

Half-year report

January – June 2022

Q2

Strong growth and ready for European expansion

Financial highlights second quarter

- Net sales increased by 12.9% to SEK 227 m (201), organic growth was 8.5% and acquired growth accounted for 2.3%. Currency effect was 2.1%.
- EBITA amounted to SEK 54 m (70) with EBITA margin of 23.9% (35.0%). Items affecting comparability amounted to SEK 20 m (0).
- Adjusted EBITA amounted to SEK 74 m (70) with adjusted EBITA margin of 32.6% (35.0%).
- Net result amounted to SEK -1 m (20), impacted by items affecting comparability of SEK 20 m (0).
- Earnings per share amounted to SEK -0.01 (0.21). Earnings per share after dilution amounted to SEK -0.01 (0.20).
- Adjusted operating cash flow amounted to SEK -20 m (38).

Financial highlights first six months

- Net sales increased by 10.9% to SEK 482 m (435), organic growth was 6.5% and acquired growth accounted for 2.2%. Currency effect was 2.2%.
- EBITA amounted to SEK 140 m (165) with EBITA margin of 29.0% (38.1%). Items affecting comparability amounted to SEK 38 m (0).
- Adjusted EBITA amounted to SEK 178 m (165) with adjusted EBITA margin of 37.0% (38.1%).
- Net result amounted to SEK 23 m (60), impacted by items affecting comparability of SEK 38 m (0).
- Earnings per share amounted to SEK 0.22 (0.61). Earnings per share after dilution amounted to SEK 0.22 (0.61).
- Adjusted operating cash flow amounted to SEK 137 m (142).

Business highlights second quarter

- Karnov Group has a strong growth trend in both Denmark and Sweden/Norway which continued in the second quarter. Growth is driven by an increased demand for our services, both within our legal core and closely related verticals.
- In the second quarter, Karnov Group has continued the preparation for European expansion. Expenses for organisational development amount to SEK 3 m, which has impacted the Danish segment. In addition, the successful long-term incentive program LTIP 2019 was completed, with additional expenses of SEK 4 m impacting both Denmark and Sweden in the second quarter. Excluding these additional SEK 7 m, the adjusted EBITA margin would have been in line with the previous year.

Key financial ratios for the Group*

TSEK	Q2			Jan-Jun			Jan-Dec
	2022	2021	Δ%	2022	2021	Δ%	2021
Net sales	227,111	201,121	12.9%	482,051	434,641	10.9%	878,072
Organic growth, %	8.5%	6.6%		6.5%	5.7%		6.7%
EBITA	54,364	70,447	-22.8%	139,812	165,445	-15.5%	277,563
EBITA margin, %	23.9%	35.0%		29.0%	38.1%		31.6%
Adjusted EBITA	74,101	70,447	5.2%	178,173	165,445	7.7%	326,926
Adjusted EBITA margin, %	32.6%	35.0%		37.0%	38.1%		37.2%
Net result	-966	19,985	-104.8%	23,208	59,705	-61.1%	84,217
Adjusted cash flow from operating activities	-19,317	38,193	-150.6%	136,941	142,481	-3.9%	344,446

For more information see Financial Definitions and Note 7 for calculations of Alternative Performance Measures.

Comments by the CEO

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We experience a strong demand for our services, which drives the strong organic growth of 8.5% in the quarter. Our customers need fast access to deep knowledge, and our content and network of authors and experts provide our customers the needed trust and efficiency.

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Pontus Bodelsson
President and CEO

We deliver on an increased demand for our services, with strong growth coming from both our segments. During the second quarter we have invested resources in preparing for the European expansion. We expect a decision from the Spanish Antitrust Authority in September, and we are ready to complete the acquisitions.

Delivering on increasing demand for our services

In the second quarter, our net sales growth was 12.9%. Due to an increasing legal complexity in society, we experience a strong demand for our services, which drives the strong organic growth of 8.5% in the quarter. Our customers need fast access to deep knowledge, and our content and network of authors and experts provide our customers the needed trust and efficiency. The growth is a result of selling more licenses, to new customers and to existing customers. Our stand-alone entities within EHS and workflow tools are delivering in line with expectations.

The adjusted EBITA margin was 32.6% in the second quarter, lower than the corresponding period the previous year. In the second quarter, we have prepared our organisation to grow into a European player with relating operational costs. We've chosen to optimise our business for European expansion in collaboration with third parties, to let our Nordic businesses focus on growth.

At the end of June, our leverage was at the low level of 0.9x, with a solid cash balance as we are prepared to close the acquisitions in France, Spain and Portugal.

Creating possibilities for tomorrow

With customer centricity, innovation and deep content, we enable our customers to make better decisions, faster. As we grow into a European player, we strive to become the first choice in legal knowledge. We intend to continue investing in solutions to our present and future customers' challenges of today and possibilities for tomorrow, as well as continue strengthening our existing legal platforms.

In Denmark, our newly launched municipality solution has been well received and we have received new orders during the second quarter. More than ten municipalities now use our municipality service with related products.

In Sweden, our growth comes from sales to new customers and upselling to existing customers. We have launched a news service on the JUNO platform analysing the most important news within different legal areas.

In Norway, DIBkunnskap's new document management solution "dflow" has been well received among customers. DIBkunnskap has also continued its launch of its IFRS service on the Swedish market.

In France, our newly acquired business Echoline continues to perform in line with expectations, with solid growth on the European EHS market.

Ready for European expansion

We are prepared to complete the acquisitions of legal information-based businesses in France, Spain and Portugal. During the summer, the Spanish Antitrust Authority has continued its requests for information and their evaluation of the intended acquisitions in Spain. The process has progressed in line with our expectations, and a decision from the Spanish Antitrust Authority is expected in the course of September.

We have during the first six months 2022 been working on our merger plan with relevant workstreams, ensuring a successful integration. As part of the workstream process, we have invested in our organisation for the European expansion.

Karnov Group's financial targets:

Growth

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

Profitability

Increased Adjusted EBITA margin in the medium term.

Capital structure

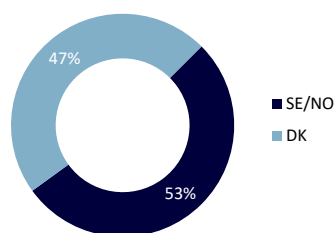
Ratio of Net debt to Adjusted EBITDA of no more than 3.0. This level may temporarily be exceeded, for example as a result of acquisitions.

Dividend policy

The objective is to distribute 30-50% of the purchase price allocation (PPA) adjusted net profit, taking investment opportunities and financial position into consideration.

Group financial performance

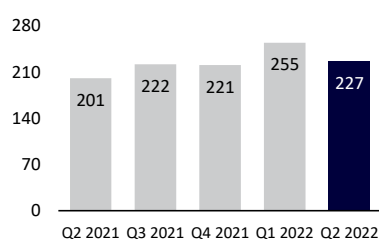
Net sales by country second quarter (%)



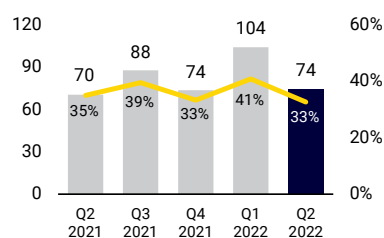
13%

Net sales growth

Net sales per quarter, SEKm



Adjusted EBITA, SEKm and margin, % per quarter



Second quarter and six-month period

TSEK	Q2			Jan-Jun			Jan-Dec
	2022	2021	Δ%	2022	2021	Δ%	2021
Net sales	227,111	201,121	12.9%	482,051	434,641	10.9%	878,072
Organic growth, %	8.5%	6.6%		6.5%	5.7%		6.7%
EBITA	54,364	70,447	-22.8%	139,812	165,445	-15.5%	277,563
EBITA margin, %	23.9%	35.0%		29.0%	38.1%		31.6%
Adjusted EBITA	74,101	70,447	5.2%	178,173	165,445	7.7%	326,926
Adjusted EBITA margin, %	32.6%	35.0%		37.0%	38.1%		37.2%

Net sales and growth

For the three-month period, April-June 2022, net sales increased by SEK 26 m to SEK 227 m (201). Organic growth on a constant currency basis was 8.5 percent, acquired growth accounted for 2.3 percent and currency effects had a positive impact on net sales of 2.1 percent. In the second quarter, we have successfully grown on both our geographical segments.

The growth drivers were mainly sales to new customers and upselling to existing customers within the public sector, municipalities and our EHS vertical. We continue to experience an increased market demand, with a broader customer group using our services.

For the first six months, net sales increased by SEK 47 m to SEK 482 m (435). Organic growth on a constant currency basis was 6.5 percent, acquired growth accounted for 2.2 percent and currency effects had a positive impact on net sales of 2.2 percent.

Operating profit

EBITA for the quarter amounted to SEK 54 m (70) and EBITA margin amounted to 23.9 percent (35.0). The EBITA performance includes items affecting comparability of SEK 20 million related to the contemplated acquisitions in France, Spain and Portugal.

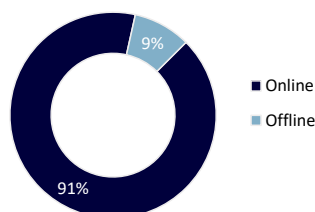
Adjusted EBITA amounted to SEK 74 (70) and adjusted EBITA margin amounted to 32.6 percent (35.0). In the second quarter, Karnov Group has continued the preparation for European expansion. Expenses for organisational development amount to SEK 3 m. In addition, the successful long-term incentive program LTIP 2019 was completed, with additional expenses of SEK 4 m. Excluding the additional SEK 7 m, the adjusted EBITA margin would have been in line with the previous year.

Operating profit (EBIT) was SEK 13 m (29) for the quarter. The decrease of SEK 16 m mainly relates to items affecting comparability of SEK 20 m mentioned above.

EBITA for the first six months amounted to SEK 140 m (165) and EBITA margin amounted to 29.0 percent (38.1). Adjusted EBITA for the first six months amounted to SEK 178 m (165) and adjusted EBITA margin amounted to 37.0 percent (38.1).

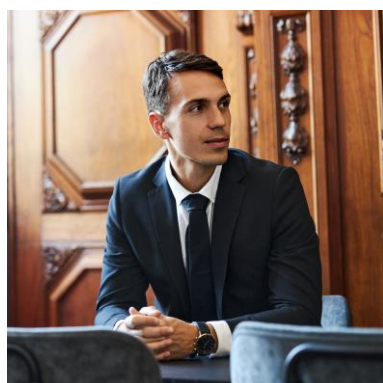
Operating profit (EBIT) was SEK 57 m (86) for the first six months. The decrease of SEK 29 m mainly relates to items affecting comparability of SEK 38 m (0).

Net sales split per second quarter, %



33%

Adjusted EBITA margin



-22%

Cash conversion

Net financial items

Net financial items for the quarter amounted to SEK -7 m (-8). Currency effect for the quarter was SEK -1 m (-3), mainly relating to long-term loans in DKK and cash in EUR.

Result of participation in associated companies

In the second quarter, result of participation in associated companies amounted to SEK -2 m (0), in accordance with the Group's accounting policies applying the equity method.

Profit before and after tax, Earnings per share

Profit before tax for the quarter decreased by SEK 17 m to SEK 4 m (21) mainly driven by costs for items affecting comparability mentioned above and the result of associated companies.

Profit after tax for the quarter was SEK -1 m (20). Taxes amounted to SEK -5 m (-1).

Profit before tax for the first six months decreased by SEK 34 m to SEK 34 m (68).

Profit after tax for the first six months was SEK 23 m (60).

Earnings per share after dilution was SEK -0.01 (0.20) for the quarter and SEK 0.22 (0.61) for the first six months.

Cash flow and investments

Cash flow from operating activities decreased by SEK 58 m and amounted to SEK -24 m (34). The decrease reflects a negative effect of SEK 42 m from working capital, of which SEK 37 m relates to timing of royalty payments effecting payables which during the previous year was paid during the third quarter. Further, items affecting comparability had a negative effect of SEK 20 m in the quarter.

Total investments for the quarter amounted to SEK -27 m (-28).

Total financing for the quarter amounted to SEK -24 m (-103) whereof SEK 8 m was payment of contingent consideration relating to the acquisition of Echoline SAS. The comparing period includes a pay-out of SEK -98 m in dividend.

The cash flow generation was negative in the quarter. The cash conversion rate for the quarter amounted to -22.3 percent (46.0).

The calculation of adjusted cash flow from operating activities was adjusted in the first quarter 2022 to only include the cash effect of items affecting comparability in the period. The adjustment has been updated in comparable performance for 2021.

Cash conversion TSEK	Q2		Jan-Dec
	2022	2021	2021
Adjusted EBITDA	86.647	82.964	374.271
Adjusted cash flow from operating activities	-19.317	38.193	344.446
Cash conversion, %	-22,3%	46,0%	92,0%



0.9

Leverage

Financial position

Net debt was SEK 361 m (1,044) at the end of the period. The decreased net debt is impacted by SEK 583 m from the share issue carried out in December 2021. The share issue was carried out to prepare for the financing of the contemplated acquisitions in France, Spain and Portugal.

The leverage at the end of the period was 0.9 (3.0) times and the equity ratio was 49.4 percent (41.8) with an equity of SEK 2,229 m (1,533).

Net Debt TSEK	Q2		Jan-Dec
	2022	2021	2021
Total borrowings	1,341,652	1,307,773	1,309,035
Cash and cash equivalents	981,070	263,617	951,471
Net debt	360,582	1,044,156	357,564
Leverage ratio	0.9	3.0	1.0
Equity	2,228,764	1,532,730	2,154,055
Equity/asset ratio, %	49.4%	41.8%	47.6%

Cash and cash equivalents at the end of the period amounted to SEK 981 m (264) and the Group had unutilized credit lines of SEK 212 m (242).

Karnov Group has secured a new bridge loan facility and other debt facilities with Nordea of EUR 110 million, to be utilized given clearance to complete the transformative acquisitions in France, Spain and Portugal.

Significant events

Second quarter

- Karnov Group holds its Annual General Meeting. Minutes from the AGM can be downloaded from <https://www.karnovgroup.com/en/annual-general-meeting-2022/>.
- As per 1 May 2022, Jonathan Minzari is a member of the Group Management team as Chief Strategy and M&A Officer, with responsibility of the stand-alone entities.
- As per 28 June 2022, Jan Ullerup is the interim Group CTO of Karnov Group and a member of the Group Management

Events after the end of the period

- No significant events after the end of the period.

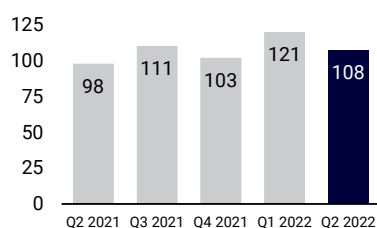
Segment performance

The Danish segment offers a wide range of online and offline solutions for legal, tax and accounting professionals, assisting them in their research and providing qualitative advisory services. The segment includes Karnov Group Denmark, Forlaget Andersen, Legal Cross Border, Ante and BELLA Intelligence.

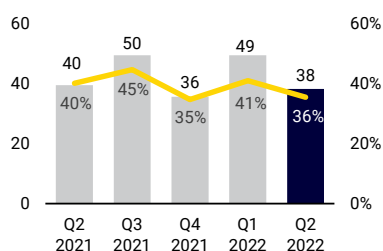
Denmark

TSEK	Q2			Jan-Jun			Jan-Dec
	2022	2021	Δ%	2022	2021	Δ%	2021
Net sales	107,868	98,469	9.5%	228,452	209,520	9.0%	422,802
Organic growth, %	4.9%	4.8%		4.3%	3.9%		3.8%
EBITA	38,245	39,514	-3.2%	87,733	86,808	1.1%	171,929
EBITA margin, %	35.5%	40.1%		38.4%	41.4%		40.7%
Adjusted EBITA	38,245	39,514	-3.2%	87,733	86,808	1.1%	171,929
Adjusted EBITA margin, %	35.5%	40.1%		38.4%	41.4%		40.7%

Net sales per quarter, SEKm



Adjusted EBITA, SEKm and margin, % per quarter



Net sales and growth

Net sales for the quarter increased by 9.5 percent to SEK 108 m (98). The organic growth for the quarter was 4.9 percent and acquired growth was 1.2 percent. Currency effects had a positive impact of 3.4 percent. The organic growth is driven by online sales.

In the second quarter, we have received additional orders of the new municipality solution and we currently have more than ten municipalities using our service with related products. We still see a market trend with increased demand of law services both from law firms and in the public sector, having a positive impact on the development in Denmark.

To promote the rule of law and tax, we have during the second quarter held our annual event Karnovs Skattepris. The event pays tribute to those who has made a significant contribution to the promotion of tax law in Denmark.

Operating profit

In the second quarter, EBITA and adjusted EBITA amounted to SEK 38 m (40) and EBITA and adjusted EBITA margin amounted to 35.5 percent (40.1). During the second quarter, the Danish segment had additional operational expenses of SEK 3 m relating to organisational development preparing for the European expansion. Expenses on the Danish segment relating to the completion of LTIP 2019 amounts to SEK 1 m. In addition, the consolidation of legal tech start-ups, which are in a scale up phase, has had a minor dilution on the margin. Excluding the above, the adjusted EBITA margin would have been in line with the previous year.

Operating profit (EBIT) for the quarter decreased by SEK 2 m to SEK 22 m (24) compared to same period last year.

For the first six months, EBITA and adjusted EBITA amounted to SEK 88 m (87) and EBITA and adjusted EBITA margin amounted to 38.4 percent (41.4). The decrease in margin is due to our invested resources in preparing for European expansion as well as our acquisition and consolidation of legal tech start-ups, which are in a scale up phase.

Operating profit (EBIT) for the first six months decreased by SEK 1 m to SEK 55 m (56) compared to same period last year.

Segment performance (cont.)

The Sweden/Norway segment is specialised in online and offline legal solutions; the environmental, health and safety compliance; audit and accounting solutions; legal classroom training and e-courses. The segment provides online tools for the broad legal services market, including contract templates. The segment includes Norstedts Juridik, Notisum, LEXNordics, DIBkunnskap and Echoline.

Sweden/Norway

TSEK	Q2			Jan-Jun			Jan-Dec
	2022	2021	Δ%	2022	2021	Δ%	2021
Net sales	119,243	102,652	16.2%	253,599	225,121	12.7%	455,270
Organic growth, %	11.9%	8.9%		8.6%	7.9%		10.1%
EBITA	16,119	30,933	-47.9%	52,078	78,636	-33.8%	105,635
EBITA margin, %	13.5%	30.1%		20.5%	34.9%		23.2%
Adjusted EBITA	35,857	30,933	15.9%	90,440	78,636	15.0%	154,998
Adjusted EBITA margin, %	30.1%	30.1%		35.7%	34.9%		34.0%

Net sales and growth

Net sales for the quarter increased by 16.2 percent to SEK 119 m (103). Organic growth was 11.9 percent, acquired growth was 3.4 percent and currency effect was positive at 0.8 percent. The increase in net sales is driven by the businesses gaining market shares, especially in the public sector, municipalities and EHS. This is partly due to the development of society and the increased legal complexity, which means that more work life professionals in the private and public sector need access to legal information.

During the second quarter, we soft launched the new feature 'Rättsområdesanalyser' on the JUNO platform. It is an add-on where our experts select some of the most important legal events in different areas of law and publish in-depth analysis comments on the platform.

We will continue working on new products in parallel with additional features for our platforms, to make it even easier to navigate and find content for the users.

DIBkunnskap launched their new service "dflow" on the Norwegian market in the second quarter and it has been well received in the market and received its first customers.

Our EHS businesses in Sweden and France continues to grow well, with a growing customer base due to an increased market demand. We have been successful in delivering on the demand.

Operating profit

In the second quarter, EBITA was SEK 16 m (31) and EBITA margin was 13.5 percent (30.1). EBITA was impacted by items affecting comparability amounting to SEK 20 m (0).

Adjusted EBITA amounted to SEK 36 m (31) and adjusted EBITA margin was unchanged at 30.1 percent (30.1). Expenses on the Swedish/Norwegian segment relating to the completion of LTIP 2019 amounts to SEK 3 m. Excluding the expenses from LTIP 2019, the adjusted EBITA margin would have improved by approximately 2.5 percentage points.

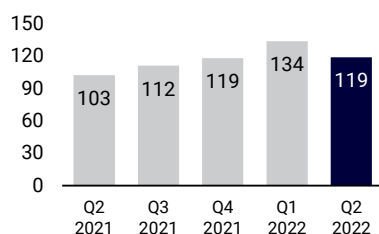
Operating profit (EBIT) in the quarter was SEK -9 m (5).

For the first six months, EBITA was SEK 52 m (79) and EBITA margin was 20.5 percent (34.9). EBITA was impacted by SEK 38 m (0) in cost for items affecting comparability.

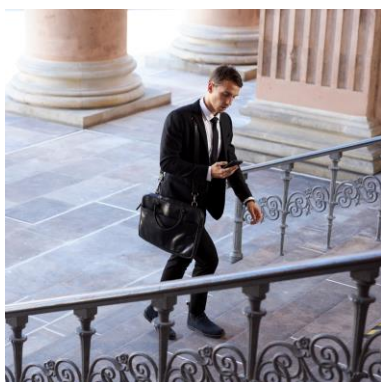
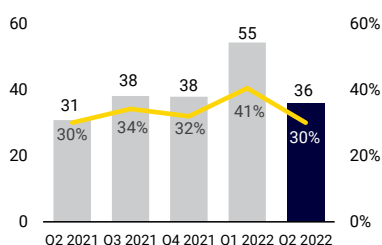
Adjusted EBITA amounted to SEK 90 m (79) and adjusted EBITA margin was 35.7 percent (34.9) driven by the increase in net sales.

Operating profit (EBIT) for the first six months was SEK 2 m (30).

Net sales per quarter, SEKm



Adjusted EBITA, SEKm and margin, % per quarter



Other information

Risks and uncertainties

Through its operations Karnov Group is exposed to different risks, which can give rise to fluctuations in earnings and cash flow. Material risks and uncertainties include sector and market-related risks, business-related risks and financial risks.

The Covid-19 pandemic is still having an impact on global society however to a less extent than previous years. Karnov is still following the situation and unless the impact of the pandemic should change negatively Karnov assess only insignificant impact on the future financial performance.

The invasion of Ukraine poses risks for further impact on the world economy, with increasing cost inflation and disruptions to supply chains. Karnov is not directly impacted by the invasion and has no direct exposure towards any of the involved countries.

Karnov's significant risks and risk management are described on page 55-56 of the 2021 Annual report, available at the Company's website www.karnovgroup.com.

Seasonal variations

Typically, a significant proportion of Karnov Group's online contracts is renewed and invoiced during the fourth quarter, impacting cash flow during the fourth and first quarters. Online net sales are accrued according to the terms of the agreement and therefore are not exposed to any seasonality. Offline net sales are exposed to seasonality where the first quarter is significantly stronger, driven by a higher share of book sales early in the year.

Employees

Average number of Full-Time Employees (FTEs) in the second quarter amounted to 299 (279). The increase is mainly due to the acquisitions of Ante ApS and Echoline SAS. On average during the second quarter, 53% (52%) of the workforce were males and 47% (48%) females.

Shares, share capital and shareholders

Karnov Group's share was listed on Nasdaq Stockholm on 11 April 2019, Mid Cap segment, under the ticker KAR.

During the month of June 2022, 169,971 shares of series C, previously issued and repurchased under Karnov Group's long-term incentive plan resolved by an extraordinary general meeting in April 2019 (LTIP 2019), were converted into ordinary shares. The number of ordinary shares has thus increased by 169,971 shares and the number of Class C shares has decreased by the same number of shares. The number of votes has increased by 152,973.9 votes.

On 30 June 2022, the total number of shares and votes in Karnov Group AB (publ) amounts to 108,102,047 shares and 107,872,208.6 votes. Each share has a quotient value of approximately SEK 0.015385. The total number of shares consists of 107,846,671 ordinary shares, which carry one vote per share, and 255,376 shares of series C, which carry one-tenth of a vote per share. A detailed description of changes in the share capital is available on the Company's website, www.karnovgroup.com/en/share-capital-development/.

On 30 June 2022, the Company had 1,510 known shareholders. The five largest shareholders in Karnov Group AB (publ) were Swedbank Robur Funds, Invesco, Carnegie Funds, 4AP Funds and Long Path Partners.

Incentive programs

Karnov Group has implemented long-term incentive programs in the form of share savings programs. The purpose of the programs is to encourage a broad ownership amongst the Company's employees, retain competent employees, facilitate recruitment, increase the alignment of interest between the employees and the Company's shareholders and increase motivation to reach or exceed the Company's financial targets.

The employees participating in the programs have allocated acquired or already held ordinary shares to the program (so-called savings shares). The maximum investment permitted in savings shares depends on the category of the participant.

A total of 151 employees chose to participate in LTIP 2019, and in April 2022, the vesting period for the long-term incentive program LTIP 2019 was completed. A total of 169,971 performance shares were distributed to the participants in June 2022.

Karnov has also implemented the long-term incentive program LTIP 2020 directed to the local CEOs of Norstedts Juridik and Karnov Group Denmark. The participants have allocated a total of 9,302 savings shares to the program. Full allotment would mean that the total number of shares under the program will amount to no more than 46,510 ordinary shares, corresponding to less than 0.1 per cent of the total number of shares outstanding in the Company. For more information see www.karnovgroup.com/en/incentive-program/

Related-party transactions

Karnov Group did not undertake any significant transactions with related parties in the second quarter 2022 except from compensation and benefits to the Board members and managing director received as a result of their membership of the Board, employment with Karnov Group or shareholdings in Karnov Group AB.

Parent Company

Net sales for the quarter amounted to SEK 0 m (0). Operating profit for the quarter amounted to SEK -34 m (-8).

Outlook

Karnov Group does not provide financial forecasts.

Review

This half-year report has not been subject to a review by the Company's auditors.

Disclosure

This half-year report contains inside information that Karnov Group AB (publ) is required to make public pursuant to the EU Market Abuse Regulation (MAR) and information that Karnov Group AB (publ) is required to make public pursuant to the Swedish Securities Market Act. The information was submitted for publication by the contact person below on 18 August 2022 at 8.00 am CEST.

Karnov Group AB (publ)

Stockholm, 18 August 2022

Pontus Bodelsson
President and CEO

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Q2 presentation webcast

Karnov Group will present the second quarter for analysts and investors via a webcast teleconference on 18 August at 09.00 am CEST.

To participate, use the following link:
<https://tv.streamfabriken.com/karnov-group-q2-2022>

or dial-in numbers:
SE: +46 8 505 163 86
UK: +44 20 319 84 884
US: +1 412 317 6300 with pin code 4882838#

The presentation will also be available on www.financialhearings.com

Financial calendar 2022

Interim report January-September 2022
9 November, 2022

Consolidated income statement of comprehensive income

TSEK	Note	Q2		Jan-Jun		Jan-Dec
		2022	2021	2022	2021	2021
Net sales	5	227,111	201,121	482,051	434,641	878,072
Total revenue		227,111	201,121	482,051	434,641	878,072
Goods for resale		-29,881	-29,039	-68,313	-67,190	-138,722
Employee benefit expenses		-80,096	-69,399	-153,415	-138,101	-279,934
Depreciations and amortisations		-54,074	-54,130	-108,267	-103,699	-208,604
Other operating expenses		-50,225	-19,719	-94,988	-39,751	-134,507
Operating profit		12,835	28,834	57,069	85,900	116,305
Financial income		94	169	100	251	15,311
Financial expenses		-7,028	-7,768	-14,982	-18,647	-36,384
Net financial items		-6,934	-7,599	-14,882	-18,396	-21,072
Result of participation in associated companies		-2,153	-	-8,022	-	7,920
Profit before income tax		3,748	21,235	34,165	67,504	103,152
Income tax expense		-4,714	-1,250	-10,957	-7,799	-18,935
Net result		-966	19,985	23,208	59,705	84,217
Other comprehensive income:						
Items that may be reclassified to profit or loss:						
Exchange differences on translation of foreign operations		42,327	-24,267	51,234	8,075	25,655
Total comprehensive income for the period		41,361	-4,282	74,442	67,780	109,872
Profit for the period is attributable to:						
Owners of Karnov Group AB		-1,029	20,081	23,221	59,836	84,912
Non-controlling interests		63	-96	-13	-131	-695
Net result		-966	19,985	23,208	59,705	84,217
Total comprehensive income for the period is attributable to:						
Owners of Karnov Group AB		41,298	-4,186	74,445	67,915	110,565
Non-controlling interests		63	-96	-3	-135	-693
Total comprehensive income		41,361	-4,282	74,442	67,780	109,872
Earnings per share, basic, SEK	4	-0.01	0.21	0.22	0.61	0.87
Earnings per share, after dilution, SEK	4	-0.01	0.20	0.22	0.61	0.86

For further information and details on earnings per share please refer to note 4.

Consolidated balance sheet

TSEK	Note	30 Jun 2022	30 Jun 2021	31 Dec 2021
ASSETS:				
Goodwill		1,967,785	1,859,405	1,911,944
Other intangible assets		1,219,608	1,247,515	1,242,376
Right-of-use assets		105,066	100,749	96,018
Property, plant and equipment (PPE)		6,016	6,617	6,170
Investments in associated companies		54,564	70,498	62,224
Loans to associated companies		21,874	17,872	15,319
Deposits		3,693	2,603	2,771
Deferred tax assets		37,863	-	-
Total non-current assets		3,416,469	3,305,259	3,336,821
Inventories		14,443	13,181	11,667
Trade receivables	3	85,392	53,443	197,374
Prepaid expenses		9,944	9,250	13,267
Other receivables		1,195	1,924	1,127
Tax receivable		-	17,106	10,195
Cash and cash equivalents	3	981,070	263,617	951,471
Total current assets		1,092,044	358,521	1,185,101
TOTAL ASSETS		4,508,512	3,663,780	4,521,922
EQUITY AND LIABILITIES:				
Share capital		1,663	1,512	1,663
Share premium		2,654,034	2,072,096	2,654,839
Treasury shares		-3	-6	-6
Reserves		-286,799	-355,596	-338,022
Retained earnings including net profit for the year		-146,662	-192,377	-170,953
Total equity attributable to the parent company's shareholders		2,222,233	1,525,629	2,147,521
Non-controlling interest		6,530	7,101	6,533
Total equity		2,228,764	1,532,730	2,154,055
Non-current liabilities				
Borrowing from credit institutions	3	1,233,237	1,202,598	1,209,642
Lease liabilities		93,193	92,623	86,916
Deferred tax liability		186,441	168,724	164,403
Provisions		6,941	5,601	5,754
Other non-current liabilities		53,800	38,416	63,551
Total non-current liabilities		1,573,612	1,507,962	1,530,266
Current liabilities				
Trade payables	3	19,632	17,116	25,670
Current tax liabilities		10,332	10,093	12,917
Accrued expenses		135,839	127,396	172,404
Prepaid income		450,671	386,543	519,857
Lease liabilities		15,221	12,552	12,477
Other current liabilities	3	74,442	69,388	94,276
Total current liabilities		706,138	623,088	837,600
TOTAL EQUITY AND LIABILITIES		4,508,512	3,663,780	4,521,922

Consolidated statement of changes in equity

Equity attributable to the parent company's shareholders

TSEK	Share capital	Share premium	Treasury shares	Reserves	Retained earnings	Equity attributable to the parent company's shareholders	Non-controlling interest	Total equity
Balance at January 1, 2021	1,509	2,062,361	-6	-363,675	-156,585	1,543,604	7,236	1,550,840
Net result	-	-	-	-	84,912	84,912	-695	84,217
Other comprehensive income for the period	-	-	-	25,653	-	25,653	2	25,655
Total comprehensive income/loss	-	-	-	25,653	84,912	110,565	-693	109,872
Transaction with shareholders in their capacity as owners:								
Dividend paid	-	-	-	-	-97,849	-97,849	-	-97,849
Issue of ordinary shares	154	592,478	-	-	-	592,632	-	592,632
Non-controlling interests share of acquisitions and capital increase	-	-	-	-	-	-	-10	-10
Sharebased payment	-	-	-	-	-1,430	-1,430	-	-1,430
Total transaction with shareholders	154	592,478	-	-	-99,279	493,353	-10	493,343
Closing balance at December 31, 2021	1,663	2,654,839	-6	-338,022	-170,953	2,147,521	6,533	2,154,055

Equity attributable to the parent company's shareholders

TSEK	Share capital	Share premium	Treasury shares	Reserves	Retained earnings	Equity attributable to the parent company's shareholders	Non-controlling interest	Total equity
Balance at January 1, 2022	1,663	2,654,839	-6	-338,022	-170,953	2,147,521	6,533	2,154,054
Net result	-	-	-	-	23,221	23,221	-13	23,208
Other comprehensive income for the period	-	-	-	51,224	-	51,224	10	51,234
Total comprehensive income/loss	-	-	-	51,224	23,221	74,445	-3	74,442
Transaction with shareholders in their capacity as owners:								
Issue of ordinary shares*	-	-805	-	-	-	-805	-	-805
Sharebased payment	-	-	3	-	1,070	1,073	-	1,073
Total transaction with shareholders	-	-805	3	-	1,070	268	-	268
Closing balance at June 30, 2022	1,663	2,654,034	-3	-286,798	-146,662	2,222,234	6,530	2,228,764

* The decrease in share premium is explained by extra costs related to the issue of shares made in 2021.

Consolidated statement of cash flows

TSEK	Q2		Jan-Jun		Jan-Dec
	2022	2021	2022	2021	2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating profit	12,835	28,834	57,069	85,900	116,305
Adjustments:					
Non-cash items	55,144	55,190	109,337	105,917	207,990
Effect of changes in working capital:					
Increase/decrease in inventories	-1,955	-407	-2,776	-3,171	-1,655
Increase/decrease in receivables	-11,928	6,721	111,915	103,033	-40,628
Increase/decrease in trade payables and other payables	-12,126	15,868	-75,696	-48,952	41,151
Increase/decrease in prepaid income	-58,005	-59,312	-75,752	-79,849	50,911
Interest paid	-3,142	-4,076	-8,718	-7,576	-14,607
Income tax paid	-4,852	-8,759	-20,800	-23,462	-45,306
Net effect of changes in working capital	-92,008	-49,965	-71,826	-59,977	-10,133
Cash flow from operating activities	-24,030	34,059	94,580	131,840	314,161
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of participations in associated companies	-	-	-	-	403
Acquisition of subsidiaries	-	-5,632	-	-268,432	-307,830
Loan to associated companies	-744	-6,819	-5,819	-14,736	-14,673
Acquisition of intangible assets	-25,244	-14,413	-45,800	-31,612	-61,943
Acquisition of PPE	-713	-742	-1,000	-742	-1,411
Cash flow from investing activities	-26,701	-27,606	-52,619	-315,522	-385,454
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase/decrease in lease liabilities	-13,312	-4,930	-17,300	-8,493	-17,406
Increase/decrease in long-term receivables	-922	-	-922	-	-
Proceeds from share issues	-	-	-	-	582,894
Dividend paid	-	-97,849	-	-97,849	-97,849
Payment of contingent considerations	-8,129	-	-8,129	-	-
Cost related to capital increase prior year	-800	-	-800	-	-
Cash flow from financing activities	-23,163	-102,779	-27,151	-106,342	467,639
Cash flow for the period	-73,894	-96,327	14,810	-290,024	396,346
Cash and cash equivalents at the beginning of the period	1,029,442	360,797	951,471	552,921	552,921
Exchange-rate differences in cash and cash equivalents	25,522	-853	14,789	720	2,204
Cash and cash equivalents at the end of the period	981,070	263,617	981,070	263,617	951,471

Parent company income statement

TSEK	Note	Q2		Jan-Jun	
		2022	2021	2022	2021
Employee benefit expenses		-11,880	-6,111	-19,453	-9,867
Depreciations and amortisations		-29	-	-59	-
Other operating expenses		-22,332	-2,225	-42,663	-4,213
Operating profit		-34,242	-8,336	-62,176	-14,080
Financial income		6,151	3,871	12,194	7,696
Financial expenses		-357	-16	-958	-44
Net financial items		5,793	3,855	11,235	7,652
Profit before income tax		-28,448	-4,481	-50,940	-6,428
Income tax expense		8,423	-	8,423	-
Net result		-20,025	-4,481	-42,517	-6,428
Total comprehensive income		-20,025	-4,481	-42,517	-6,428

Parent company balance sheet

TSEK	Note	30 Jun 2022	30 Jun 2021	31 Dec 2021
ASSETS:				
Receivables from group companies		1,206,603	726,922	1,224,431
Investments in group companies		1,157,234	1,149,925	1,149,925
Right-of-use assets		205	-	326
Deferred tax assets		8,423		
Total non-current assets		2,372,465	1,876,847	2,374,682
Current assets				
Receivables from group companies		700	-	44,473
Other receivables		1,202	1,384	986
Current tax receivable		187	-	-
Cash and cash equivalents		85,521	8,928	74,971
Total current assets		87,610	10,312	120,430
TOTAL ASSETS		2,460,075	1,887,159	2,495,112
EQUITY AND LIABILITIES:				
Restricted equity				
Share capital		1,663	1,512	1,663
Treasury shares		-3	-6	-6
Non-restricted equity				
Share premium		2,654,028	2,072,096	2,654,832
Retained earnings including net profit for the year		-244,079	-190,706	-208,868
Total equity		2,411,609	1,882,896	2,447,621
Non-current liabilities				
Lease liabilities		138	-	209
Total non-current liabilities		138	-	209
Current liabilities				
Trade payables		2,519	418	1,404
Trade payables from group companies		7,045	-	994
Accrued expenses		38,624	3,438	44,223
Other current liabilities		140	407	660
Total current liabilities		48,328	4,263	47,282
TOTAL EQUITY AND LIABILITIES		2,460,075	1,887,159	2,495,112

Notes

Note 1. Accounting policies

The consolidated interim financial statements for Karnov Group AB have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, RFR 1 Supplementary Accounting Regulations for Groups and the Swedish Annual Accounts Act.

The accounting policies used for this interim report 2022 are the same as the accounting policies used for the annual report 2021 to which we refer for a full description.

The interim financial statements for the parent company have been prepared in accordance with RFR 2, Accounting for Legal Entities, and the Swedish Annual Accounts Act.

Note 2. Critical estimates and judgements

Preparation of financial statements requires the company management to make assessments and estimates along with assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses. The

actual outcome may differ from these estimates. The critical assessments and sources of uncertainty in the estimates are the same as in the most recent annual report. See the Annual report 2021 Note 4, page 75, for further details regarding critical estimates and judgements.

Note 3. Fair value of financial instruments

TSEK	Carrying amount			Fair value		
	30 Jun 2022	30 Jun 2021	31 Dec 2021	30 Jun 2022	30 Jun 2021	31 Dec 2021
FINANCIAL ASSETS						
Financial assets at amortised cost						
Trade receivables	85,392	53,443	197,374	85,392	53,443	197,374
Cash and cash equivalents	981,070	263,617	951,471	981,070	263,617	951,471
Total financial assets	1,066,462	317,060	1,148,845	1,066,462	317,060	1,148,845
FINANCIAL LIABILITIES						
Financial liabilities at fair value through profit or loss (FVPL)						
Contingent considerations	50,323	48,892	35,748	50,323	48,892	35,748
Liabilities at amortised cost						
Trade payables	19,632	17,116	25,670	19,632	17,116	25,670
Non-current borrowing from credit institutions	1,233,237	1,202,598	1,209,642	1,233,237	1,202,598	1,209,642
Total financial liabilities	1,303,192	1,268,606	1,271,060	1,303,192	1,268,606	1,271,060

Trade receivables

Due to the short-term nature of trade receivables, their carrying amount is considered to be the same as their fair value.

Cash and cash equivalents

Cash and cash equivalents are unsecured with a short credit period and are therefore considered to have a fair value equal to the carrying amount. These are classified at level 2 in the fair value hierarchy.

Contingent consideration

The carrying amounts of contingent considerations are considered to be the same as the fair value. The fair value of the contingent considerations was estimated by calculating the present value of the future expected cash flows. The estimates are based on a discount

rate at 1.2 percent. These are classified at level 3 in the fair value hierarchy.

Trade payables

Trade payables are unsecured and are usually paid within 30 days of recognition. Due to the short-term nature of trade payables, their carrying amounts are considered to be the same as their fair value.

Non-current borrowing from credit institutions

The carrying amount of non-current borrowings is considered to be the same as their fair values, since interest payable on those borrowings is close to current market rates. These are classified at level 2 in the fair value hierarchy.

Note 4. Earnings per share

TSEK	Q2		Jan-Jun		Jan-Dec
	2022	2021	2022	2021	2021
Earnings attributable to shareholders	-1,029	20,081	23,221	59,836	84,912
Weighted average number of ordinary shares	107,733,357	97,849,242	107,705,029	97,821,448	97,862,496
Effect of performance shares	46,510	425,347	46,510	425,347	425,347
Weighted average number of ordinary shares adjusted for the effect of dilution	108,102,047	98,274,589	108,102,047	98,246,795	98,287,843
Earnings per share, basic, SEK	-0.01	0.21	0.22	0.61	0.87
Earnings per share, after dilution, SEK	-0.01	0.20	0.22	0.61	0.86

Note 5. Segment reporting and disaggregated revenue

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The CEO has been identified as the chief operating decision maker and assesses the financial performance and position of the Group and makes strategic decisions. Within Karnov Group, operating segments are defined by geography and are monitored down to EBIT level.

Below EBIT level and on balance sheet and cash flow statements the assessment of financial performance and position is conducted entirely on Group level. Karnov's business operations are media independent, and the Company monitors the overall net sales distribution trend between online and offline products at Group level.

TSEK	Denmark		Sweden/Norway		Total	
	Q2		Q2		Q2	
	2022	2021	2022	2021	2022	2021
Online					206,617	179,331
Offline					20,494	21,790
Total net sales	107,868	98,469	119,243	102,652	227,111	201,121
EBITDA	42,208	41,628	24,701	41,335	66,909	82,964
EBITA	38,245	39,514	16,119	30,933	54,364	70,447
Adjusted EBITA	38,245	39,514	35,857	30,933	74,101	70,447
EBIT	21,787	24,252	-8,952	4,580	12,835	28,834
Net financial items					-6,934	-7,599
Result of participation in associated companies					-2,153	-
Profit before tax					3,748	21,235
Income tax expense					-4,714	-1,250
Net result					-966	19,985

TSEK	Denmark		Sweden/Norway		Total	
	Jan-Jun		Jan-Jun		Jan-Jun	
	2022	2021	2022	2021	2022	2021
Online					408,565	355,169
Offline					73,486	79,472
Total net sales	228,452	209,520	253,599	225,121	482,051	434,641
EBITDA	95,175	91,057	70,160	98,543	165,336	189,602
EBITA	87,733	86,808	52,078	78,636	139,812	165,445
Adjusted EBITA	87,733	86,808	90,440	78,636	178,173	165,445
EBIT	55,185	56,131	1,884	29,770	57,069	85,900
Net financial items					-14,882	-18,396
Result of participation in associated companies					-8,022	-
Profit before tax					34,165	67,504
Income tax expenses					-10,957	-7,799
Net result					23,208	59,705

Note 6. Business combinations and similar transactions

Echoline SAS

On 1 October 2021, Karnov Group entered into an agreement to acquire 100 percent of the shares issued in the company Echoline SAS based in France. Echoline SAS is a leading French provider of EHS compliance and monitoring software. The company's digital platform is cloud-based, and the business model is based mainly on subscription. The solution is targeted at ISO certified companies in the French speaking areas of Europe and currently represents large and mid-size corporations in France and the Benelux.

The acquisition is in line with the Karnov Group strategy of expanding internationally on the growing market for compliance solutions within Environment, Health and Safety (EHS).

The financial effects of this transaction have been recognized as of December 31, 2021. Revenue, income as well as assets and liabilities belonging to the acquired company are fully consolidated from 1 October 2021.

The goodwill arising from the acquisition is attributable to Echoline SAS's strong position and profitability on the market. The goodwill arising is not expected to be tax deductible in the event of future impairments.

Purchase price, TSEK	01 Oct 2021
Cash on closing	26,405
Earn-out	22,570
Total purchase price	48,975
Reported amounts, TSEK	
Cash	6,272
PPE	2,083
Intangible assets: Customer relations	8,024
Intangible assets: Technology	11,798
Trade receivables and other receivables	4,433
Trade payables and other liabilities	-7,984
Deferred tax	-5,253
Total identified assets	19,373
Goodwill	29,602
Total	48,975

Financing

The acquisition was paid with cash SEK 26 m. In addition, part of the purchase price is settled as an earn-out agreement which, if the agreed performance criteria are met, will be paid in 2022 and 2023 respectively.

Note: In the first quarter 2022, the preliminary purchase price allocation was adjusted by SEK 12 m with SEK 5 m on customer relations, SEK -3 m on technology, SEK 11 m on goodwill and SEK -1 m on deferred tax.

The adjusted purchase price allocation is illustrated on the above table.

Ante ApS

On 4 October 2021, Karnov Group entered into an agreement to acquire additional 26 percent of the shares issued in the company Ante ApS gaining a majority stake 51% ownership. The acquisition of the 26% of the shares was paid by Karnov Group with cash SEK 7 m. In addition, part of the purchase price is settled as an earn-out agreement which, if the agreed performance criteria are met, will be paid in 2025. For further information, please refer to the interim report for the fourth quarter 2021.

BELLA Intelligence ApS

On 5 November 2021, Karnov Group entered into an agreement to acquire additional 60 percent of the shares issued in BELLA Intelligence ApS attaining full ownership of the company. The acquisition of the 60% of the shares was paid by Karnov Group with cash SEK 14 m. For further information, please refer to the interim report for the fourth quarter 2021.

Note 7. Alternative performance measures

Karnov's financial statements include alternative performance measures, which complement the measures that are defined or specified in applicable rules for financial reporting. Alternative performance measures are presented since, in their context, they provide clearer or more in-depth information than the measures defined in applicable rules for financial reporting. The alternative performance measures are derived from the Group's consolidated financial reporting and are not measured in accordance with IFRS.

Karnov's definition of these measures, which are not described under IFRS, is provided in the section Financial Definitions. Reconciliations of the alternative performance measures are presented below.

Total net sales	Q2		Jan-Jun		Jan-Dec
	2022	2021	2022	2021	2021
TSEK					
Organic business	218,158	189,721	462,997	412,296	823,734
Acquired business	4,716	15,511	9,342	32,443	66,387
Currency	4,237	-4,111	9,712	-10,098	-12,049
Total net sales	227,111	201,121	482,051	434,641	878,072

Total net sales split, %	Q2		Jan-Jun		Jan-Dec
	2022	2021	2022	2021	2021
TSEK					
Organic growth, %	8.5%	6.6%	6.5%	5.7%	6.7%
Acquired growth, %	2.3%	8.7%	2.2%	8.3%	8.7%
Currency effect, %	2.1%	-2.3%	2.2%	-2.5%	-1.6%
Total growth, %	12.9%	13.0%	11.0%	11.5%	13.8%

Group	Q2		Jan-Jun		Jan-Dec
	2022	2021	2022	2021	2021
TSEK					
Net sales	227,111	201,121	482,051	434,641	878,072
EBITDA	66,909	82,964	165,336	189,599	324,908
EBITDA margin, %	29.5%	41.3%	34.3%	43.6%	37.0%
Items affecting comparability	-19,738	-	-38,362	-	-49,363
Adjusted EBITDA	86,647	82,964	203,698	189,599	374,271
Adjusted EBITDA margin, %	38.2%	41.3%	42.3%	43.6%	42.6%
Depreciations and amortisations	-12,545	-12,517	-25,524	-24,154	-47,345
EBITA	54,364	70,447	139,812	165,445	277,563
EBITA margin, %	23.9%	35.0%	29.0%	38.1%	31.6%
Adjusted EBITA	74,101	70,447	178,173	165,445	326,926
Adjusted EBITA margin, %	32.6%	35.0%	37.0%	38.1%	37.2%
Amortisation (acquisitions)	-41,529	-41,613	-82,742	-79,545	-161,259
EBIT	12,835	28,834	57,069	85,900	116,305

Items affecting comparability	Q2		Jan-Jun		Jan-Dec
	2022	2021	2022	2021	2021
TSEK					
M&A and PMI related expenses	-19,738	-	-38,362	-	-49,363
Total	-19,738	-	-38,362	-	-49,363

Denmark	Q2		Jan-Jun		Jan-Dec
	2022	2021	2022	2021	2021
TSEK					
Net sales	107,868	98,469	228,452	209,520	422,802
EBITDA	42,208	41,628	95,175	91,057	184,210
EBITDA margin, %	39.1%	42.3%	41.7%	43.5%	43.6%
Adjusted EBITDA	42,208	41,628	95,175	91,057	184,210
Adjusted EBITDA margin, %	39.1%	42.3%	41.7%	43.5%	43.6%
Depreciations and amortisations	-3,963	-2,114	-7,442	-4,249	-12,281
EBITA	38,245	39,514	87,733	86,808	171,929
EBITA margin, %	35.5%	40.1%	38.4%	41.4%	40.7%
Adjusted EBITA	38,245	39,514	87,733	86,808	171,929
Adjusted EBITA margin, %	35.5%	40.1%	38.4%	41.4%	40.7%
Amortisation (acquisitions)	-16,458	-15,262	-32,548	-30,677	-62,797
EBIT	21,787	24,252	55,185	56,131	109,132

Sweden/Norway	Q2		Jan-Jun		Jan-Dec
	2022	2021	2022	2021	2021
TSEK					
Net sales	119,243	102,652	253,599	225,121	455,270
EBITDA	24,701	41,335	70,160	98,543	140,700
EBITDA margin, %	20.7%	40.3%	27.7%	43.8%	30.9%
Items affecting comparability	-19,738	-	-38,362	-	-49,363
Adjusted EBITDA	44,439	41,336	108,522	98,543	190,062
Adjusted EBITDA margin, %	37.3%	40.3%	42.8%	43.8%	41.7%
Depreciations and amortisations	-8,582	-10,403	-18,082	-19,907	-35,064
EBITA	16,119	30,933	52,078	78,636	105,635
EBITA margin, %	13.5%	30.1%	20.5%	34.9%	23.2%
Adjusted EBITA	35,857	30,933	90,440	78,636	154,998
Adjusted EBITA margin, %	30.1%	30.1%	35.7%	34.9%	34.0%
Amortisation (acquisitions)	-25,071	-26,352	-50,194	-48,866	-98,462
EBIT	-8,952	4,580	1,884	29,770	7,173

Items affecting comparability	Q2		Jan-Jun		Jan-Dec
TSEK	2022	2021	2022	2021	2021
M&A and PMI related expenses	-19,738	-	-38,362	-	-49,363
Total	-19,738	-	-38,362	-	-49,363

Return on capital

TSEK	30 Jun 2022	30 Jun 2021	31 Dec 2021
EBIT	57,069	85,900	116,305
Total assets	4,508,512	3,663,780	4,521,922
Return on capital, %	1.3%	2.3%	2.6%

Net working capital

TSEK	30 Jun 2022	30 Jun 2021	31 Dec 2021
Current assets	1,092,043	358,521	1,185,101
Current liabilities	706,137	623,088	837,600
Net working capital	385,906	-264,567	347,501

Cash conversion

TSEK	Q2		Jan-Jun		Jan-Dec
	2022	2021	2022	2021	2021
Adjusted EBITDA	86,647	82,964	203,698	189,599	374,271
Cash flow from operating activities	-24,030	34,060	94,580	131,841	314,160
Interest paid	3,142	4,076	8,718	7,576	14,607
Income tax paid	4,852	8,759	20,800	23,462	45,306
Cash effect adjustment related to items affecting comparability	11,606	-	41,522	-	-7,617
Capex related to product development and enhancements	-14,888	-8,702	-28,679	-20,398	-37,245
Adjusted cash flow from operating activities	-19,317	38,193	136,941	142,481	344,446
Cash conversion, %	-22.3%	46.0%	67.2%	75.1%	92.0%

Net debt

TSEK	30 Jun 2022	30 Jun 2021	31 Dec 2021
Non-current borrowing from credit institutions	1,233,237	1,202,598	1,209,642
Leasing liabilities, long term	93,193	92,623	86,916
Leasing liabilities, short term	15,221	12,552	12,477
Cash and cash equivalents	-981,070	-263,617	-951,471
Net debt	360,582	1,044,157	357,564

Leverage ratio

TSEK	30 Jun 2022	30 Jun 2021	31 Dec 2021
Adjusted EBITDA LTM	388,367	350,993	374,271
Net debt	360,582	1,044,157	357,564
Leverage ratio	0.9	3.0	1.0

Signatures

The Board of Directors and the CEO certify that these consolidated financial statements and half-year report have been prepared in accordance with International Financial Reporting Standards IFRS, as adopted by the EU and generally accepted accounting principles and gives a fair view of the Group's and Parent Company's financial position and results of operations.

Stockholm, 18 August, 2022

Magnus Mandersson
Chairman of the Board

Ulf Bonnevier
Board Member

Lone Møller Olsen
Board Member

Salla Vainio
Board Member

Loris Barisa
Board Member

Pontus Bodelsson
President and CEO

Quarterly overview

TSEK	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Income statement					
Net sales	227,111	254,940	221,106	222,325	201,121
EBITDA	66,909	98,427	42,624	92,684	82,967
EBITDA margin, %	29.5%	38.6%	19.3%	41.7%	41.3%
EBITA	54,364	85,448	31,801	80,315	70,447
EBITA margin, %	23.9%	33.5%	14.4%	36.1%	35.0%
Adjusted EBITA	74,101	104,072	73,664	87,815	70,447
Adjusted EBITA margin, %	32.6%	40.8%	33.3%	39.5%	35.0%
EBIT	12,835	44,234	-9,806	40,208	28,834
EBIT, margin %	5.7%	17.4%	-4.4%	18.1%	14.3%
Net financial items	-6,934	-7,948	6,375	-9,048	-7,599
Net result	-966	24,174	1,023	23,490	19,985
Balance sheet					
Non-current assets	3,416,469	3,346,826	3,336,821	3,278,692	3,305,259
Current assets	1,092,043	1,134,755	1,185,101	350,755	358,521
Cash and cash equivalents	981,070	1,029,442	951,471	246,815	263,617
Equity	2,228,764	2,186,332	2,154,055	1,568,807	1,532,730
Non-current liabilities	1,573,612	1,539,960	1,530,266	1,500,508	1,507,962
Current liabilities	706,137	755,289	837,600	560,132	623,088
Total assets	4,508,512	4,481,581	4,521,922	3,629,447	3,663,780
Cash flow					
Cash flow from operating activities	-24,030	119,276	185,221	-2,905	34,059
Cash flow from Investing activities	-26,701	-26,601	-59,559	-10,373	-27,607
Cash flow from financing activities	-23,163	-3,971	578,794	-4,813	-102,779
Cash flow for the period	-73,894	88,704	704,456	-18,090	-96,326
Adjusted cash flow from operating activities	-19,983	156,925	248,009	-4,301	38,193
Key ratios					
Net working capital	385,906	379,466	347,501	-209,377	-264,567
Return on capital, %	0.3%	1.0%	-0.2%	1.1%	0.8%
Equity/asset ratio, %	49.4%	48.8%	47.6%	43.2%	41.8%
Cash conversion, %	-23%	134%	253%	-12%	46%
Net debt	360,582	295,045	357,564	1,060,666	1,044,156
Share data:					
Weighted average number of ordinary shares	107,733,357	107,676,700	107,676,700	97,849,242	97,849,242
Earnings per share, basic, SEK	-0.01	0.23	0.01	0.24	0.21
Earnings per share, after dilution, SEK	-0.01	0.22	0.01	0.24	0.20

Financial definitions and alternative performance measures

This interim report contains references to a number of performance measures. Some of these measures are defined in IFRS standards, while others are alternative measures, which are not reported in accordance with applicable financial reporting frameworks or other

legislation. These measures are used by Karnov to help both investors and management to analyse the Group's operations. The measures used in this interim report are described below, together with definitions and the reason for their use.

Key ratio	Definition	Reason for use
Acquired growth	Change in net sales during the current period attributable to acquired units, excluding currency effects, in relation to net sales for the corresponding period of the preceding year. Net sales of acquired units are defined as acquired growth during a period of 12 months commencing the respective acquisition date.	The measure is used as a complement to organic growth and provides an improved understanding for Karnov's growth.
Adjusted EBITA	EBITA adjusted for the impact of items affecting comparability.	The measure shows the profitability from the business, adjusted for the impact of items affecting comparability and amortisation of capital expenditures related to acquisitions.
Adjusted EBITA margin	Adjusted EBITA as a percentage of net sales.	The measure shows the underlying profitability generated from the current operations over time, adjusted for items affecting comparability.
Adjusted EBITDA	EBITDA excluding items affecting comparability.	The measure is used since it facilitates the understanding of the operating profit, excluding items affecting comparability, financing, depreciation and amortisation.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	The measure shows operational profitability over time, excluding items affecting comparability, financing, depreciation and amortisation.
Adjusted cash flow from operating activities	Cash flow from operating activities adjusted for cash effect of interests, taxes and items affecting comparability less capital expenditure related to new product development and enhancement of existing products and business systems.	The measure is used to calculate one component in the cash conversion.
Average number of full-time employees (FTEs)	Average number of full-time employees during the reporting period.	Non-financial key ratio.
Cash conversion (%)	Adjusted cash flow from operating activities as a percentage of Adjusted EBITDA.	The measure is used since it shows how efficiently adjusted cash flow from operating activities is translated into a concrete contribution to Karnov's financing.
Earnings per share	Earnings per share for the period in SEK attributable to the parent company's shareholders, in relation to weighted average number of outstanding shares before and after dilution.	IFRS key ratio.
EBITA	Earnings before financial items and taxes, excluding acquisition related purchase price allocation (PPA) amortisation.	The measure shows the profitability from the business, adjusted for acquisition related purchase price allocation (PPA) amortisation.
EBITA margin	EBITA as a percentage of net sales.	The measure shows the profitability over time for the underlying business (i.e., excluding PPA amortisation) in relation to net sales.

Key ratio	Definition	Reason for use
EBITDA	Earnings before depreciation and amortisation, financial items, and taxes.	The measure shows the operating profitability before depreciation and amortisation.
EBITDA margin	EBITDA as a percentage of net sales.	The measure shows operational profitability over time, regardless of financing, depreciation and amortisation.
Equity/asset ratio (%)	Equity divided by total assets.	The measure can be used to assess Karnov's financial stability.
Items affecting comparability	Items affecting comparability includes items of a significant character that distort comparisons over time.	The measure is used for understanding the financial performance over time.
Leverage ratio (Net debt/adjusted EBITDA LTM)	Net debt on the balance sheet date divided by adjusted EBITDA for the last twelve months (LTM).	Relevant to analyse to ensure that Karnov has an appropriate financing structure and is able to fulfil its financial obligations under its loan agreement.
Net debt	Total net borrowings including capitalised bank costs and lease liabilities less cash and cash equivalents.	The measure is used since it allows for an assessment of whether Karnov has an appropriate financing structure and is able to fulfil its commitments under its financing agreements.
Net sales (online)	Net sales from online products.	The measure is used since it facilitates the understanding of total net sales and the breakdown of net sales.
Net sales (offline)	Net sales from printed products and training.	The measure is used since it facilitates the understanding of total net sales and the breakdown of net sales.
Net working capital (NWC)	Current assets less current liabilities.	The measure shows the tie-up of short-term capital in the operations and facilitates the understanding of changes in the cash flow from operating activities
Operating profit (EBIT)	Profit for the period before financial items and taxes.	The measure is used since it enables comparisons of the profitability regardless of the capital structure or tax situation.
Organic growth	Change in net sales during the current period, excluding acquisitions and currency effects, in relation to net sales for the corresponding period of the preceding year. Acquisitions are included in organic net sales after a period of 12 months.	The measure is used since it shows Karnov's ability to generate growth through increases of, among other things, volume and price in its existing business.
PPA adjusted net profit	Net profit adjusted for items affecting comparability and amortisations of acquired businesses.	The measure is used to show Karnov's financial performance without the influence of items affecting comparability and amortisations of acquired businesses.
Return on capital	Operating profit (EBIT) for the period divided by total assets.	The measure shows the operating return on capital that owners and lenders have invested.

CURRENCY RATES

	Closing rate 30 Jun 2022	Average rate Jan-Jun 2022	Closing rate 30 Jun 2021	Average rate Jan-Jun 2021	Closing rate 31 Dec 2021	Average rate Jan-Dec 2021
1 DKK is equivalent to SEK	1.4356	1.4079	1.3616	1.3617	1.3753	1.3640
1 NOK is equivalent to SEK	1.0314	1.0499	0.9942	0.9952	1.0254	0.9979
1 EUR is equivalent to SEK	10.6801	10.4760	10.1249	0.9997	10.2269	10.1449

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OTHER

Amounts in tables and combined amounts have been rounded off on an individual basis. Minor differences due to this rounding off may, therefore, appear in the totals. Figures commented in the text are presented in million SEK unless otherwise stated. Comparative figures from previous period are presented in brackets.

Karnov Group today

80,000+

Users

1,500+

Specialists

290+

Employees

Karnov Group (publ) is a leading provider of information solutions for professionals in the areas of legal, tax and accounting, and environmental, health and safety in Denmark and Sweden. Karnov was founded on one man's belief that access to the law is the foundation of every great society and our legacy dates back to 1867. Over time, the Karnov Group has evolved from a traditional publishing company to a digital information provider.

Our mission is to be an indispensable partner for all legal, tax and accounting professionals and enable our users to make better decisions, faster by delivering the highest quality of content within a state-of-the-art user experience to support their workflow efficiency.

Our solutions are largely digital, and we offer subscription-based online solutions for law firms, tax and accounting firms, corporates and the public sector including courts, universities, public authorities and municipalities. Karnov also publishes and sells books and journals and hosts legal training courses.

With strong brands such as Karnov, Norstedts Juridik, Notisum, Legal Cross Border, Forlaget Andersen, Ante, BELLA Intelligence, LEXNordics, DIBkunnskap and Echoline, Karnov Group delivers knowledge and insights to more than 80,000 users.

Karnov's is organised into two geographical financial reporting segments and the product offering, subject to a few variations, is similar in all countries.

Denmark: Legal, tax and accounting online and offline products and solutions

Sweden: Legal, tax and accounting online and offline products, EHS compliance solutions and legal training

Norway: Tax and accounting online workflow tools

France and Benelux: Online compliance solutions for Environmental, Health and Safety (EHS)

With offices in Copenhagen, Stockholm, Oslo, Paris and Malmo, Karnov Group employs around 290 people.

The Karnov share is listed on Nasdaq Stockholm, Mid Cap segment, under the ticker "KAR".



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