



Flemming Breinholt, President and CEO

Carnegie Small & Mid Cap Seminar

3 September 2019



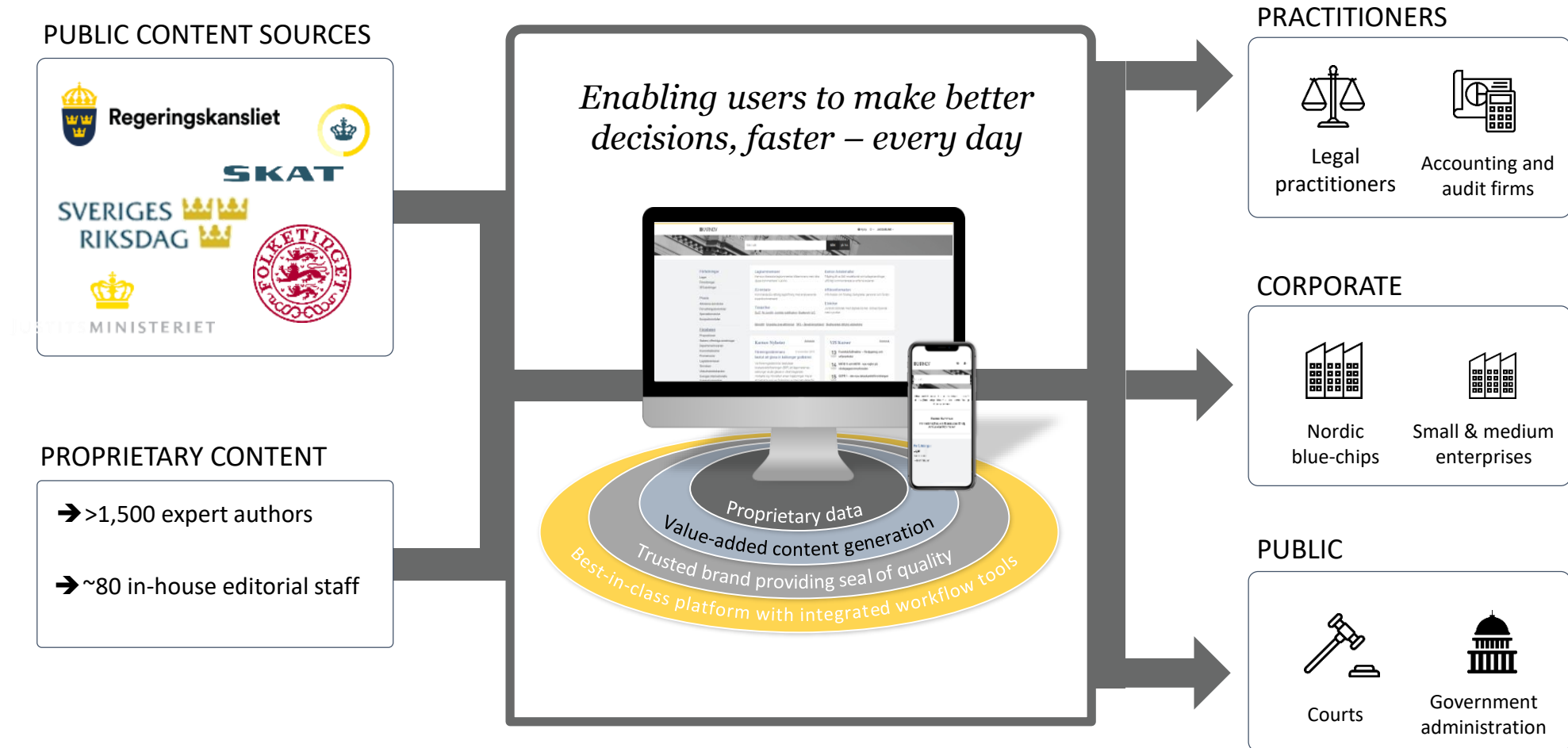
Today's Topics

- 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



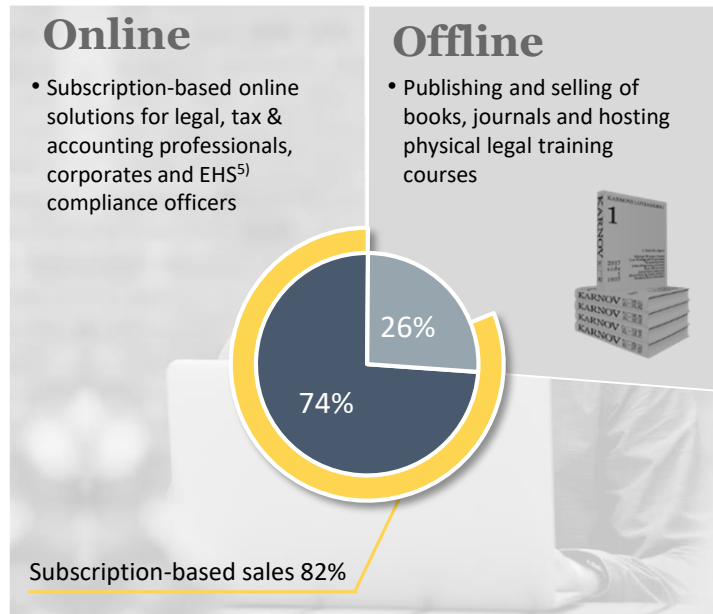
Company Video: Understanding our customers' needs

<https://vimeo.com/322229237>

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⁾

Karnov's key products are largely digital⁴⁾



Attractive financial profile

2018



SEK 715m
Sales

3.9%
Organic sales
growth⁶⁾

82%
Subscription-
based sales

36.6%
Adj. EBITA
margin⁷⁾

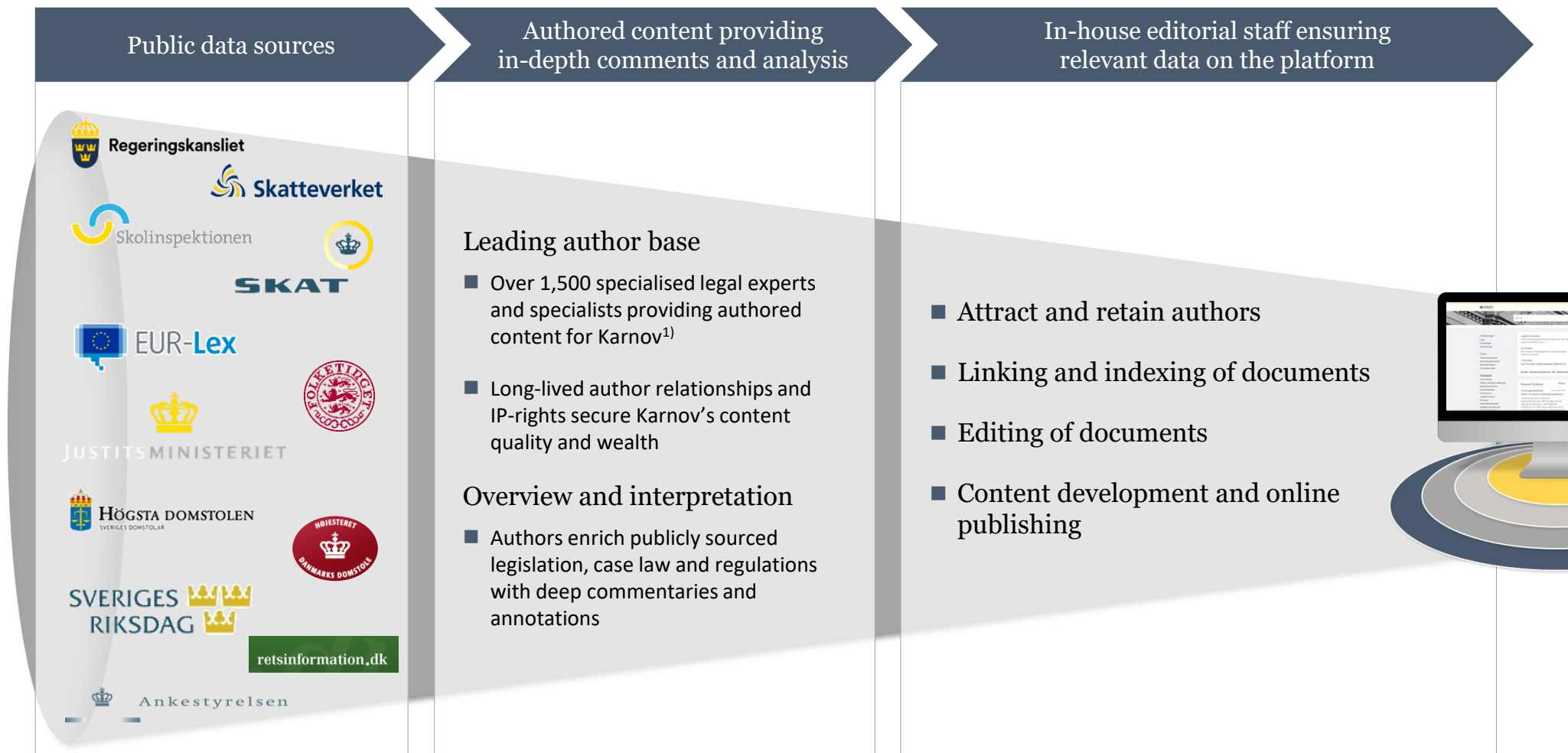
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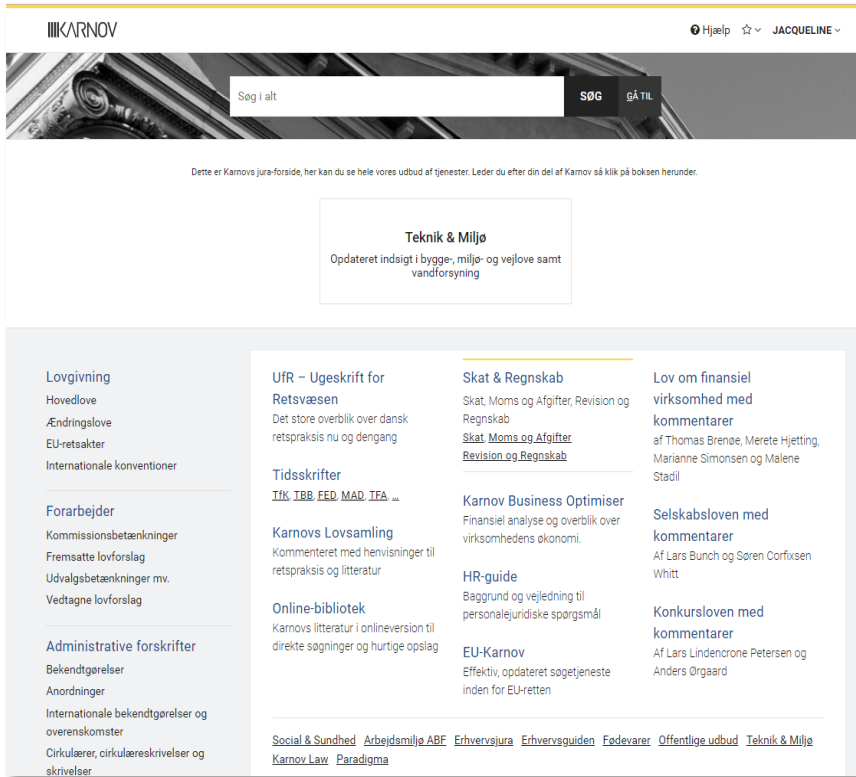


Unique and proprietary content developed over decades

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



Online platform with a powerful suite of integrated efficiency tools



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
- Features include automated contract drafting and tax advice

Key user
benefits

*Find what you
need*

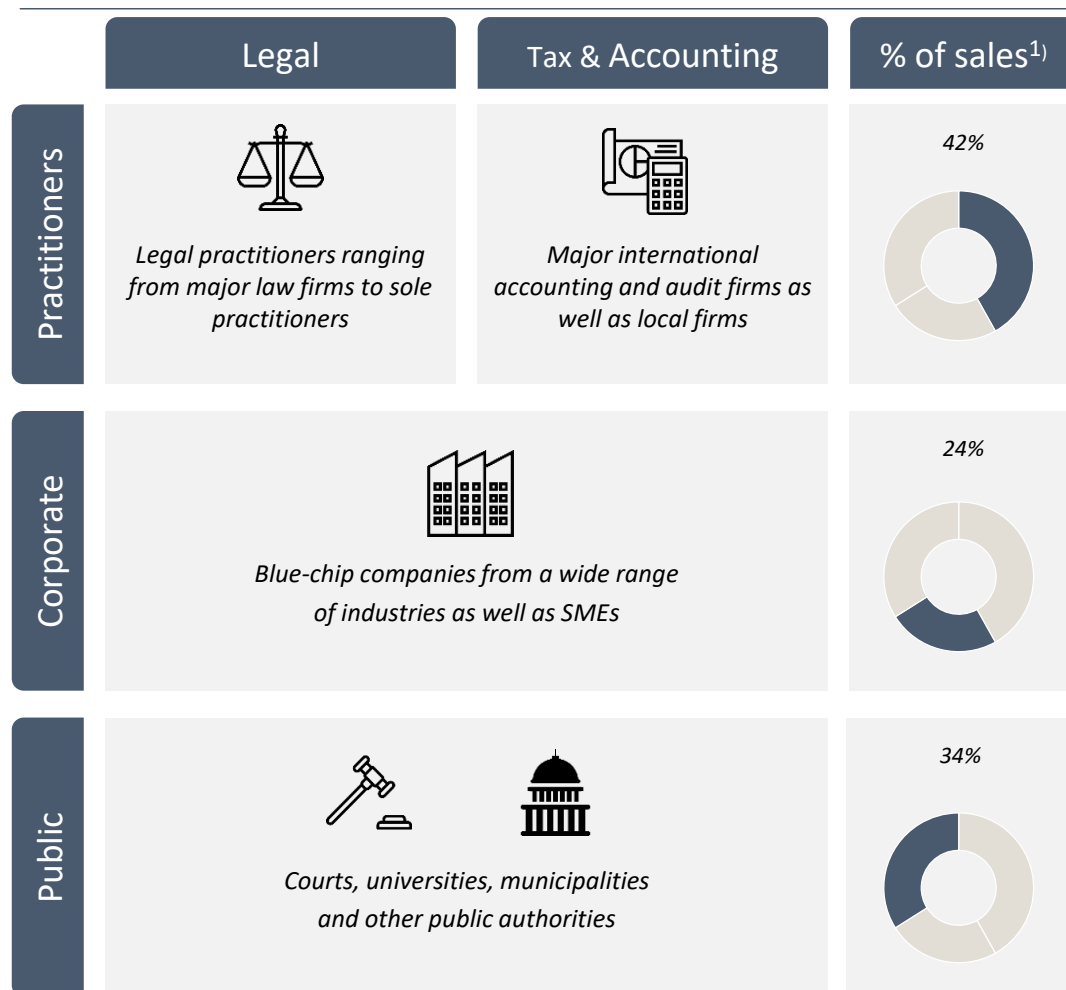
*Trust what you
find*

Do it quickly

Better decisions, faster

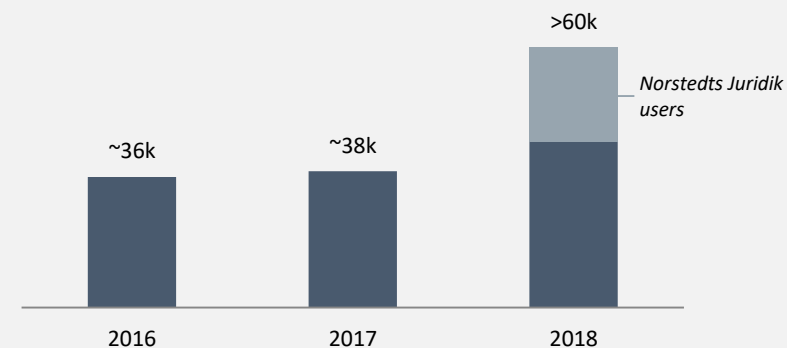
Diverse and loyal blue-chip customer base

A diverse set of blue-chip customers



Stable growth in active user base

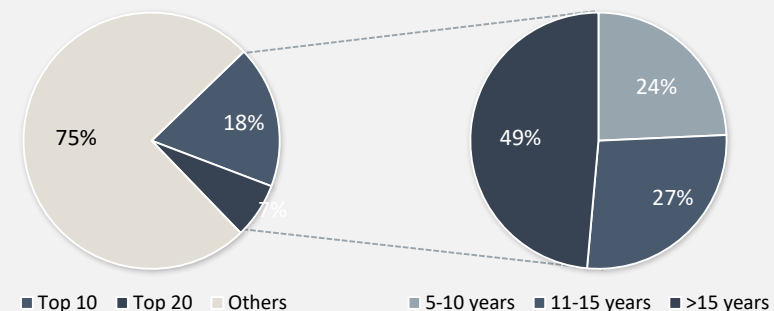
Number of active users²⁾



Low single customer dependence & long-term relationships

% of sales from top customers¹⁾

Length of customer relationship³⁾



Resilient business with high visibility provided by must-have nature

Competitive advantages



Mission critical service

Strong integration
into core value-generating workflows for legal and
tax professionals

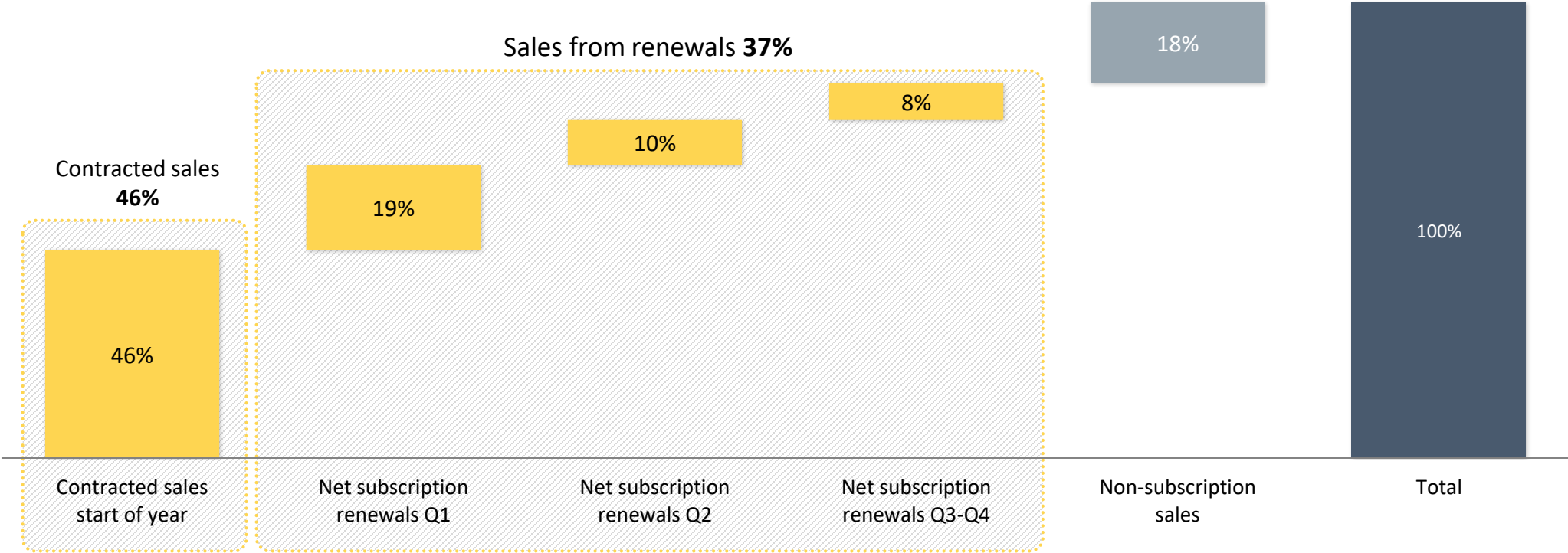
High NPS score
Net Promoter Score of 50 for Karnov DK

Low annual churn
on online products (2% in 2018)

Yearly value creation

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

Sales visibility breakdown (2018)



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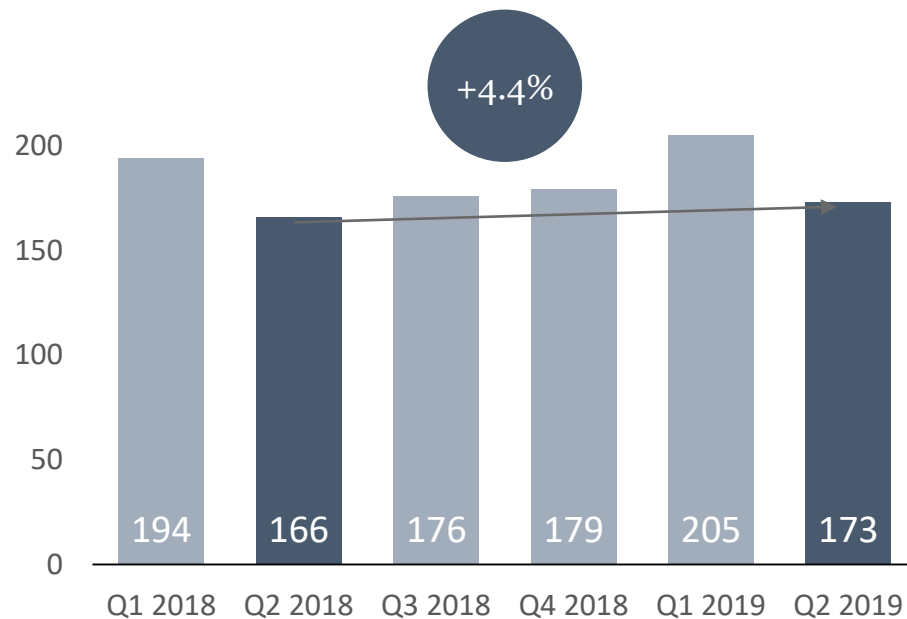
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Steady sales growth in Q2

GROUP

Net Sales, SEKm



Key comments

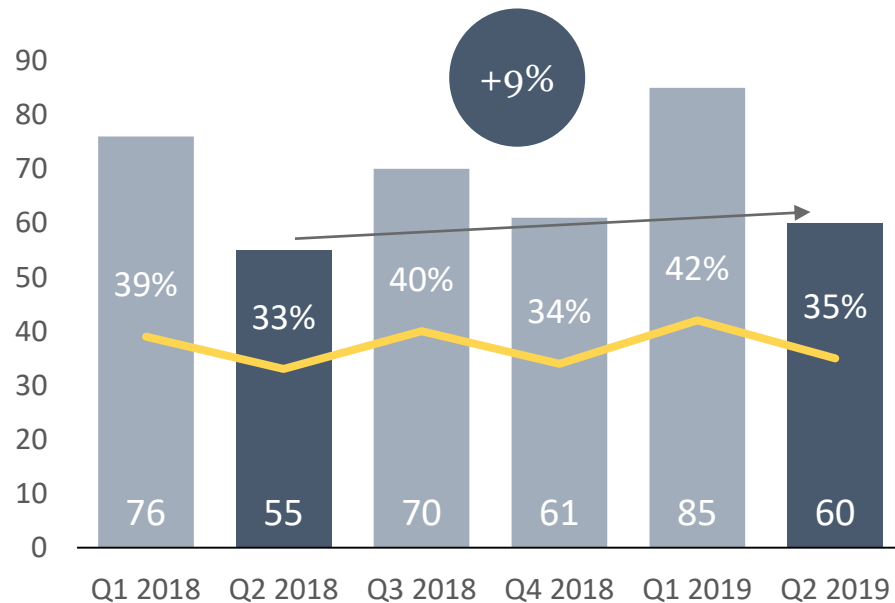
- Steady net sales growth of 4.4%
- Q2 normally weakest quarter due to seasonality in non-subscription sales
- Organic growth of 3% in line with expectations
- Organic growth driven by online sales, partly offset by a decline in offline books
- Both DK and SE contributed to higher sales
- Currency effect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

Continued profitability improvement

Seasonality in Q2 margins

GROUP

Adjusted EBITA and margin, SEKm and %



Key comments

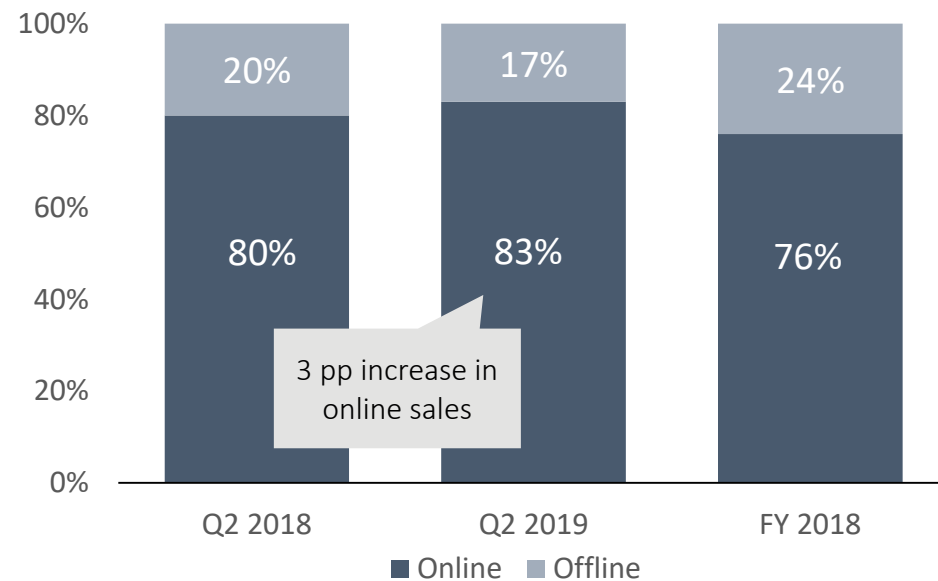
- Continued margin improvement with 9% growth in adjusted EBITA
- Improvements due to higher sales, better product mix and good cost control
- Improvements partly offset by higher amortisation due to finalised development projects and implementation of IFRS 16

Continued focus on driving online-based sales

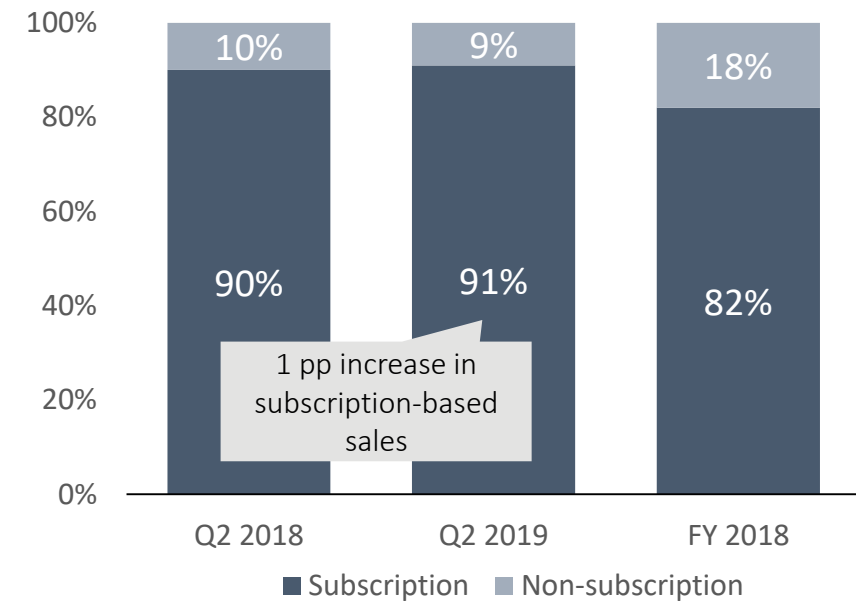
Increased share of subscription-based and online sales

GROUP

Sales split online/offline, %



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.

3%

Profitability

A higher adjusted EBITA margin in the medium term.

+1.4 pp

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.

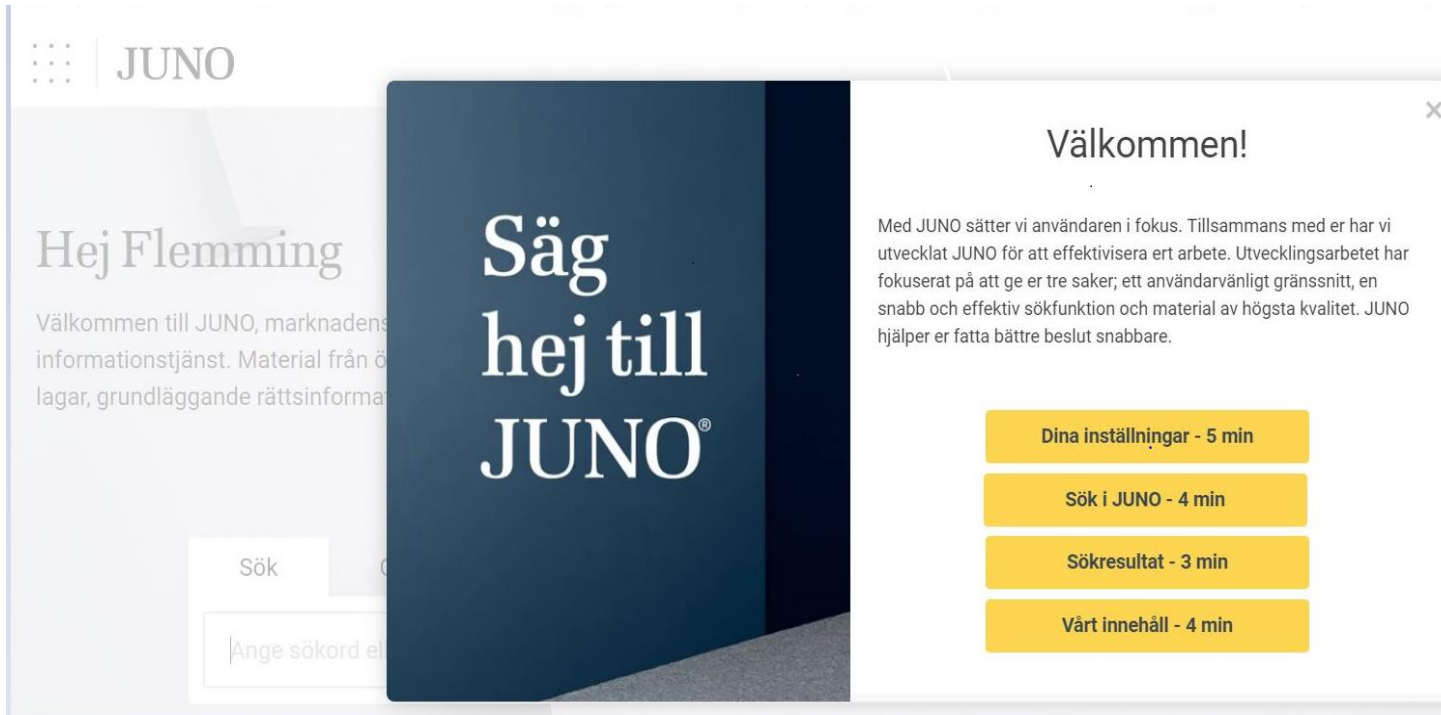
2.7x

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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

Summary of first six months 2019

1 H1 as communicated at listing

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

2

JUNO ready to be rolled out in H2

3

Continued strong customer satisfaction in both DK and SE

4

Solid capital structure created

5

Good conditions to grow business further

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/





Karnov Group

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