
- Both new customers and upselling to existing customers
- Both new and existing products
- Enhanced platform well received by users
- Adding more features to the platform the coming months
- Municipality product to be launched second half 2021

Great organic growth in SE/NO

Strong development in online sales



Key comments

- 8.9% organic growth driven by good online sales, sales to new customers and upselling to existing customers
- Gaining market shares in municipalities, public sector and our EHS vertical
- DIBkunnskap AS performed well, in line with expectations
- DIBkunnskap AS preparing to launch in Sweden later this year



Financial development

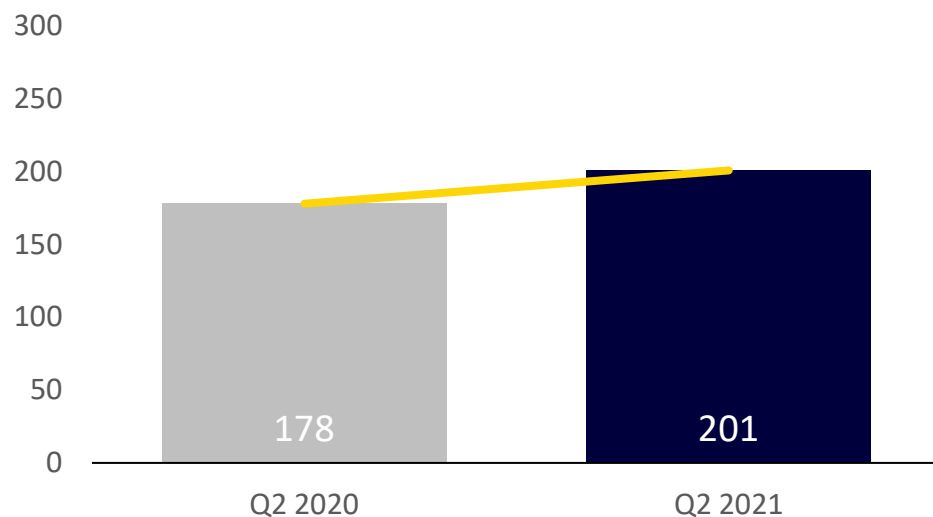
Dora Brink Clausen

Expanding the business

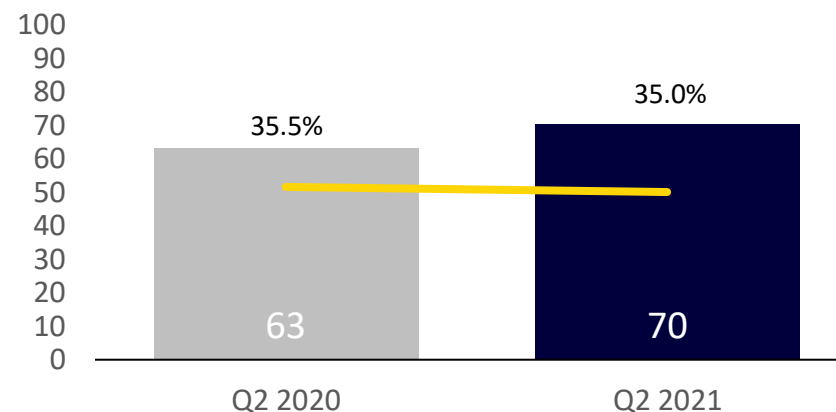
Margin still on a good level despite dilution from DIB acquisition

GROUP

Net Sales, SEKm



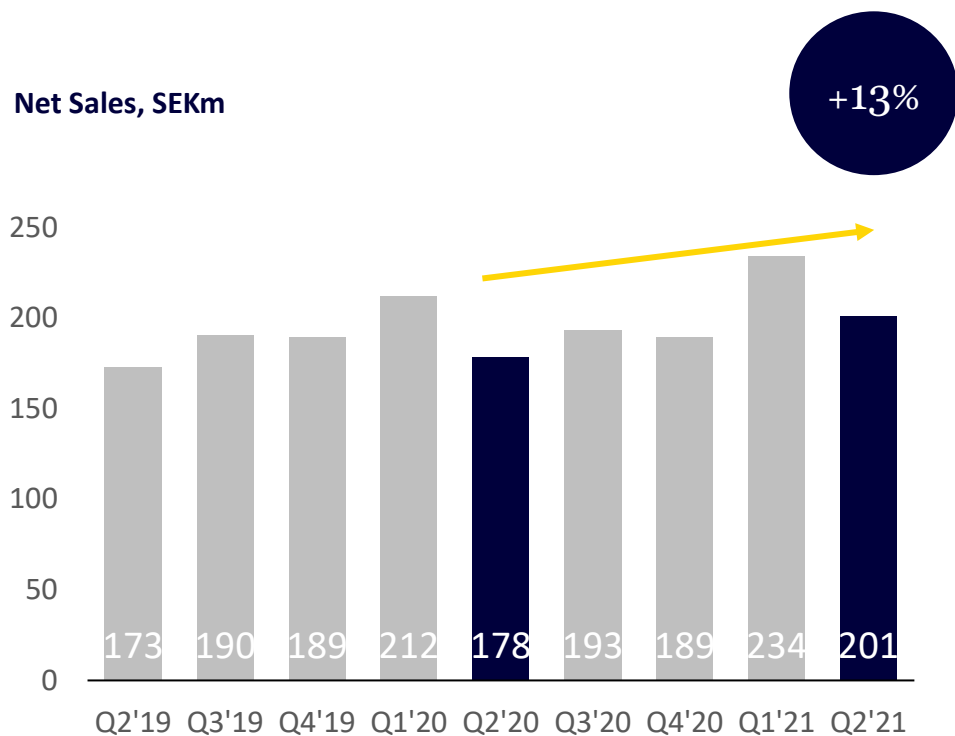
Adjusted EBITA, SEKm and margin %



Satisfying growth in Q2

Due to strong online sales

GROUP



Key comments

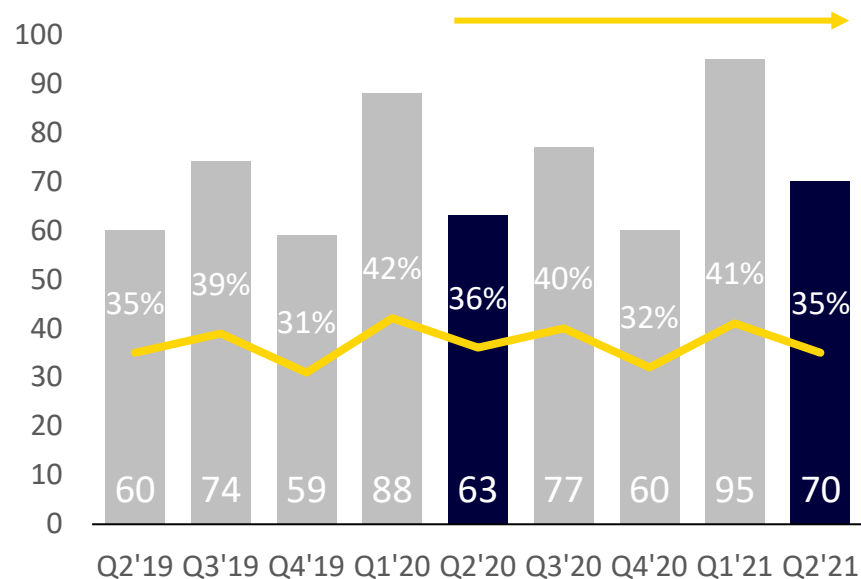
- Net sales growth of 13.0% of which organic growth was 6.6%, currency effects was -2.3% and acquired growth was 8.7%
- Online sales continued to be a growth driver
- Offline sales declined in line with normal market trend
- DIBkunnskap AS performed as expected

Margin on a good level

Better product mix and operational excellence had a positive impact

GROUP

Adjusted EBITA and margin, SEKm and %



Key comments

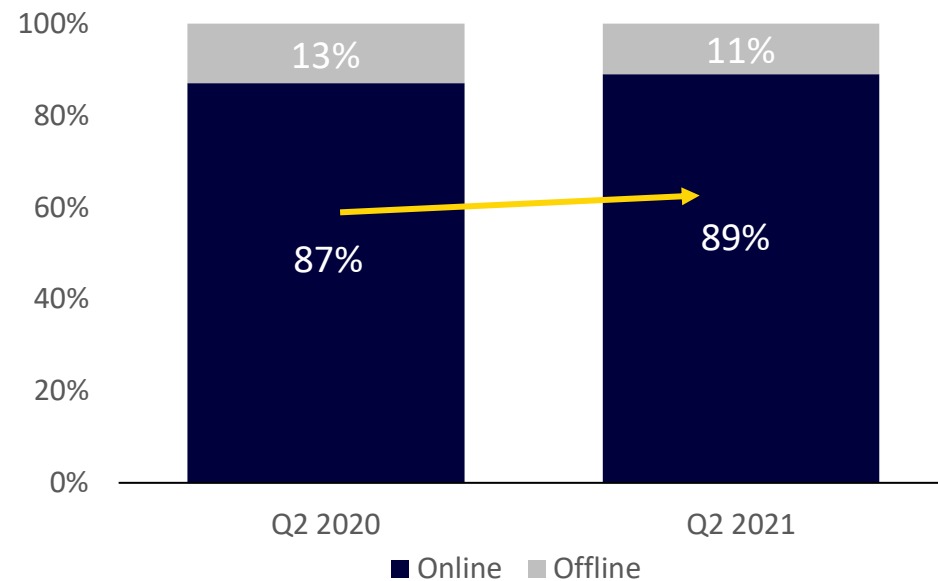
- Adjusted EBITA improved by 11.4 % to SEK 70 m (63)
- Adjusted EBITA margin declined to 35.0 % (35.5), with DIBkunnskap AS having a minor dilution effect of 1 pp on group level as earlier announced
 - Margin still on a good level
 - Net sales growth, better product mix and our strive for operational excellence had a positive impact on margin

Online growing

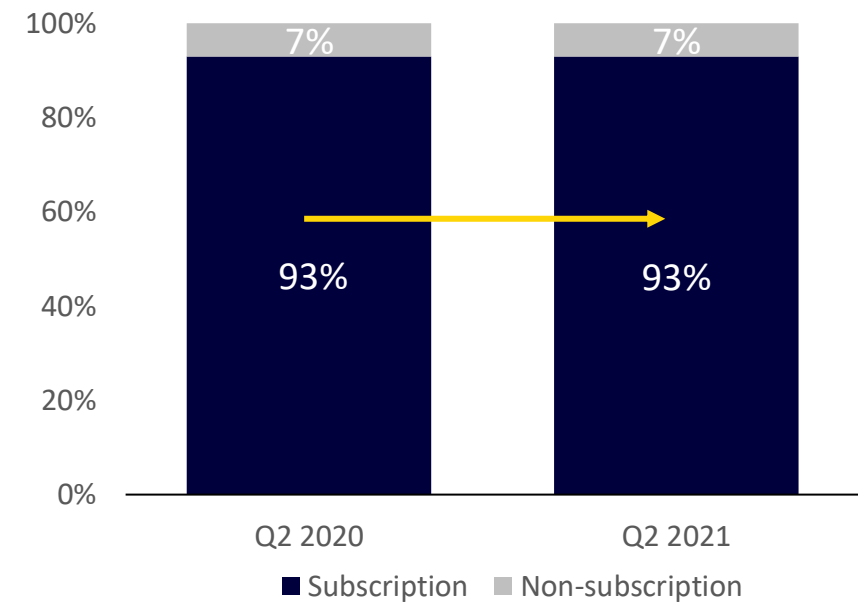
Typical high level of online sales in the second quarter

SALES SPLIT

Sales split online/offline, %



Sales split subscription/non-subscription, %

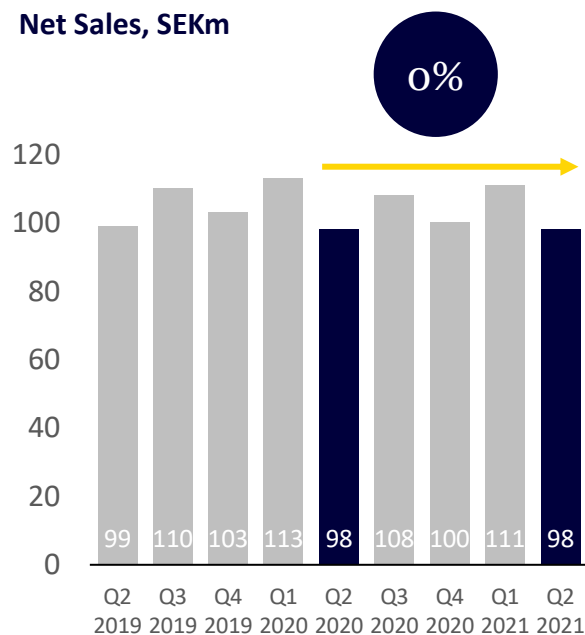


Another strong quarter in Denmark

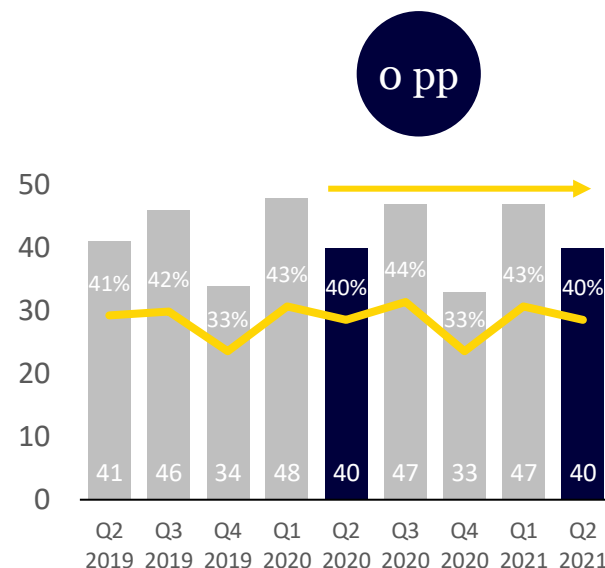
Organic growth was 5 %

DENMARK

Net Sales, SEKm



Adjusted EBITA, SEKm and %



Key comments

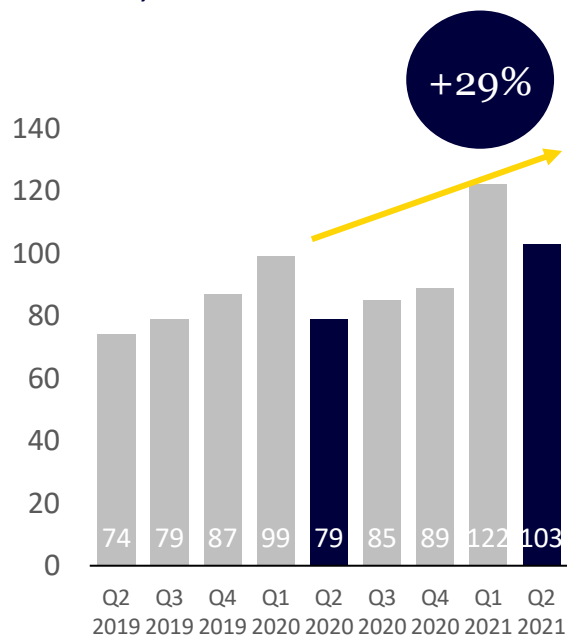
- Organic growth was 5%, however currency effects have a negative impact of -5%
- Organic growth driven by online sales
- Adjusted EBITA flat on a high level

Gaining market shares in SE/NO

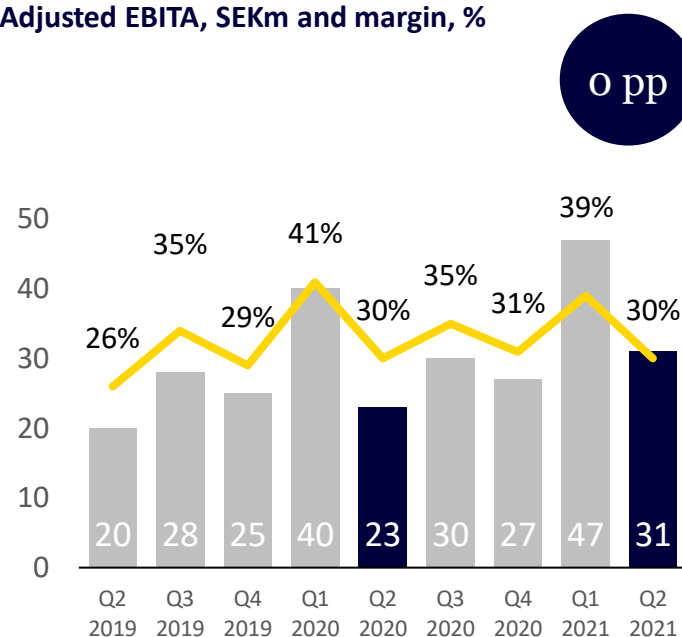
Acquired growth contributes with 19%

SE/NO

Net Sales, SEKm



Adjusted EBITA, SEKm and margin, %



Key comments

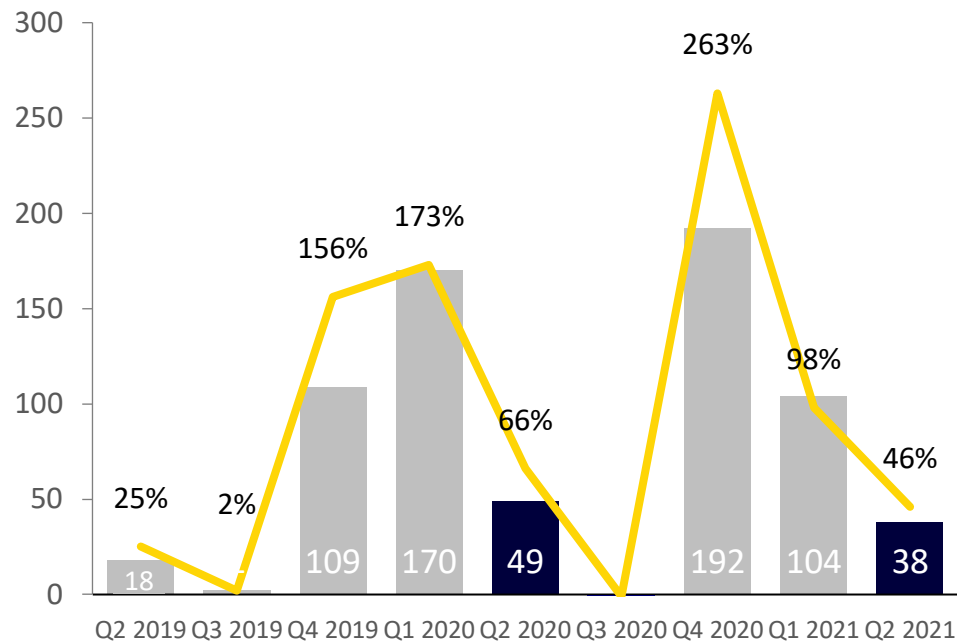
- 9% organic growth driven by good online sales, upselling to existing customers and sales to new customers
- Gaining market shares in public sector, municipalities and EHS vertical
- Acquired growth from DIBkunnskap AS contributed with 19%
- Adjusted EBITA margin improved despite dilution following the acquisition of DIBkunnskap AS

Leverage at 3.0x

Adjusted operating cash flow LTM has increased

GROUP

Adj. operating cash flow, SEKm
and cash conversion, %



Key comments

- Adjusted operating cash flow decreased by 22%
 - Timing effects impacted adjusted operating cash flow
 - Adjusted operating cash flow LTM has increased
- Cash flow still strong
 - Dividend of 98 MSEK paid out in May
- Leverage at 3.0, in line with financial target, also after the acquisition of DIBkunnskap
 - Will decrease after next invoicing season

Summary of Q2

1

In DK, a majority of our users are now using the enhanced platform

- Municipality product to be launched second half 2021

2

SE/NO segment has performed well

- Gaining market shares in public sector, municipalities and EHS vertical
- DIBkunnskap AS performs as expected

3

Stay even closer to the customers and provide solutions for their challenges of today and possibilities of tomorrow

Q&A

Better decisions, faster

Find what you need, trust what you find and do it quickly.

For more information visit
www.karnovgroup.com/en/section/investors/





Appendix

Karnov – The leading B2B platform

For legal and tax professionals in Denmark and Sweden



ESG a natural part of Karnov's DNA

High rated on the Allbright list in 2020



Key comments

- Environment, Social and Governance is a natural part of Karnov's DNA
 - Employees from over 20 countries
 - Close to 50/50 % in genders, also in management and Board
- High rated on Allbright list in 2020
- Low environmental impact
 - Actively encouraging initiatives from local management groups
 - Car policy promoting electric or hybrid cars
 - Swedish employees can choose green pension fund
 - Green energy in Copenhagen

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