

The Board of Directors' proposals on appropriation of the Company's profit or loss and the Board of Directors' statement pursuant to Chapter 18, Section 4 of the Companies Act (item 7b) and the Board of Directors' statement regarding proposal on authorisation to acquire own shares pursuant to Chapter 19, Section 22 of the Swedish Companies Act (item 13)

Proposal on appropriation of profit

The following amount is at the disposal of the annual general meeting.

Share premium reserve	2,062,362,867 SEK
Retained earnings	-53,644,278 SEK
Profit for the year	-20,108,460 SEK
Total	1,988,610,129 SEK

The Board of Directors proposes that the profits be appropriated as follows:

To the shareholders, SEK 0.45 per share	43,951,755.15 SEK
To be carried forward	1,944,658,374 SEK
Total	1,988,610,129 SEK

Statement by the Board of Directors regarding the Boards proposal on appropriation of profit and authorisation to acquire own shares

The Board of Directors of Karnov Group AB (publ), reg.no. 559016-9016, (the "**Company**") hereby submit the following statement pursuant to Chapter 18, Section 4 and Chapter 19, Section 22 of the Swedish Companies Act regarding the Board of Directors proposal on appropriation of profit and authorisation to acquire own shares.

The financial position of the Company and the group as per 31 December 2019 is described in the annual report for the financial year 2019. The annual report also specifies the accounting policies that are applied to value assets, provisions and liabilities.

The proposal on appropriation states that the Board proposes a dividend of SEK 0.45 per share, corresponding to a total of SEK 43,951,755.15. The proposed dividend constitutes approximately 2.2 per cent of the Company's equity and approximately 2.9 per cent of the group's equity. The group's equity/assets ratio amounts to 44.9 per cent. Following the proposed dividend, the equity/assets ratio will amount to 44.2 per cent.

The proposed authorisation to acquire own shares is intended to secure the Company's obligations in connection with LTIP 2020 (as defined in item 13 of the notice to the AGM). The repurchase refers to ordinary shares of series C and the authorisation is limited to a maximum of 46,510 ordinary shares of series C. Repurchases may only be made through an offer directed to all owners of ordinary shares of series C and shall comprise all outstanding ordinary shares of series C. Acquisitions shall be made at a price corresponding to the share's quota value. Payment for acquired ordinary shares of series C shall be made in cash.

The Company's financial position does give rise to any conclusion other than that the Company can continue to carry on its business and be expected to meet its obligations in both the short term and the long term.

The Board of Directors is of the opinion that the size of the equity, as reported in the most recently submitted annual report, is in reasonable proportion to the scope of the Company's business and the risks that are associated with conducting the business with regards to proposed appropriation of profit and authorisation to acquire own shares.

Justification of the proposals

With reference to the above and otherwise to the best knowledge of the Board of Directors, the Board of Directors is of the opinion that an overall assessment of the Company's and the group's financial position justifies the appropriation of profit and authorisation to acquire own shares with regard to the requirements that the nature, scope and risks of the Company's business place on the size of the equity in the Company and the group and on the Company's and group's consolidation needs, liquidity and position in general as stipulated by Chapter 17, Section 3, Paragraph 2–3 of the Swedish Companies Act.

Stockholm in March 2020

Karnov Group AB (publ)

Board of Directors