

Karnov Group

Pareto Nordic TechSaaS Conference

Magnus Hansson, CFO

November 16th, 2023

Summary of operations

Mission-critical solutions to European legal professionals

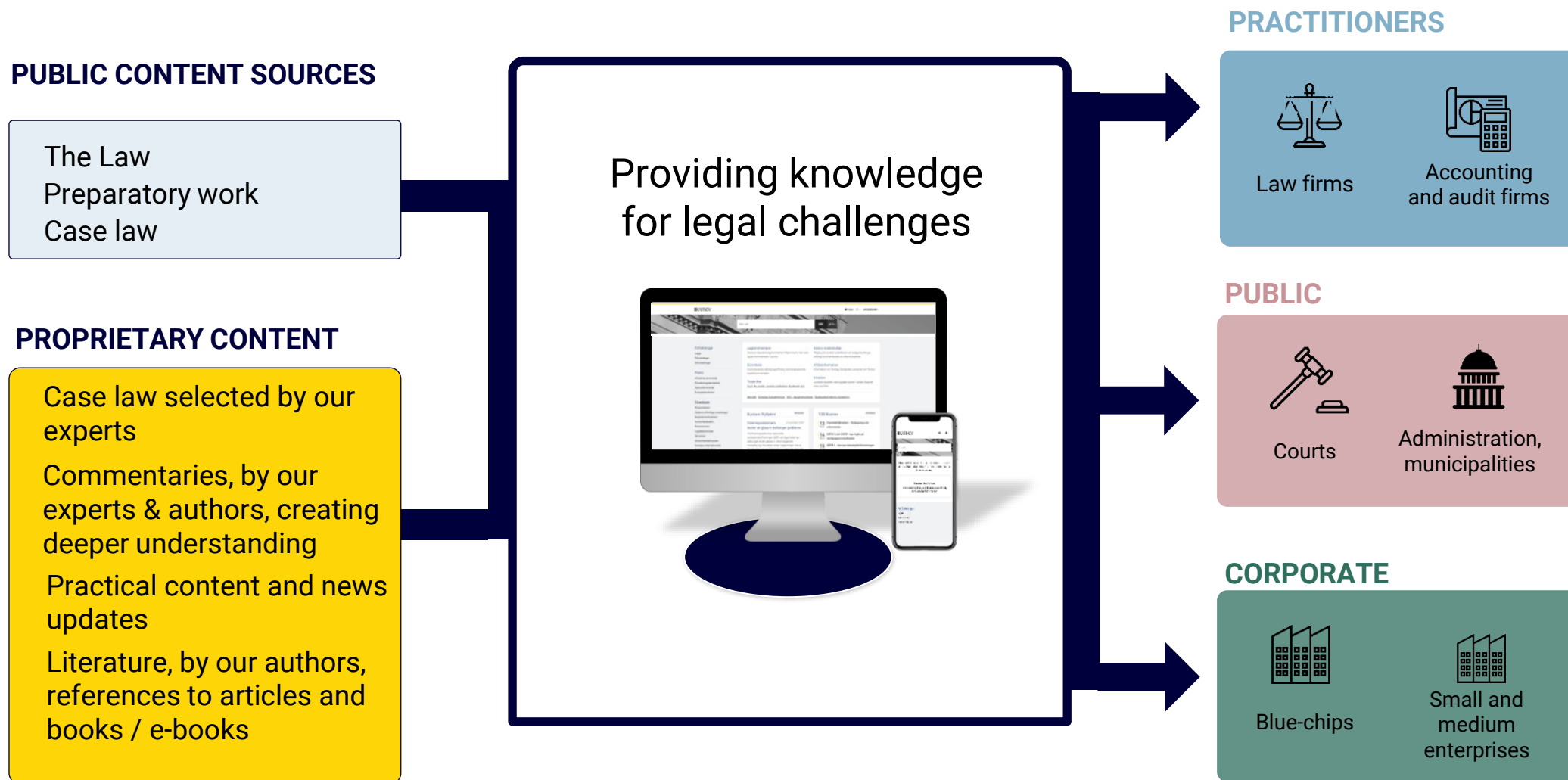


**Net sales development
2013 - 2023 LTM Q3**



*) Including proforma numbers 2022 for region South

How Karnov enables “Better decisions, faster”



Staying locally focused












For absolute relevance and certainty

Certainty made possible through proprietary content

- Local content is crucial
- We are a European local player
- +7,000 local subject matter experts
- High quality and strong brand building

Local content is an absolute prerequisite for trustworthy AI solutions

Product overview

	Sweden	Denmark	Norway	France	Spain
Research					
Legal training					
EHS & Compliance					
Tax & Accounting					
SW / Workflow					

AI adds more customer value

Great demand from legal professionals



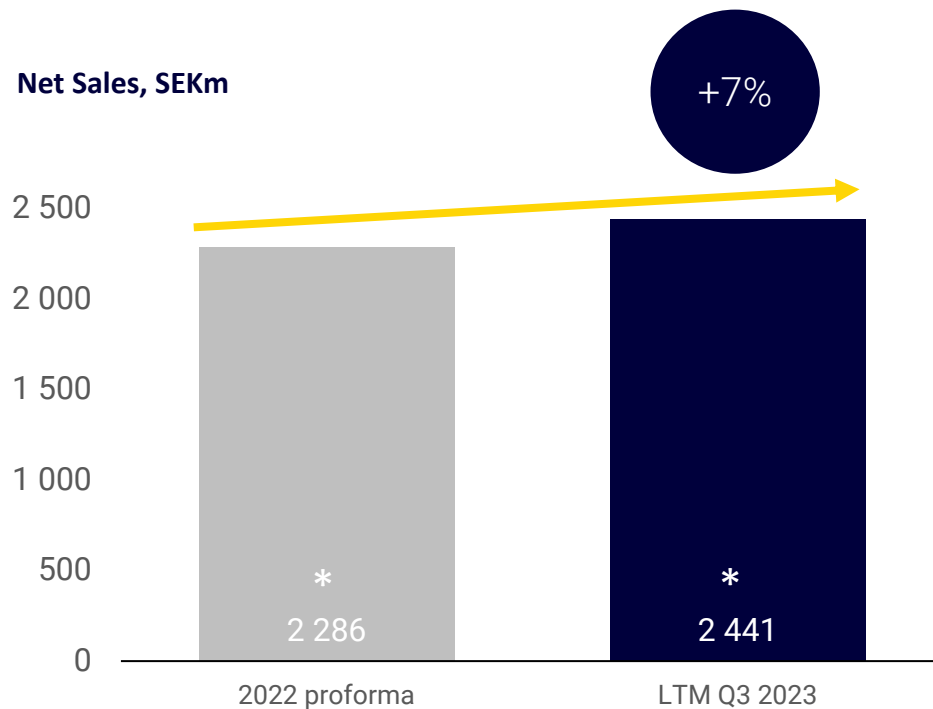
Key comments

- AI an opportunity for improved profitability
 - New services making our customers more efficient
 - Increasing customer value - increasing prices
- New ways of working for legal professionals
 - 25 years after the internet revolution: Twice as many lawyers today. Four times as many legal assistants.
 - Today only 2 out of 10 lawyers have repetitive work tasks
 - Internet created new legal fields – AI will do the same. AI might change ways of working but not the need for lawyers

Q3 Updates

The Group's net sales growth is driven by Region North

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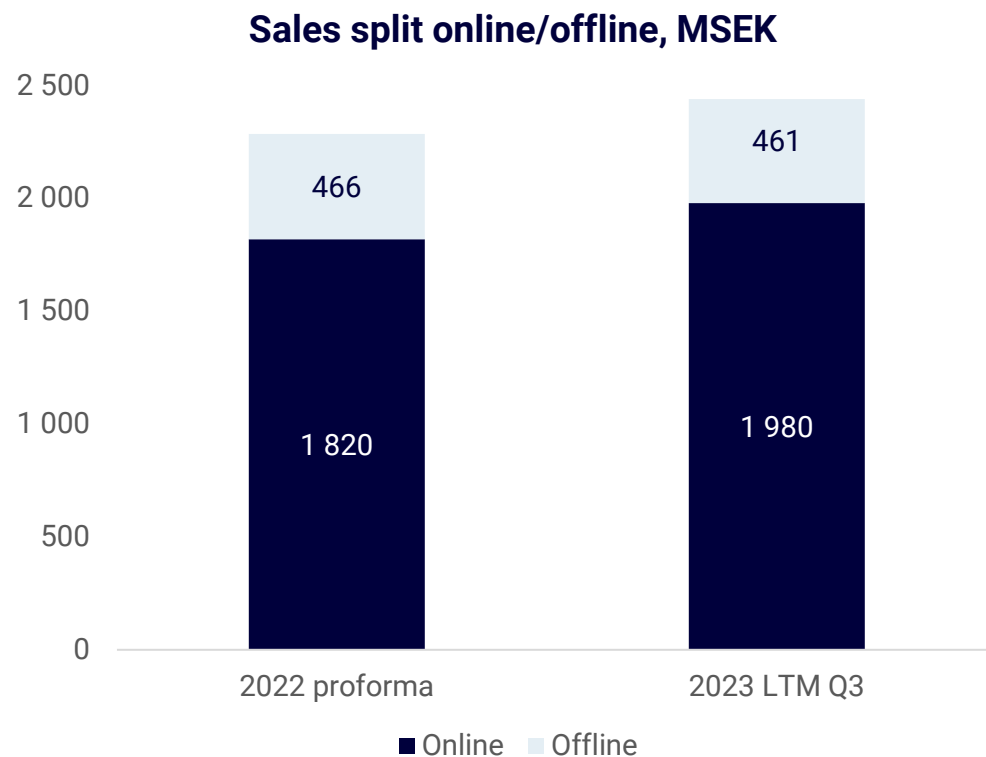
Key comments

- Net sales growth of 7% LTM Q3 2023 compared to proforma 2022 figures
 - Increased sales of online solutions across the Group
 - Growth driven by user increase and value enhancements
 - The weak SEK have a positive impact on net sales

*Comparing figures include proforma numbers for Region South. These have not been audited by the company's auditor.

High portion of online and subscription-based sales

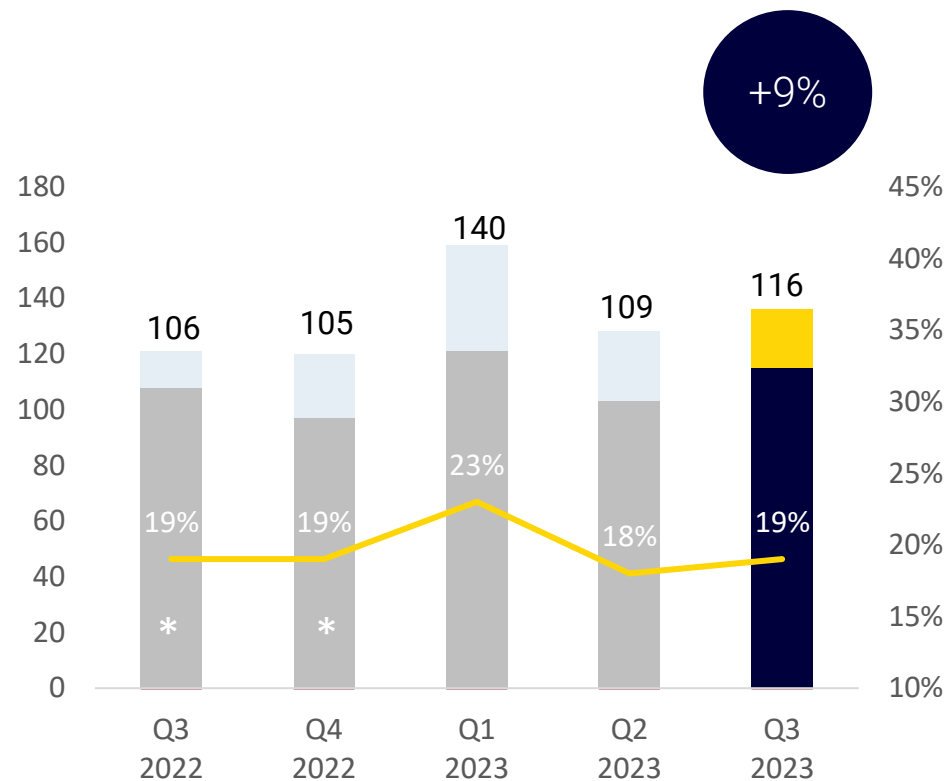
Increased online and subscription-based sales drive increased recurring revenue



Adjusted EBITA

New base margin in 2023 due to the acquisition of Region South

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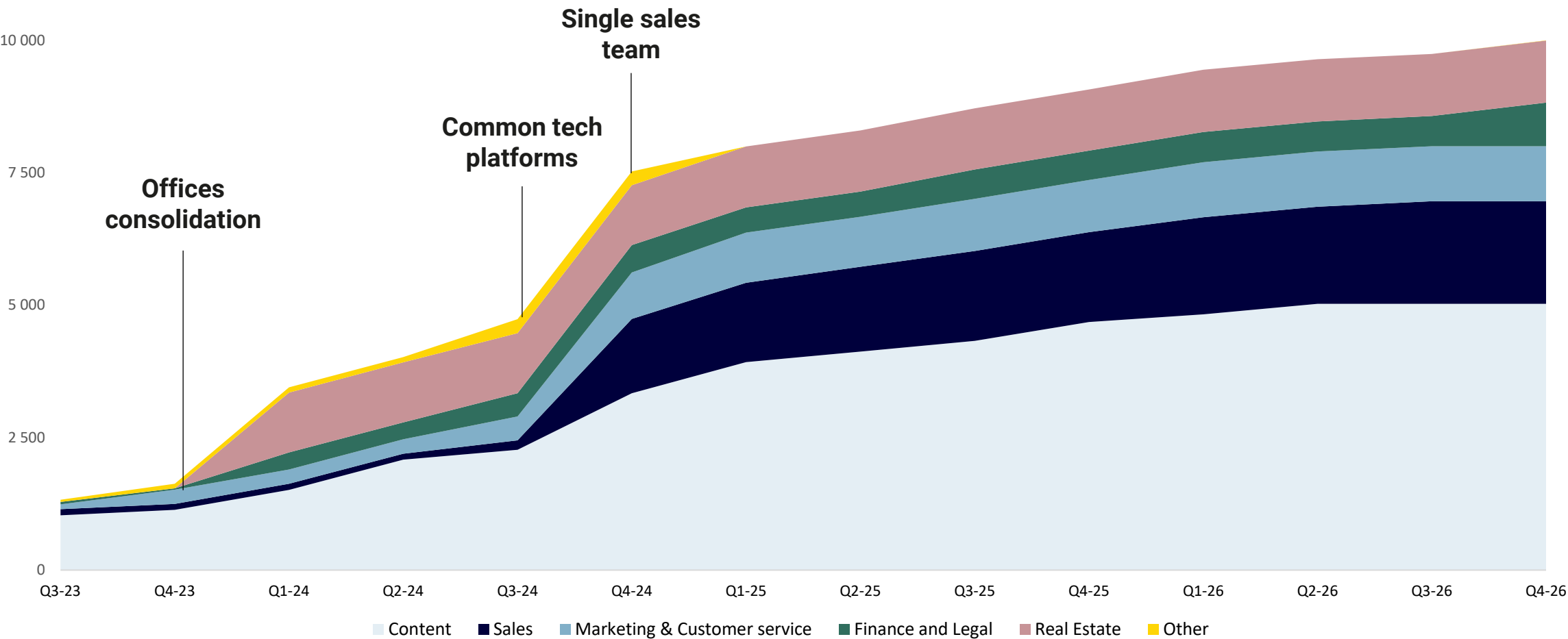
Key comments

- › Adjusted EBITA amounted to SEK 116 m (proforma 106)
- › Group adjusted EBITA margin was stable at 18.7% (proforma 18.7)
 - › Underlying operating expenses are stable
- › Synergies of EUR 1 m on an annual run-rate basis harvested

*Comparing figures include proforma numbers for Region South. These have not been audited by the company's auditor.

Region South cost-synergies effects

Yearly run-rate by category

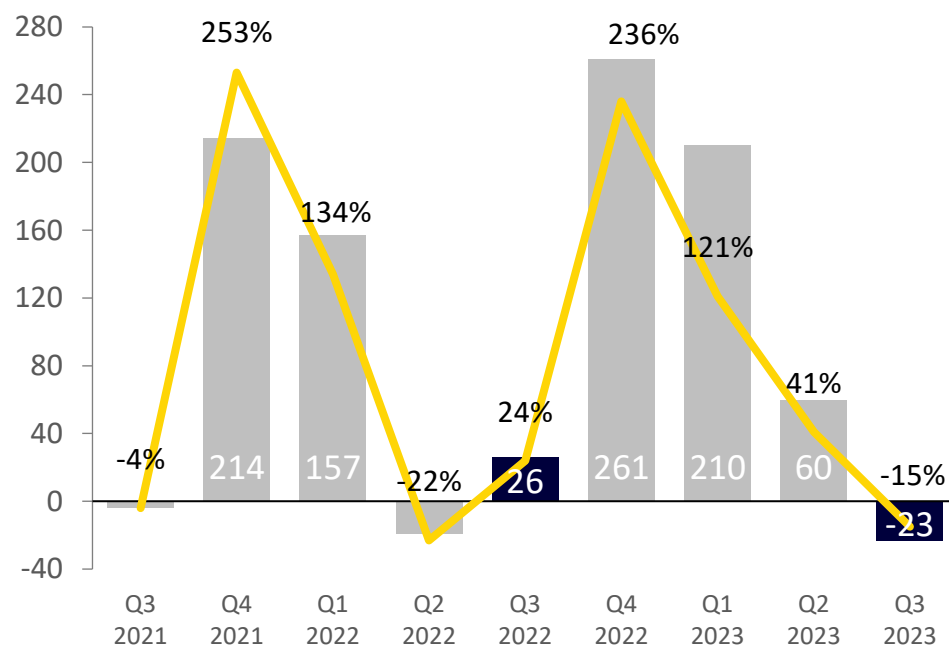


Leverage at 3.2x

We expect a strong operating cash flow in Q4 from renewed subscriptions

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



Key comments

- › Adjusted operating cash flow amounted to SEK -23 m
 - › The negative cash flow is due to changes in working capital, increased interest costs and tax payment
- › Leverage of 3.2x
 - › Definition of leverage aligned with the updated financial target
 - › Focus on improving leverage below the financial target of 3.0x and invest in harvesting synergies

Investment case

Supporting legal professionals with **mission-critical** proprietary content that delivers efficiency and certainty

Strong positions in local markets with **stable number of customers**

Products with **significant value** while being a **small percentage of our customers' total operating cost**

Updated financial targets

Organic growth: **4-6%**
(medium term)

Adjusted EBITA margin: **≥25%**
(medium term)

≥30%
(long term)

Leverage **≤3.0x**