IIIKARNOV GROUP

Flemming Breinholt, President and CEO

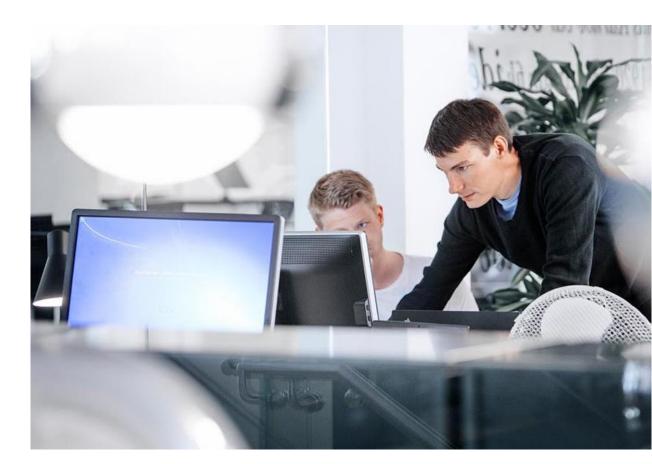
Carnegie Small & Mid Cap Seminar

3 September 2019



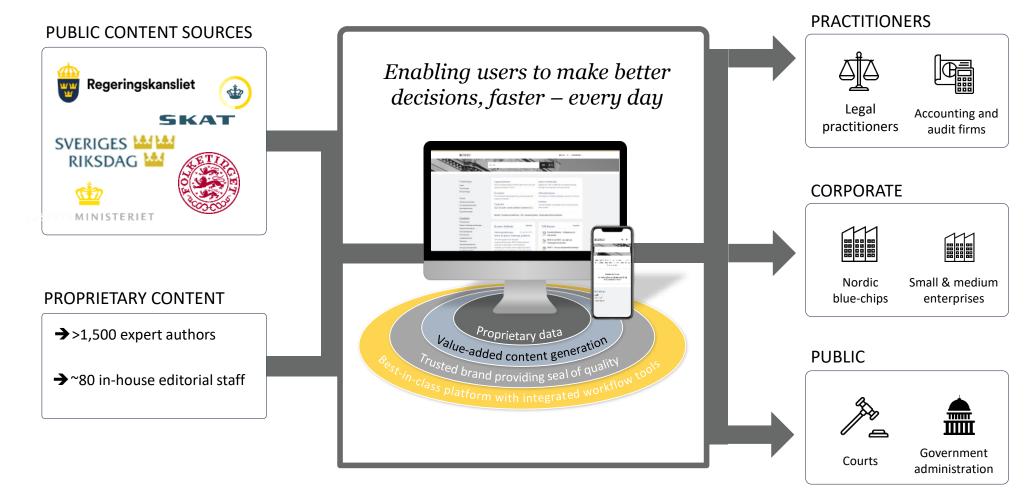
Today's Topics

- > Introduction to Karnov Group
- > Strengths
- > Latest performance
- Recent announcement of new major product
- > Status summary



Karnov – The leading B2B platform

For legal and tax professionals in Denmark and Sweden



Company Video: Understanding our customers' needs

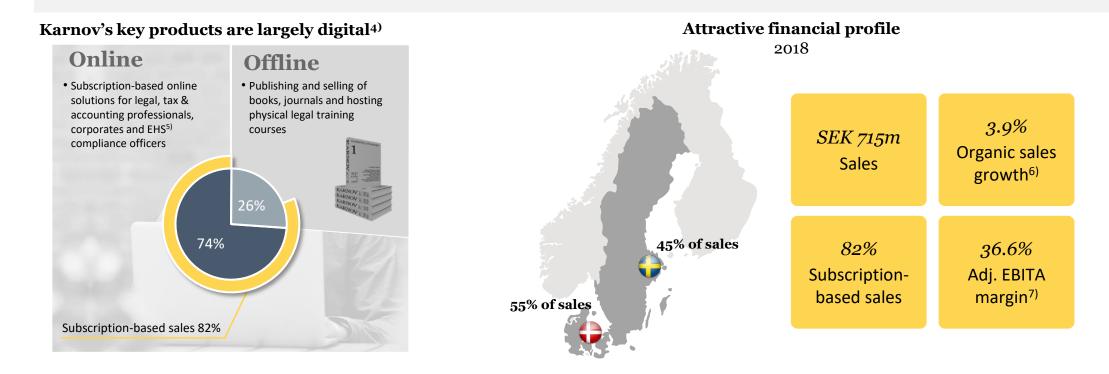
<u> https://vimeo.com/322229237</u>



Introduction to Karnov

- Platform providing relevant and actionable legal, tax and accounting information
- Over 60,000 active users¹⁾

- Founded in 1924 with headquarters in Copenhagen
- 251 employees²⁾ and >1,500 specialised authors³⁾

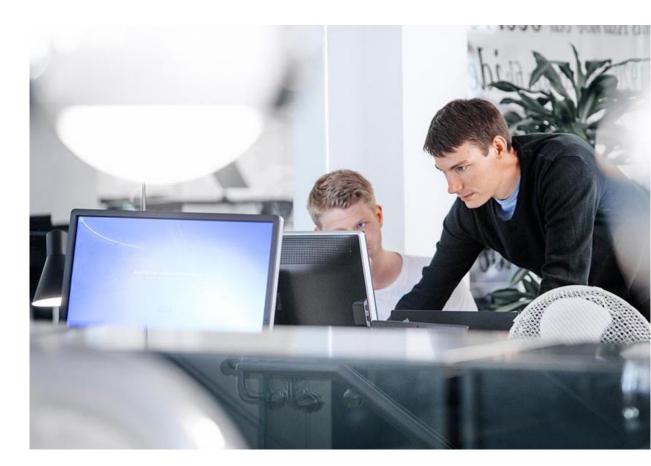




Note: 1) 2018. Active users defined as all users who has at least one document display over a 12 month period; 2) FTEs as of December 2018; 3) Based on number of contracts 2018; 4) Figures for 2018; 5) EHS: Environment, Health & Safety; 6) Organic sales growth in constant currency excluding any acquisitions within the last twelve months; 7) Adj. EBITA defined as EBIT before PPA amortisation and non-recurring items

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Unique and proprietary content developed over decades

Mission critical data, enhanced through leading author base and in-house editorial staff ensuring high quality and relevance

Public data sources	Authored content providing in-depth comments and analysis	In-house editorial staff ensuring relevant data on the platform
Regeringskansliet		
	 Leading author base Over 1,500 specialised legal experts and specialists providing authored content for Karnov¹) Long-lived author relationships and IP-rights secure Karnov's content quality and wealth Overview and interpretation Authors enrich publicly sourced legislation, case law and regulations with deep commentaries and annotations 	<text><list-item></list-item></text>

Online platform with a powerful suite of integrated efficiency tools

Dette er Karn	ovs jura-forside, her kan du se hele vores udbud af tjer		skeen herunder.	 Dig Ove Ove
	Teknik Opdateret indsigt i bygge vandfor	e-, miljø- og vejlove samt		Adva Pos
Lovgivning Hovedlove	UfR – Ugeskrift for Retsvæsen	Skat & Regnskab Skat, Moms og Afgifter, Revision og	Lov om finansiel virksomhed med	Vie
Govenove Ændringslove EU-retsakter nternationale konventioner	Det store overblik over dansk retspraksis nu og dengang Tidsskrifter	skat, Morns og Argitter, Revision og Regnskab <u>Skat, Morns og Afgifter</u> <u>Revision og Regnskab</u>	kommentarer af Thomas Brenøe, Merete Hjetting, Marianne Simonsen og Malene Stadil	Perso Tra
Forarbejder Kommissionsbetænkninger remsatte lovforslag Jdvalgsbetænkninger mv. /edtagne lovforslag	TfK TBB FED MAD TFA Karnovs Lovsamling Kommenteret med hervisninger til retspraksis og litteratur Online-bibliotek	Karnov Business Optimiser Finansiel analyse og overblik over virksomhedens økonomi. HR-guide Baggrund og vejledning til	Selskabsloven med kommentarer Af Lars Bunch og Søren Corfixsen Whitt Konkursloven med	Ens Pos
Karnov	Karnovs litteratur i onlineversion til direkte søgninger og hurtige opslag	personalejuridiske spørgsmål EU-Karnov Effektiv, opdateret søgetjeneste inden for EU-retten	kommentarer Af Lars Lindencrone Petersen og Anders Ørgaard	Worl Ove
overenskomster Cirkulærer, cirkulæreskrivelser og skrivelser	<u>Social & Sundhed</u> Arbejdsmiljø ABF Karnov Law Paradigma	Erhvervsjura Erhvervsguiden Fødeva	rer Offentlige udbud Teknik & Miljø	Fea
		\otimes		$\overline{\mathbb{S}}$

Content

- Digitalised library dating back to 1867
- Over 275,000 notes and commentaries
- Over 700,000 linked documents

Advanced search functionalities

- Possibility to search vertically or horizontally within the database
- View the historical and future development of legislation Time travel[™]

Personalised monitoring and user annotations

- Tracking and notification tools
- Ensures users are aware of new regulations and rulings
- Possible for users to highlight and add personal annotations to documents

Workflow tools

Over 500 templates or guides with commentaries, leading the user to the right result

Better decisions, faster

Features include automated contract drafting and tax advice

Do it quickly

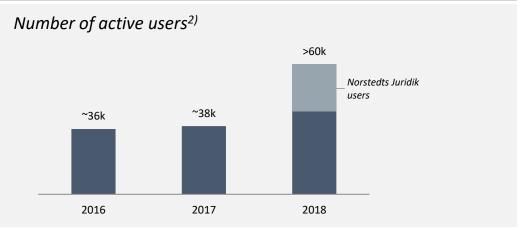


Diverse and loyal blue-chip customer base

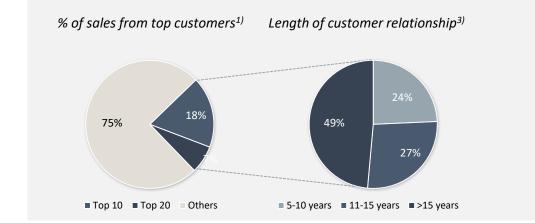
A diverse set of blue-chip customers



Stable growth in active user base



Low single customer dependence & long-term relationships





Note: 1) Percentage of online sales in 2018.; 2) Active users defined as all users who has at least one document display over a 12 month period; 3) Percentage of online sales from top 20 customers. No relationship with top 20 customers is shorter than 7 years

Resilient business with high visibility provided by must-have nature

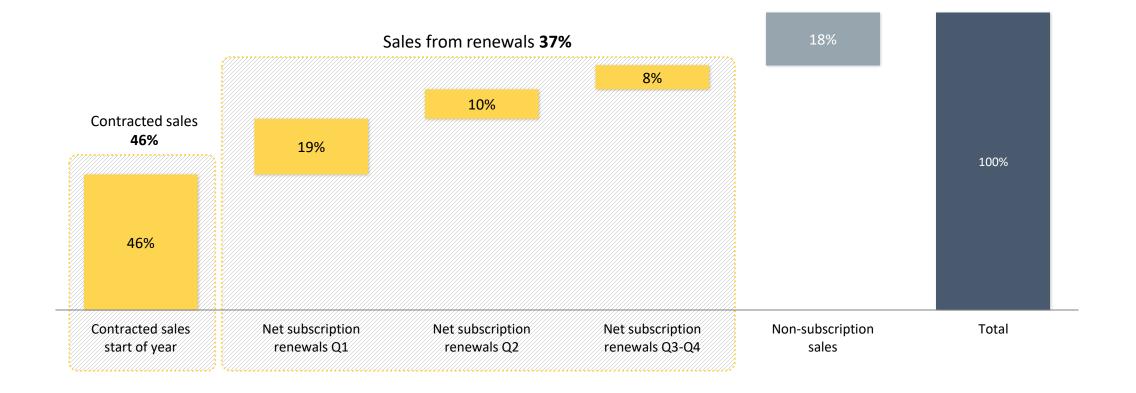
Competitive advantages





Subscription-based service leading to high visibility and high confidence on earnings

Sales visibility breakdown (2018)



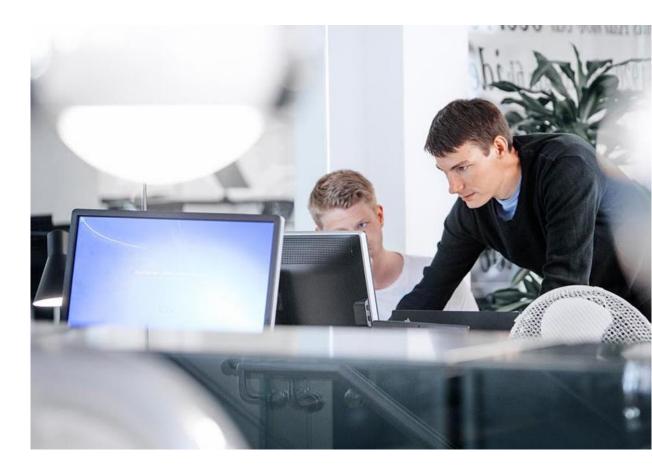


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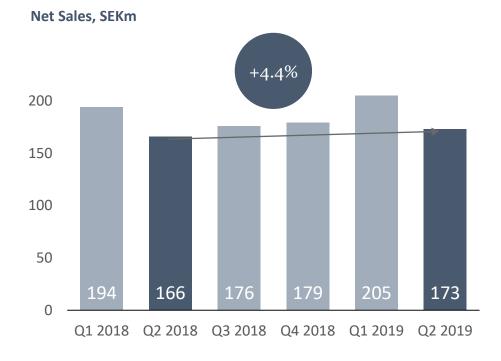
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Steady sales growth in Q2

GROUP



Key comments

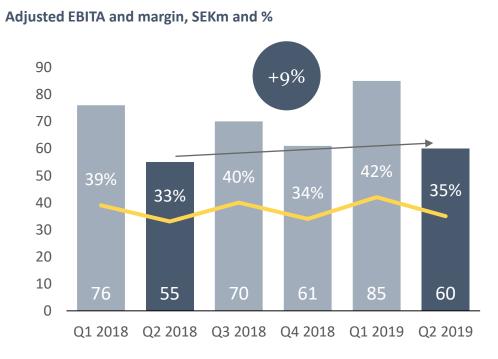
- > Steady net sales growth of 4.4%
- Q2 normally weakest quarter due to seasonality in non-subscription sales
- > Organic growth of 3% in line with expectations
- Organic growth driven by online sales, partly offset by a decline in offline books
- > Both DK and SE contributed to higher sales
- > Currency effect added 1.4%

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Continued profitability improvement

Seasonality in Q2 margins

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Key comments

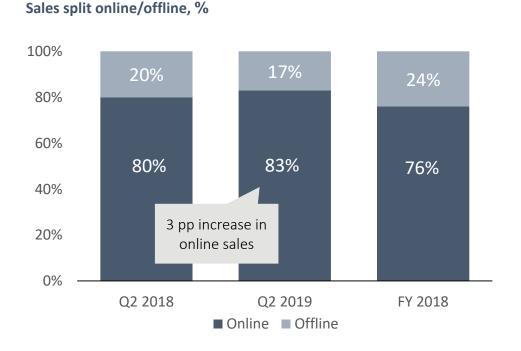
- Continued margin improvement with 9% growth in adjusted EBITA
- > Improvements due to higher sales, better product mix and good cost control
- Improvements partly offset by higher amortisation due to finalised development projects and implementation of IFRS 16

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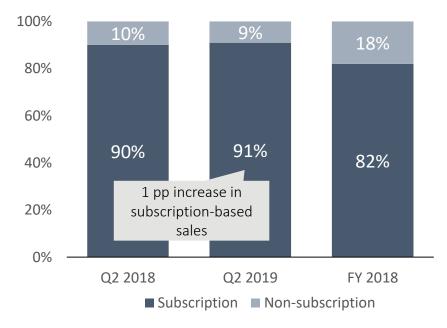
Continued focus on driving online-based sales

Increased share of subscription-based and online sales

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Sales split subscription/non-subscription, %





Performing in line with financial targets

Growth

Annual organic net sales growth of 3-5% in the medium term, supplemented by selective acquisitions.



Profitability

A higher adjusted EBITA margin in the medium term.



Capital structure

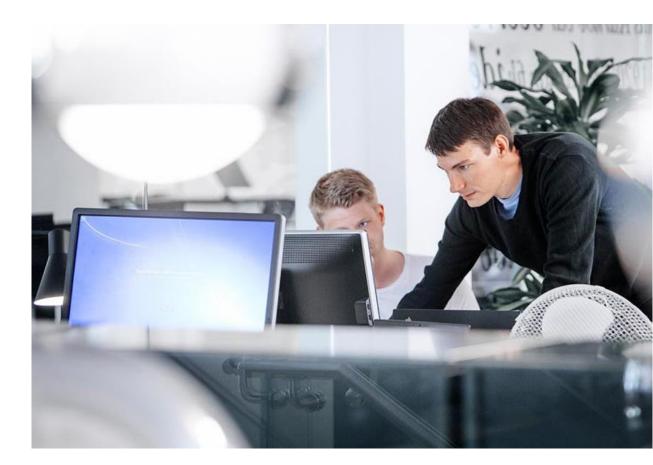
Net debt to adjusted EBITDA of no more than 3.0. This level may temporarily be exceeded, for example as a result of acquisitions.



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Start of roll-out of Juno in Sweden



Key comments

- One organisation operating from 1 May
- Over 250,000 documents migrated to JUNO from the separate platforms of Norstedts Juridik and Karnov Group Sweden
- > "Teaser campaign" for JUNO in June
- > Extensive product testing during summer
- Onboarding of customers for JUNO started

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Summary of first six months 2019

 $\left(3 \right)$

H1 as communicated at listing

- Organic growth of 3%
- Adjusted EBITA margin up 1.9 pp
- Leverage below 3x

JUNO ready to be rolled out in H2

 $\left(5 \right)$

Continued strong customer satisfaction in both DK and SE

Solid capital structure created

Good conditions to grow business further

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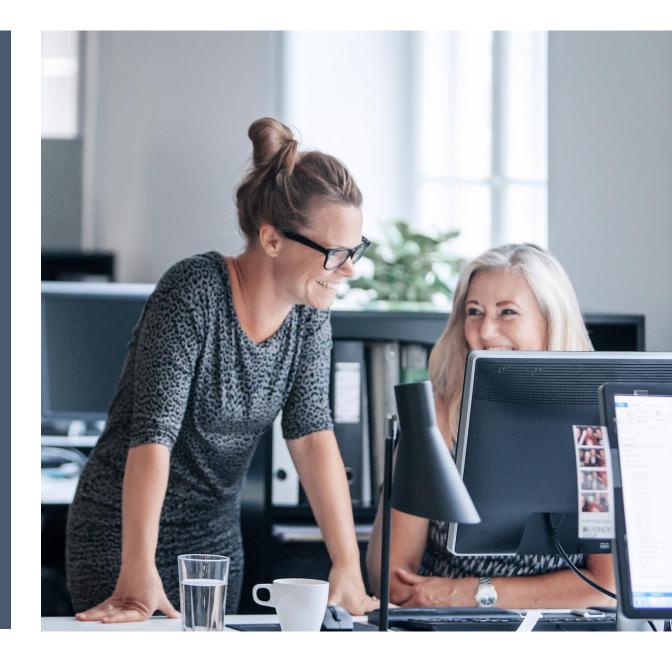
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Better decisions, faster

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

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





Karnov Group

Flemming Breinholt, President and CEO | Carnegie | 3 September 2019

