ANNUAL REPORT
2024

CLEARING THE PATH TO JUSTICE

KARNOV GROUP

Contents

KARNOV GROUP

Karnov provides mission-critical knowledge and workflow solutions for legal, tax and accounting, and environmental and health protection professionals across Europe

THE CEO SETS THE SCENE

Growth, strengthened margins and launch of AI solutions across the Group.

6

A MARKET WITH CLEAR DRIVERS

Karnov Group operates in a market largely driven by increasing legal and regulatory complexity.

18

CONTRIBUTES TO THE RULE OF LAW

Karnov's major contribution to a sustainable society.

32

Karnov Group

Mission-critical solutions for legal professionals

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Karnov Group's history dates back to 1823, founded with a belief that access to the law is fundamental to any democracy based on the rule-of-law. Karnov provides mission-critical knowledge and workflow solutions for legal, tax & accounting, and environmental & health protection professionals across Europe. Through proprietary, authored content developed by over 7,000 renowned legal experts, Karnov delivers knowledge and insights that enable over 400,000 users in Europe to make better decisions faster - every day.

KARNOV GROUP IN BRIEF

- Mission-critical solutions for legal professionals.
- Leading European supplier with operations in Denmark, France, Norway, Portugal, Spain and Sweden.
- The services are primarily available digitally with a high degree of subscription-based customer agreements.
- Publishes printed books and journals and hosts legal training.
- Customers are mainly law firms, accounting and auditing firms, corporates, as well as the public sector such as courts, universities, authorities and municipalities.
- Karnov Group creates growth through the development of new regulatory areas (verticals) and through acquisitions.
- Listed since 2019 on Nasdaq Stockholm.

BETTER DECISIONS, FASTER

Find what you are looking for, trust what you find and do it quickly.

400,000+
USERS IN SIX COUNTRIES

7,000+
EXPERTS

~1,200
EMPLOYEES

2,593 MSEK
NET SALES

2.8%
ORGANIC GROWTH

581 MSEK
ADJUSTED EBITA

The EU legislation continues to influence a significant part of the Member States' laws and regulations.

Significant events in 2024

STRONG GROWTH AND PROFITABILITY IN REGION NORTH

The operations in Denmark, Sweden and Norway continued to grow profitably in 2024. Growth was driven by increased demand for our services, from both existing and new customers. The focus is on AI driven growth and continuous margin improvement.
Read more about Region North on page 26.

EXPANDED CUSTOMER BASE IN THE PUBLIC SECTOR THROUGH THE ACQUISITION OF CARVED-OUT SCHULTZ BUSINESS

Karnov Group acquired the carved-out legal information business Schultz in June 2024. The acquisition provides Karnov Group new customers on the Danish municipality market and strengthens Karnov's portfolio of local content to develop best-in-class generative AI solutions for customers.
Read more about Region North on page 26.

NEXT INTEGRATION PHASE INITIATED IN REGION SOUTH

The operations in France, Spain and Portugal generated a financial result in line with expectations in 2024. The merger of the two Spanish operations has been completed, and cost-synergies are coming through as expected. The aim is to reduce the cost base by EUR 10 m on annual run-rate basis by the end of 2026. In France, we launched three new flagship products, to create the conditions to become the fastest growing player in the market in the medium term.
Read more about Region South and the integration on page 28.

AI SOLUTIONS GENERATING SIGNIFICANT VALUE UPLIFT

Karnov launched its AI legal research assistant in Region North and continuously enhanced its equivalent in Region South. Customers have adopted well to the new product and confirm that it brings significant value and efficiency uplifts.
Read more about Karnov's AI strategy and how AI generate new customer value and growth opportunities on pages 22-24.

ACCELERATION INITIATIVE FOR FURTHER CUSTOMER VALUE AND INCREASED PROFITABILITY

Karnov launched a Group-wide initiative to create more customer value and accelerate the Company's strategy. During 2024, efficiencies have been harvested mainly in Region North. The intention is to generate additional cost efficiencies of EUR 10 m on annual run-rate basis within the Group with full effect by the end of 2026.
Read more about the Acceleration Initiative on page 16.

Multi-year overview

MSEK	2024	2023	2022	2021	2020
Income statement					
Net sales	2,593	2,475	1,113	878	771
EBITDA	532	524	313	325	321
EBITDA margin, %	20.5%	21.2%	28.1%	37.0%	41.7%
EBITA	366	370	254	278	276
EBITA margin, %	14.1%	15.0%	22.9%	31.6%	35.8%
Adjusted EBITA	581	488	364	327	288
Adjusted EBITA margin, %	22.4%	19.7%	32.7%	37.2%	37.4%
EBIT	146	156	79	116	131
EBIT margin, %	5.6%	6.3%	7.1%	13.2%	17.0%
Net financial items	-181	-116	-17	-21	-10
Profit for the year	-33	37	60	84	100
Balance sheet					
Non-current assets	6,456	5,957	6,138	3,337	2,952
Current assets*	1,034	976	1,189	1,185	737
Cash and cash equivalents	403	451	671	951	553
Equity	2,374	2,337	2,326	2,154	1,551
Non-current liabilities	3,166	2,775	3,260	1,530	1,480
Current liabilities*	1,950	1,820	1,740	838	658
Total assets	**7,489**	**6,933**	**7,326**	**4,522**	**3,689**
Cash flow					
Cash flow from operating activities	316	337	276	314	379
Cash flow from investing activities	-602	-221	-1,740	-386	-112
Cash flow from financing activities	236	-338	1,152	468	235
Cash flow for the period	**-51**	**-222**	**-312**	**396**	**502**
Key ratios					
Net working capital	-916	-844	-552	348	79
Equity ratio, %	31.7%	33.7%	31.8%	47.6%	42.0%
Adjusted free cash flow	299	231	259	283	293
Net debt	2,283	1,756	1,812	457	743
Share data					
Earnings per share, before dilution, SEK	-0.31	0.34	0.56	0.87	1.02
Weighted average number of ordinary shares (thousands)	107,876	107,862	107,847	97,862	97,671

* Current assets and current liabilities are for 2024, 2023 and 2022 stated in accordance with full implementation of IFRS 15. 2020-2021 has not been restated.

The CEO sets the scene

Growth, strengthened margins and launch of AI solutions across the Group

2024 was a successful year, with solid net sales growth and strong margins improvement. Organic growth was 3% and the adjusted EBITA margin reached 22%. During the year, we launched AI solutions while in parallel achieved cost-synergies to improve margins. We leverage the technical shift to AI generating significant value for our customers and have taken the next steps in fulfilling our AI ambition. Utilising our European innovation capabilities and local market expertise in a Group AI organisation benefit all our customers, as we intend to create scalable AI products with local customer value.

MISSION-CRITICAL SOLUTIONS FOR LEGAL PROFESSIONALS

2024 was another year recognised by macroeconomic and geopolitical turbulence, during which the legal industry continued its transformation and adopted new technologies. It was also a year where Karnov Group took brave decisions and launched our AI assistant benefitting our customers. Thanks to our ability to evolve in a growing industry, we deliver mission-critical value to our clients. Our robust business model and stability derive from our strong position in an attractive, growing segment characterized by stable, non-cyclical customers. More than 85 percent of our net sales are subscription-based, and with a renewal rate of over 90 percent, we are enabling stable cash flow generation that will allow Karnov to put another strong year behind.

In 2024, Karnov Group's net sales increased by 4.8%, mainly organic growth. Growth was primarily driven by increased sales to existing customers and the realisation of business opportunities with new customers, mainly in the municipality segment in Denmark. It is with humility we see the demand for our mission-critical solutions growing. We continue to increase customer value investing in AI, to the benefit of our customers.

Adjusted EBITA amounted to SEK 581 million. The adjusted EBITA margin was 22.4% at Group level. That is an improvement of approximately 3 percentage points compared to last year, as achieved synergies are coming through. Our financial target is an adjusted EBITA margin in excess of 25% medium-term in excess of 30% long-term.

Leverage amounted to 3.0x, in line with our financial target. We intend to allocate our free cash flow to achieve cost-synergies and further enhance our AI solutions, benefitting all stakeholders. The Board of Directors' proposal at the AGM on 15 May 2025 is that no dividend shall be distributed.

NEXT PHASE LAUNCHED IN REGION SOUTH

It has now been a little more than two years since Karnov expanded into a European local player, acquiring businesses in France, Spain and Portugal. I am pleased that we have completed the first phase of the integration in 2024. In Spain, we have achieved a reorganisation while launching the first AI features on the product suite. We have also completed the technical merger, which enable us to now leverage the best of the two businesses to create best-in-class customer offerings. In France, we have launched three new flagship products with AI features while strengthening our sales organisation. These achievements are laying the foundation for profitable growth in Region South, as we have entered the next phase of the integration.

Pontus Bodelsson,
President and CEO

SUCCESSFUL YEAR IN REGION NORTH – AI LAUNCHED

Region North has grown strongly during the year. The growth has been driven by upselling to existing customers and our ability to attract new customers in a constantly growing regulation of our societies. During the year, we have also welcomed new customers in the Danish municipality market, as we carved-out the legal information business from Schultz in June 2024. We will continue to consolidate our position in the Nordics where we are a mission-critical partner to the stakeholders in the legal industry. We have been delivering high quality and reliable solutions to our clients for 200 years and we will continue to focus on meeting our clients' needs to provide the highest quality to the best possible user experience that effectively supports their workflow.

At the end of September 2024, we launched our AI legal assistant in Denmark and Sweden. The solution is used some of the largest law firms in the markets and customers have confirmed the significant customer value. We are further experiencing interest from the public sector that also has identified the value of the new solution.

COST-EFFICIENCY TARGET REACHED

During 2024, we have progressed with our initiatives to reach our cost-efficiency targets. By the end of year, the annual run-rate synergies from the Region South Integration amounted to SEK 92 m. We thus achieved our synergies target for 2024. We reiterate our ambition to generate synergies of SEK 115 m on annual run-rate basis by the end of 2026, as we progress with the next phase of the integration.

In parallel, we progress with our Group-wide Acceleration Initiative. We have during the year achieved synergies in Region North and are now upscaling in Region South and on Group level. By the end of 2024, the annual run-rate synergies from the Acceleration Initiative amounted to SEK 67 m. We reiterate our ambition to generate synergies of SEK 115 m on annual run-rate basis by the end of 2026.

In total, our progress with the two initiatives has generated annual run-rate synergies of SEK 159 m by the end of 2024.

BOOSTING OUR AI ROADMAP FOR LOCAL CUSTOMER VALUE

Our AI legal research assistant has now been on the market for a few months in Region North and in Region South our first waves of AI features have been launched. The combination of our locally authored mission-critical legal content and AI technology brings significant, proven value to all legal professionals. Development is progressing rapidly, and we need to be both decisive and agile to meet our customers' needs.

We have taken the next steps in fulfilling our AI ambition, combining our European innovation capabilities and local market expertise into a Group AI product organisation. Adopting best practices from across the Group will benefit all our customers, as we will leverage the strengths of being a European player to create scalable AI products with local customer value.

FINAL WORDS

I would like to conclude by thanking all my colleagues, our authors, experts, customers and shareholders who have all contributed to Karnov's strong performance this year. Karnov Group has transformed from being a market leader in the Nordic region to a strong European player. We leverage the strengths of being a European player as we will support our customers with scalable AI products that generate local value. Thank you.

Stockholm on March 31st, 2025
Pontus Bodelsson, President and CEO

KARNOV GROUP as an investment

A LONG HISTORY IN CONTRIBUTING TO A SOCIETY BASED ON THE RULE OF LAW

Karnov Group has for more than 200 years provided mission-critical proprietary content to European legal professionals, thereby contributing to a society built on the rule of law and clearing the path to justice. The solutions are developed with more than 7,000 legal experts across Europe.

Read more about the offer, page 22.

NON-CYCLICAL BUSINESS MODEL WITH PREDICTABLE CASH FLOW

With local brands, Karnov has a strong position in an attractive and growing segment with a highly non-cyclical and financially resilient stable customer base in both the private and public sectors. The Group's business model is approximately 85 percent subscription-based revenues, enabling a strong and predictable positive cash flow. The average annual organic growth has been 5 percent over the last five financial years.

Read more about the market, page 18, financial targets, page 12 and our revenue model, page 17.

CLEAR DRIVERS FOR CONTINUED DEMAND

Macro trends are leading to an increasingly complex and rapidly changing regulatory environment, increasing the need for Karnov's services. The underlying drivers enable continued organic growth. Growth opportunities are also explored through selective value-accretive acquisitions to expand into closely related business areas, expanding the product portfolio or to enter new geographical markets.

Read more about the strategies, page 14 and the market, page 18.

MISSION-CRITICAL SERVICES REPRESENT A LOW SHARE OF CUSTOMERS' OPERATING COSTS.

Karnov's services and products are mission-critical to the Group's customers but represent a low proportion of their operating costs while demonstrating significant value through improved efficiency and certainty of customer workflows.

Read more about Karnov's product portfolio on page 22.

HIGH INNOVATION CAPACITY WITH PROVEN VALUE CREATION

Karnov has consistently used technology to develop its services. Innovations add customer value and enable annual price adjustments. Artificial Intelligence (AI) creates new opportunities making use of the content of the Group's databases. AI is also expected to be a driver of the Group's organic growth.

Read more about tech development, page 22 and the capital allocation strategy, page 17.

Value model

***Karnov Group's** long history in a non-cyclical and growing judicial market create the basis for expanding business*

Karnov Group's value model

DRIVING FORCES

Increased need for legal services due to increased complexity driven by the continued increase in regulations and legislation.

RESOURCES

Intellectual capital
Employees 1,211
Legal experts >7,000

Capital structure
Customers

PRACTITIONERS

Law firms
Accounting and audit firms

PUBLIC

Courts
Administration, municipalities

CORPORATE

Blue-chips
Small and medium enterprises

Digital and physical products and services

Energy and material resources
Energy consumption

Financial capital
Capex/turnover (Product development)

HOW KARNOV CREATES VALUE

Clearing the path to justice

PUBLIC CONTENT SOURCES

The Law | Preparatory Work | Case law

PROPRIETARY CONTENT

- Case law selected by our experts
- Commentaries, by our experts & authors, creating deeper understanding
- Practical content and news updates
- Literature, by our authors, references to articles and books / e-books

KNOWLEDGE FOR LEGAL CHALLENGES

Strategic focus
Customer understanding, global platforms, local knowledge, corporate culture, product portfolio.

Value-based organization

Local adaptation

VALUE CREATED

Customers
Supporting legal professionals with mission-critical proprietary content that provides efficiency and certainty.

Society
Contributes to legal certainty
Taxes of SEK 65 m paid

Employees
SEK 1,156 m in salaries and allowances
Ongoing skills development

Experts
Missions to more than 7,000 experts

Suppliers
SEK 349 m in purchases

Lenders
SEK 142 m in paid interest expenses

Shareholders
Earnings per share SEK -0.31

FINANCIAL RESULT 2024

Net sales
SEK 2,593 m

Organic growth
2.8%

Adjusted EBITA
SEK 581 m

Adjusted EBITA margin
22.4%

Net debt/EBITDA LTM ratio
3.0x

Equity ratio
31.7%

Investments
SEK 200 m

Business concept

Karnov Group will make available and facilitate the interpretation of current legislation and regulations and provide workflow tools for increased efficiency to practicing lawyers and other regulatory interpreters, in law firms, the judiciary and public administration as well as companies, in European countries applying civil law.

Ambition

FIRST CHOICE IN LEGAL KNOWLEDGE

We are the first choice for legal knowledge through premium content, customer centricity and innovation.

Purpose

CLEARING THE PATH TO JUSTICE

We build trust with European societies and communities.

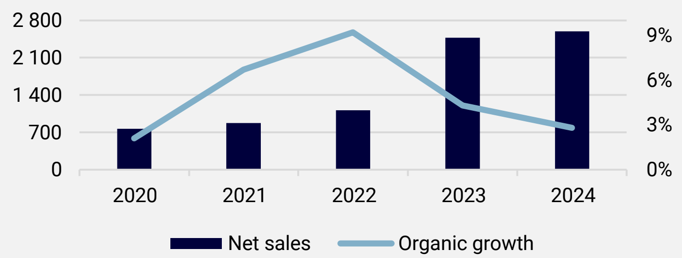
Financial targets

The Board of Directors of Karnov Group has resolved on the three financial targets and a dividend policy. In adopting the financial targets, the Board of Directors has considered the underlying market development and the company's ability to create additional business-critical benefits for the company's existing and future customers.

OBJECTIVES | **OUTCOME 2024** | **MULTI-YEAR OVERVIEW**

4-6% — **ORGANIC NET SALES GROWTH**
In the medium term, complemented by selective acquisitions.

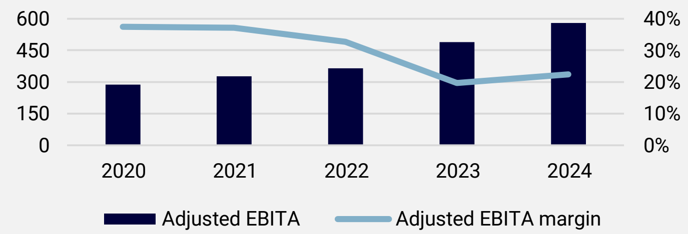
3%



≥25% — **ADJUSTED EBITA MARGIN**
in the medium term.

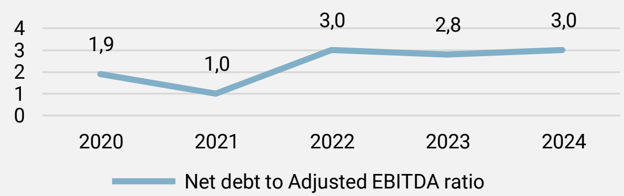
≥30% — **ADJUSTED EBITA MARGIN**
in the long term.

22%



≤3.0X — **NET DEBT TO ADJUSTED EBITDA RATIO**
(excluding lease liabilities) This level may temporarily be exceeded, for example following acquisitions.

3.0x



30-50% — **IN DIVIDEND OF THE ANNUAL NET PROFIT**
Proposals on dividends shall take Karnov Group's investment opportunities and financial position into consideration.

Karnov plans to allocate free cash flow to invest in cost-initiatives as well as AI development. The Board of Directors proposes no dividend at the Annual General Meeting on May 15, 2025.

Strategy

Karnov's strategies are based on focusing the customers' needs: mission-critical proprietary content and efficient workflows

The Hall of the "Pas Perdus" leading to the courtrooms in ***Palais de Justice*** *in Paris, France.*

Strategy

MEDIUM-TERM STRATEGIC FOCUS

- Talent and culture
- Common IT infrastructure
- Taking the AI leap
- Profitable growth

PROFITABLE GROWTH

To grow while maintaining premium services, Karnov is focusing on developing its offering in three focus areas: growth through verticals, geographical expansion and acquisitions. The growth areas intend to strengthen Karnov's core business in new and existing markets.

Extension to other regulated areas (verticals)

Karnov is growing by meeting the increasing need for access and interpretation of related regulatory areas. Regulation and compliance are increasing in a wide range of areas; environmental and health protection (EHS), ESG (sustainability), IT regulation, mergers and acquisitions (M&A), bankruptcy law, pharmaceutical law and public sector. Opportunities to expand into new client groups may also involve venturing into additional verticals within municipalities, such as healthcare, social security, financial markets, tax and customs, and additional legal areas of compliance.

Geographical expansion

Karnov intends to capitalise on its position in its home markets and conduct geographic expansions. This includes providing the Group's legal research solutions in additional countries, expanding internationally with services for international law and taking advantage of opportunities to transfer existing service and platform solutions to other countries within the Group. Geographical expansion refers to countries that constitute their own language areas and countries in which the company believes it can take a broad and strong market position and offer all its products and services.

Acquisitions

Karnov has developed a structured process to identify, evaluate and integrate strategic acquisitions that create market presence in new geographical markets and/or customer segments and strengthen Karnov's offering to existing customers. Potential acquisition targets are divided into three categories: market acquisitions, vertical acquisitions and technology acquisitions.

Market acquisitions include leading providers of legal information systems in new geographic markets and aim to acquire strong market positions in new markets where organic entry is not possible due to a strong need for locally tailored content. The acquisition of Region South is an example of this.

Vertical acquisitions aim to expand product offerings into new regulatory areas or to strengthen existing offerings by integrating others' products and services onto one of Karnov's platforms. An example of this is the acquisition of DIBkunnskap.

Technology acquisitions are acquisitions which supplements the company’s digital platform, such as automation tool providers. These acquisitions aim to strengthen Karnov's offering to existing customers through improved workflow efficiency and platform functionality.

M&A activities the past ten years

2024

Acquisition of QSE Conseil SAS, a provider of regulatory compliance solutions in EHS. Carve-out of Schultz Legal Information business, a leading provider of legal information solutions in Denmark. Acquisition of French workflow solutions provider Batir Technologies SAS.

2023

Acquisition of Nørskov Miljø ApS (now Notisum ApS), a Danish market-leading provider of EHS compliance solutions.

2022

Geographic expansion through the acquisition of legal information businesses from Thomson Reuters in Spain and Wolters Kluwer in Spain, Portugal and France.

2021

Acquisition of DIBkunnskap AS, a market-leading provider of digital workflow tools for tax and accounting in Norway. Acquisition of Echoline SAS, a provider of regulatory compliance solutions in EHS.

2020

Minority investment in Karnov Group Norway AS, which offers legal research solutions.

2018

Acquisition of Norstedts Juridik, a leading provider of legal information solutions in Sweden, from Wolters Kluwer. Minority investment in BELLA Intelligence ApS.

2017

Acquisition of the Danish publishing company Forlaget Andersen A/S (now DIB Viden A/S)

2016

Acquisition of Notisum AB in Sweden to build presence in environmental, health and safety (EHS) vertical.

MARGIN IMPROVEMENT

Karnov's financial target is to achieve an adjusted EBITA margin of 25 percent in the medium term and 30 percent in the long term. Measures are taken to reach the financial target. Synergies are exploited in Region South and business flows are optimized in Region North. Joint product development within the Group is also part of the ambition to achieve economies of scale over time.

Cost synergies from the acquisition of Region South

Karnov is currently integrating the new operations in Region South. The brand strategy is based on operating through the established local/regional brands while clarifying the connection to the Karnov Group. Karnov shares its expertise in all markets to achieve increased knowledge sharing within the Group and to create additional customer value.

The Region South integration shall generate annual cost-efficiencies of SEK 115 with full effect on a running annual basis from the end of 2026. By the end of 2024, synergies of SEK 92 m were harvested on a running annual basis. The synergies are coming from a technical merger, followed by merging the two Spanish organisations and automating internal processes. Cost-to-achieve is estimated to SEK 275 m.

Acceleration Initiative for further customer value and improved profitability

Karnov is progressing ahead of plan in the Region South integration, and cost-synergies are being harvested as expected. Karnov has during 2024 accelerated the integration to the rest of the Group. The Acceleration Initiative will enable Karnov Group to generate even greater customer value, while also advancing our profitable growth strategy. The Acceleration Initiative shall generate annual cost-efficiencies of SEK 115 m within the Group, with full effect on run-rate basis by the end of 2026. By the end of 2024, synergies of SEK 67 m were harvested on a running annual basis. The cost-efficiencies are intended to be achieved from product rationalisation, process streamlining, consolidation of offices and harmonisation of IT infrastructure. Cost-to-achieve is estimated to SEK 160 m.

Economies of scale in joint product development

Karnov's ambition is to achieve economies of scale over time through joint product development within the Group. In the long term, Karnov intends to evaluate investment in a common technical platform for all Group companies, which will accelerate the technical development within the Group and contribute to additional customer benefits. Karnov also intends to automate further processes using AI, which is expected to contribute to further profitability.

DEEPENING CUSTOMER UNDERSTANDING

The focus is on supporting the customers in their challenges and opportunities in the future, combined with in-depth segment expertise to increase customer value and loyalty.

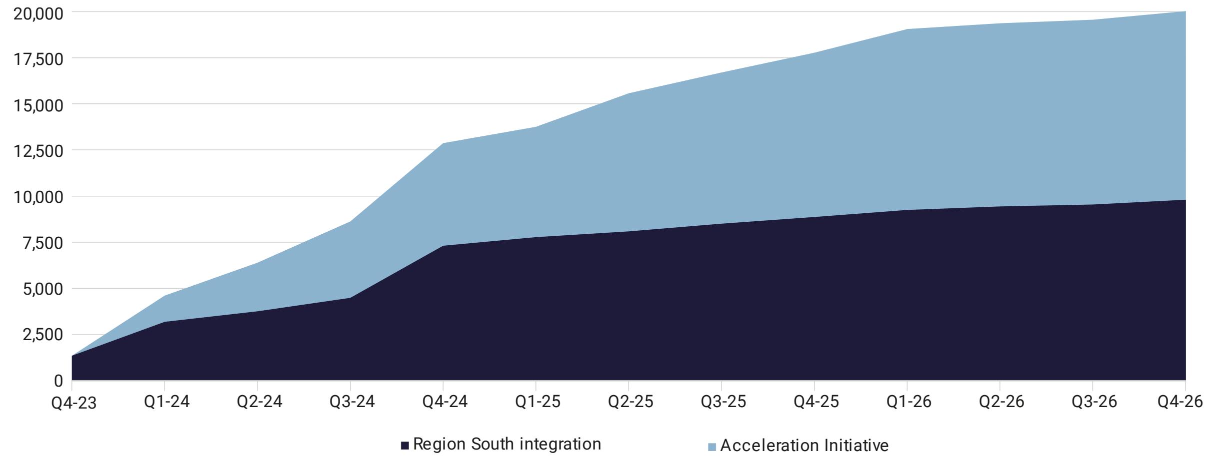
KEEPING A LOCAL FOCUS

For absolute relevance and security, proprietary and localized content is essential. It is also the prerequisite for reliable AI solutions.

CREATING SCALABLE PLATFORMS

Optimisation of the product portfolio is currently primarily based on the integration of operations and solutions. Current regulatory areas (verticals) can be supplemented with smaller acquisitions. Work is also underway to create Group-wide IT platforms to create synergies in development and operation.

Cost synergies effect from ongoing initiatives
The cost efficiencies of EUR 20 m will come progressively over the period

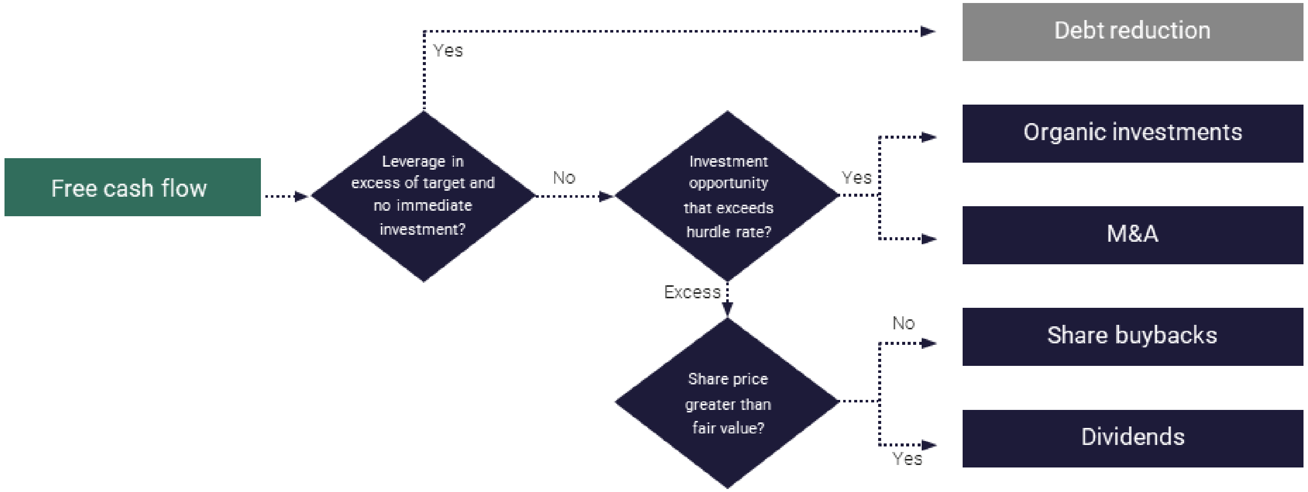


Timeline of how synergies from the Region South integration and Acceleration Initiative are assessed to be harvested on annual run-rate basis.

BUILDING A COMMON CULTURE
In recognizing that a strategy without a supportive culture is weak, while a culture without a strategy has no goal, the work on creating a common corporate culture is done with the aim of attracting and retaining the best talent.

BUILDING ON EXPERIENCE
Further integration and exploitation of synergies is also supported by the experience gained from previous acquisitions and mergers.

CAPITAL ALLOCATION
Karnov's business model is mainly based on subscription-based revenues, which are invoiced annually and paid in advance. This generates strong free cash flow to invest. Karnov has a structured process for capital allocation, see graph above.



Decision flow in the allocation of the free cash flow.

REVENUE MODEL
Customers typically pay upfront for Karnov's online services and subscription annually. Agreements are typically extended for one year at a time unless the customer actively terminates the agreement. Subscription-based products and services are accrued and recognized over the term of the subscription.

Subscription-based contracts are negotiated individually with each customer as volume-based discounts may be -provided in some cases.

Target groups
Karnov offers its solutions and services to lawyers, in-house counsels, auditors, tax advisors, consultants, academics, judges and civil servants, among others.

Marketing and sales
Brand and service awareness is achieved through several channels - digital interactive advertising, active outreach, industry reports, as well as collaboration with renowned experts who contribute to the Group's content offering. Local subsidiaries often cooperate with universities to provide law students with access to content and guidance throughout their education. Existing customer relationships are managed through key account managers. Training on online tools also creates natural customer interaction.

The public sector is also affected by increasing regulation (represented by the city hallin the French village Montigny-lencoup).

A European market with clear drivers

Karnov Group operates in a market largely driven by increasing legal and regulatory complexity.

Karnov is active in the European market for knowledge and information services in the areas of law, tax and accounting, and environmental and health protection.

The market can also be referred to as "legal intelligence" in terms of content and legal tech(nology), i.e. online services. Karnov offers its services and products to countries that apply civil law (as opposed to Anglo-American common law).

WIDE RANGE OF USERS

Karnov's customers consist of three segments: practitioners, the corporate and public sectors.

Practitioners consist of law firms and accounting firms, whose employees are mainly lawyers and/or accountants.

Corporate users consist of legal advisors and/or counsels working in companies.

The public sector consists of e.g. lawyers or civil servants, e.g. social workers, working in courts, authorities, academia and/or municipalities.

The type of service among law firm employees depends on seniority. Junior staff members tend to use more information and background/analysis services as they do much of the research in the assignments, while work tools and training are more widely used.

Non-cyclical market

Karnov's customers are highly non-cyclical and financially resilient, creating a continuous demand that is not affected by economic fluctuations.

Low share of operational costs

The services and products offered by Karnov represent an overall low share of customers' operating costs, while demonstrating significant value through improved efficiency and certainty of customer workflows.

Low customer turnover

The market for information services is mature and is characterized by long customer relationships between suppliers and users where the need for business-critical services is high. Approximately 97 percent of the customers in Region North renew their subscriptions annually to Karnov's -services, while the corresponding figure is approximately 90 percent in Region South. Karnov's 20 largest customers in Region North in terms of number of purchased licenses have all annually renewed their licenses for more than 20 years.

The megatrends drive the legislation, much of which goes through the European Parliament and the European Council.

MACRO TRENDS
Macro trends are driving increasingly complex and rapidly changing legislation. Lawyers and other advisers need information tools to orient themselves in a changing regulatory landscape.

Globalization
International relations and trade continue to create a pro-liferation of regulatory and contractual solutions and interpretations.

Accountable democracies require effective rule of law
The continued enforcement of the rule of law is a cornerstone of a functioning civil society and democracy.

Increased focus on sustainability
An increased focus on sustainability is creating greater demands for increasingly formalized governance and reporting across its entire spectrum: environmental, social and -governance (ESG).

Continued digitalization
Digitalization continues in automation and streamlining of workflows to replace the lawyers' time fully or partially in simple legal tasks. AI solutions are increasing, both in legal interpretation and application but also as an area of increasing regulation.

Increasing IT security
As the amount of information and work documents are digitized, the risk of both illegal access and failing IT infrastructure increases.

LEGISLATION AND REGULATION
Increasing complexity of legal tasks
One of the main challenges is the large amount of legislation, regulation and case law that is increasingly burdensome for individual lawyers to understand and manage. Lawyers need effective information services and tools that allow them to keep up to date with the latest sources of law and to consider and analyse the vast amounts of information available and relevant to their work.

The legislative pace
Changes in legislation drive the need for updated information and legal commentary.

Specialization
The clients of larger law firms often require the law firms to be specialized, which affects the firms' purchasing decisions and drives the cost of products and services that facilitate an in-depth understanding of the law.

Increased regulation
Increased non-legislative regulation is taking place in areas such as occupational health and safety (OHS), sustainability management, and accounting, which also affects other user groups.

New regulatory areas
Legislation and regulation are increasing in previously low-regulated areas, e.g. introduction of the General Data Protection Regulation (GDPR). A current issue is the increasing use of AI - artificial intelligence - where the EU has approved a regulation on artificial intelligence ("the Artificial Intelligence Act").

REGION NORTH IS A MORE HOMOGENEOUS MARKET	REGION SOUTH IS A MORE DIVERSE MARKET
User base Karnov has more than 100,000 users on its platforms in Region North. Karnov is the overall market leader in Denmark and Sweden in the legal information market.	**User base** Karnov has more than 300,000 users on its platforms in Region South. Karnov is the overall market leader in Spain and the market leader in labour law in France.
Offering Broad portfolio of online and offline products in legal information, tax and accounting, and EHS.	**Offering** Broad portfolio of online and offline products in legal information and EHS.
Channels Karnov's customers in Region North have a high acceptance of digital solutions and digital distribution channels.	**Channels** Karnov's customers in Region South have a high acceptance of digital solutions and digital distribution channels.

INCREASED EFFICIENCY

The need for digital tools and services is expected to increase due to demands for greater efficiency as well as AI. There are differences in the adoption of IT and digital products and services. In general, maturity is highest in the corporate sector, lowest among law firms and varies in the public sector depending on the area. The UK and US markets have historically been ahead of the European in terms of acceptance and use of new technology.

BILLION-DOLLAR MARKET WITH POTENTIAL AND GROWTH

Region North, SEK 2.1 billion, 2.4% CAGR[1]

The market value in the Nordic region, Denmark, Sweden and Norway, amounted to approximately SEK 2.1 billion in 2022, of which approximately SEK 1.7 billion online and approximately SEK 0.4 billion offline.

The annual market growth is estimated to be 2.4 percent in the medium term. The Nordic market is characterized by a comparatively high degree of consolidation with fewer players.

Region South, SEK 15.3 billion, 2.0% CAGR

The market value of Karnov's Region South amounted to SEK 15.3 billion in 2022 and is expected to grow by nearly 2.0 percent annually in the medium term[2].

Potential

As described in the growth strategies (page 14), Karnov believes that there is a potential for increased revenues in several areas within the existing geographical footprint;

Increased market presence - by the acquisition of Aranzadi and LA LEY in Spain and Portugal and Lamy Liaisons in France.

Stronger product portfolio with synergies within the group - cross-country sales using existing service platforms, streamlined business administration.

In Spain, Karnov has the broadest product portfolio in the market following the merger of Aranzadi and LA LEY, and more customer groups are reached. The French product portfolio has been rationalised under three flagship products, focused on the customer needs within legal research, notaries and labour law.

New services and/or regulatory areas (verticals) characterized by a high degree of regulation - e.g. the growing regulation in EHS, environmental and health protection, driven by EU directives and regulations.

More users of the services - horizontal legal and compliance solutions to all professionals within a company, e.g. in EHS.

New customer groups - as new regulatory areas (verticals) are added to Karnov's information services, the type of user groups can be expanded. Growth potential is considered to exist primarily in the corporate and public sectors.

Product development - e.g. development of self-service regulatory compliance tools utilizing the Group's content and knowledge base. Services that are scalable, can be sold without unique customization. Product development is facilitated by closely observing the UK and US markets, which are ahead in terms of supply.

Acquisition-driven - acquisition of fully developed online -services that are scalable, i.e. can be sold/applied without unique customization.

[1] CAGR, Calculated Average annual Growth Rate

[2] Market study conducted by CIL in 2021.

Market players

The markets in southern and central Europe are characterized by a comparatively low degree of consolidation with more players on the supply side.

Distributors of publicly available information

Freely available information and reference materials on legal texts and cases are becoming more common, more sophisticated, and thus more attractive. They tend to be used mostly by small law firms which are more sensitive to costs. However, market value and growth indicate that the market for qualified information services for law and other regulated areas is very real. However, it is considered unlikely that free channels will affect medium and large law firms that use paid services to a greater extent.

Relevant peers

The following companies are considered peers of Karnov (listed companies with similar operations and business models). Companies that refine and provide information and tools to B2B customers with high demands on content and efficiency-enhancing services. Consequently, pure tech companies that are not responsible for content are not considered as peers.

Listed operators include following:

RELX Group, global provider of information-based analysis and decision-making tools for professional and business customers. RELX serves customers in over 180 countries through mainly subscribed solutions and has branches in approximately 40 countries. Main listing on the London Stock exchange.

Thomson Reuters, provider of business information services and highly specialized, subscription-based, information-enabled software and tools for legal, tax and accounting professionals and the world's most global news service - Reuters. Listed on the NYSE.

Wolters Kluwer, global provider of information, software and services, with a high proportion of subscriptions, for professionals in more than 180 countries. Main listing on Euronext Amsterdam.

Dye & Durham, provider of business information services and highly specialized information-enabled software and tools, with a high subscription rate, for legal professionals. Listed on the Canadian stock exchange.

Private companies

Lefebvre Sarrut, a French-owned company with operations in eight European countries.

VLex, a Spanish-based operator with around 200 employees and online-only services with a global reach.

Tirant lo blanch, Spanish operator with activities also in South America.

Large addressable markets with potential and growth
Region North, SEK 2.1 billion, 2.4% CAGR
Region South, SEK 15.3 billion, 2.0% CAGR

Products and services contributing to the rule of law

Karnov Group provides mission-critical knowledge and workflow solutions for legal, tax and accounting, and environmental and health protection professionals in Europe. Through proprietary content developed by over 7,000 renowned authors and experts, Karnov delivers knowledge and insights that enable over 400,000 users to make better decisions faster - every day.

RANGE OF SERVICES

Karnov has developed a broad range of online and offline services that deliver mission-critical value to customers based on a deep understanding of the complexity of their business.

Legal professionals, e.g., need access to high quality and up-to-date information from multiple legal sources, including laws, regulations, legislative history, case law, legislative commentaries and other legal literature, of which numerous may be subject to change

Legal research

The Group's databases are scalable regional platforms of legal information, tailored to the purposes of the different segments, both in terms of content and functionality. The platforms combine public sources, such as laws, preparatory works, and case law, with proprietary authored content, legal commentaries and selected case law. Access to the databases is traded as subscriptions.

- Products in Region North: JUNO, ROA, Karnov Online, -Karnov's Online Library.
- Products in Region South: Aranzadi Digital, LA LEY Digital, Legalteca, Liaisons Sociales, Lamyline, Lamy Notaires.

Process and compliance tools

Karnov provides guidance and process tools for more efficient work for different industries, helping to ensure international regulatory compliance and valuable advice.

- Products in Region North: DIBkunnskap, Notisum, Avtalsguiden, Skatteguiden, Karnov Business Optimiser
- Products in Region South: Aranzadi Fusion, ContractBOX, Docanalyzer, Complylaw, Jurimetria, Echoline

Legal training

Digital or physical training courses to assist professionals in continuing education or specialization. The courses can either be customized for individual customers or be subject-specific and are mainly transaction-based.

- Products in Region North: DIB Viden, NJ E-courses and Karnov/Horten E-courses.
- Products in Region South: Aranzadi Formacion, LA LEY Formacion, Lamy Formation, Lamyplay, Liaisons Sociales Formation.

Printed matter

Annual or periodic publication of books, journals, handbooks, and loose-leaf publications. The publications are used both for educational purposes at university level and as specialized literature for professionals in the fields of law, human resources, tax and accounting. The printed matter is sold both on a subscription basis and through direct sales.

- Titles in Region North: Approximately 100 new titles each year.
- Titles in Region South: Approximately 600 new titles each year.

PRODUCT DEVELOPMENT

Demand is generally increasing in digital services and generally decreasing in printed matter. Karnov's product development is thus mainly focused on the Group's digital service offering. The development is partly technical to new and -further development of the service offering, and partly intellectual in order to add more authored content to the Group's platforms. Technical development is capitalized and amortized on a straight-line basis, see note 2 for more information.

Global platforms increase operational benefits

The group has begun developing group-wide technology platforms to create synergies in development and operation.

ARTIFICIAL INTELLIGENCE (AI)

Machine learning and artificial intelligence are and have long been important components of Karnov's technology platform. Machine learning e.g. can generate better search results.

Generative AI as a field has grown thanks to better hardware and Karnov sees significant customer value in developing its products and internal processes using generative AI.

Karnov's AI strategy is based on the Group's proprietary local content. All the Group's AI-based products have language models generating answers and conclusions based on Karnov's proprietary content. This ensures that the information is reliable and accurate. Furthermore, sources are always presented helping the user to do further research on the relevant topic.

The AI strategy in brief:

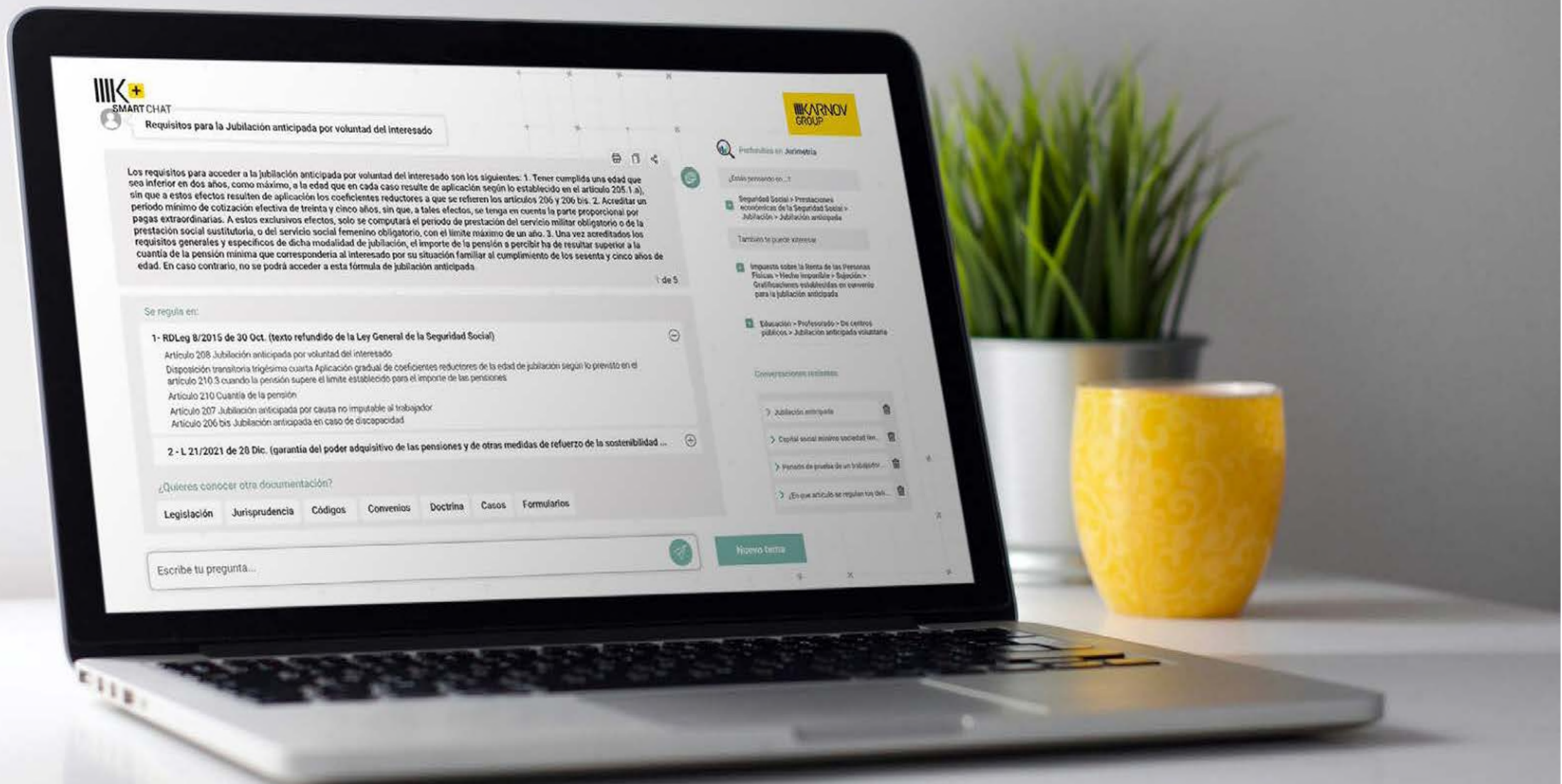
- Help customers work more efficiently without loss of quality.
- Use technological advances to improve internal processes and increase productivity, quality and profitability.

Karnov's AI solutions

- Legal research assistant
- Document screening tool
- Litigation strategy tool

KAILA – Karnov AI Legal Assistant

Karnov Group launched KAILA at the end of September 2024 in Region North. It is an LLM (Large Language Model) based solution delivering precise and reliable answers along with source references, transforming legal research workflows. By combining our extensive proprietary, authored content with generative AI, we have made static data into interactive intelligence, bringing a new level of customer value for legal professionals.



Interview with Iga Kurowska and Selcuk Ünlü, AI experts within Karnov Group

Transforming the path to justice

WHAT SPARKED YOUR INTEREST FOR LEGAL TECH AND ESPECIALLY AI?

"My interest in legal technology and artificial intelligence grew from working as a lawyer and constantly seeking innovative methods to achieve my tasks more efficiently. The quest to optimise processes often consumed more effort than traditional methods, but it taught me the value of ingenuity in our profession. With the advent of AI, I believe we have finally discovered a tool that significantly enhances efficiency, supporting legal professionals in delivering high-quality outcomes with greater ease and precision", comments Selcuk Ünlü, Head of Business Development in Region North.

Iga Kurowska, Head of Innovation in Region South: "My interest in legal tech and AI primarily stemmed from my background in both law and technology. Over the years, I observed the significant gaps in efficiency and accuracy within traditional legal processes. AI presents an opportunity to bridge these gaps, by leveraging data and metadata. Seeing how AI transform these processes is truly fascinating and is sparking my enthusiasm for legal tech and AI."

Iga Kurowska, Head of Innovation in Region South

WHAT ARE THE KEY CHALLENGES CUSTOMERS FACE WHEN IMPLEMENTING AI SOLUTIONS?

"The key challenges customers face often revolve around integration and adaptation. Implementing AI solutions requires not solely a technological shift but also a cultural change within the organization. Aligning AI capabilities with existing workflows and gaining the trust of the end-users are hurdles customers are facing, and we are close to customers helping them embrace the new technology. Nobody had to convince us all to use iPhones - we wanted to use them. Likewise, we should not be forcing our customers to use the AI solutions we develop, it should come naturally as the customer recognise the value uplift from using them", comments Iga Kurowska.

WHAT MAKES OUR APPROACH TO AI UNIQUE WITHIN THE INDUSTRY?

"We believe in the concept of "for Lawyers by lawyers". By understanding the daily flow of a lawyer's work, we design solutions that fit naturally into their workflows, thereby fostering adoption and higher efficiency", comments Selcuk Ünlü.

"Our approach further stands out because of our emphasis on content enrichment and metadata integration. We leverage our extensive databases of proprietary legal content and enhance it using metadata to provide better, clearer insights. This is coupled with our commitment to making technology-enabled research accessible and straightforward for all users. By focusing on the specific needs and workflows of legal professionals, we aim to create tools that are both powerful and easy to use. As an example, our AI assistant provides answers replicating the legal method that lawyers are trained in. This pragmatic approach ensures that our AI tools are not just advanced but also useful and relevant to our customers", comments Iga Kurowska.


Selcuk Ünlü, Head of Business Development in Region North

WHERE DO YOU SEE AI HEADING IN THE NEXT 5-10 YEARS, AND WHAT IMPACT WILL IT HAVE ON OUR INDUSTRY?

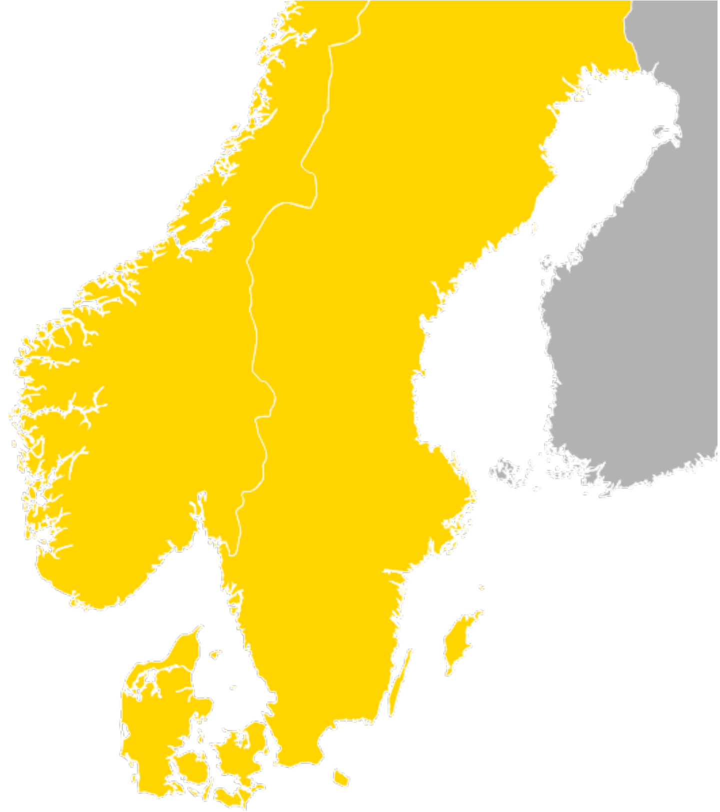
"AI is poised to become more integrated into legal processes, enabling increasingly tech-driven research and compliance. The trajectory points towards AI assistants that not only draft documents but also ensure that they comply with relevant laws and regulations", comments Iga Kurowska.

"I envision AI becoming an indispensable assistant in legal work, automating routine tasks and providing sophisticated analysis to support decision-making. Our industry will likely see a shift where legal research and workflow tools merge seamlessly, creating a unified system that supports lawyers in every aspect of their work. AI's capability to learn and adapt will mean it continuously improves, offering more nuanced and precise support over time", supplements Selcuk Ünlü.

Segments

Karnov operates in two geographical segments: Region North (Denmark, Sweden and Norway) and Region South (France, Spain and Portugal)

Region North



Karnov and Norstedts Juridik are Denmark and Sweden's leading publishers and providers of legal information, with a network of over 1,500 authors and experts and a history in the segment dating back 200 years.

In addition to legal information, Karnov's suppliers Notisum and Echoline are active in the growing environmental health and safety (EHS) market. DIBkunnskap is a leading provider of digital workflow and compliance tools within tax and accounting in Norway, Sweden and Denmark.

A VALUED PARTNER FOR ALL LEGAL, TAX AND ACCOUNTING PROFESSIONALS

Region North delivers legal solutions for both the online and offline markets. The legal platforms in Denmark and Sweden are leading in their respective markets, combining public data sources with proprietary content such as comments from leading legal experts. Karnov also provides workflow solutions for further efficiency such as automated contract drafting. With a growing legal complexity and need for legal information not only for lawyers, but also for others working with legal tasks, the potential for continued strong growth through new sales and upselling is considered good in the medium term.

STRONG GROWTH IN IN THE PUBLIC SECTOR

The expansion of the customer base in the public sector and in particular in the municipal sector are clear market trends. Municipal solutions are offered in Sweden and in Denmark. These platforms have a satisfied customer base that appreciates the functions and content.

During 2024, Karnov entered a business carve-out agreement to acquire customer contracts and content from Schultz in Denmark, thereby expanding the value proposition among municipalities in Denmark.

The market outlook is considered good with opportunities to further broaden the customer base in the medium term.

LAUNCH OF AI SOLUTIONS IN DENMARK AND SWEDEN

At the end of September 2024, Karnov expanded its value proposition in Denmark and Sweden, launching its AI legal research assistant, KAILA. The AI assistant is sold in a new top-tier package containing all mission-critical information. The development of the solution has been made in close contact with customers to meet demand, and the significant value of the solution has been confirmed by customers. It is used by some of the largest law firms in Denmark and Sweden.

The market outlook is considered good with opportunities to transition the customer base to AI solutions over time.

STRONG GROWTH TREND IN ENVIRONMENT AND HEALTH PROTECTION (EHS)

Karnov acquired the Swedish arm of Notisum in 2016 and its Danish arm in 2023. Karnov expanded its EHS offering to France through the acquisition of Echoline in 2021, supplemented with the acquisition of QSE Conseil in 2024. The companies provide compliance platforms in environmental health and safety (EHS) with a focus on the requirements of ISO certified organizations.

Karnov's investments in the environmental and health protection regulatory area (EHS vertical) have yielded good returns and is an important part of the organic growth in the Region North.

The value proposition includes legal summaries, comments on changes and monitoring functions, which help companies with their regulatory compliance.

REGION NORTH FACTS, 2024	
Net sales:	SEK 1,211 m (1,086)
Adjusted EBITA:	SEK 521 m (442)
Adjusted EBITA-margin:	43.0% (40.7)
Average number of FTEs:	308 (290)
Brands: Karnov, Norstedts Juridik, DIBkunnskap, Notisum, Echoline, QSE Conseil, DIB Viden, BELLA Intelligence	

Our services are more needed than ever

SUMMARISE 2024 IN YOUR OWN WORDS - WHAT ARE YOU PROUD OF AND WHAT HAS BEEN CHALLENGING?

2024 has been a remarkable year. We have delivered significant customer value while innovating for future customer value, especially driven by artificial intelligence. The launch of our AI assistant, KAILA, is our proudest achievement during 2024. KAILA has been received very well by our customers and has been adopted by some of the largest customers in Denmark and Sweden. However, it hasn't been without its challenges. We deliver mission-critical value to our customers and the development of KAILA has tested our agility and adaptability to new opportunities. We demonstrated to ourselves and the market that we can innovate and not only meet but exceed customer expectations.

In addition, we have welcomed new customers and colleagues following the acquisition of the carved-out legal information business from Schultz in Denmark. It allows us to enhance our value proposition and provide even greater value to our municipality customers in the Danish market.

While being innovative and expanding our customer base, we have invested considerable effort into operational excellence, streamlining our processes and achieving cost-efficiencies. This enables us to ensure profitable growth while maintaining our competitive edge in the industry.

YOU HAVE ACHIEVED STRONG GROWTH IN REGION NORTH FOR A LONG TIME – WHAT'S THE KEY TO THE ACHIEVEMENTS?

Our sector is dynamic, and the customer demand for legal information services has never been higher than it is now. To sustain and even accelerate our organic growth, we are committed to being adaptive to solve our customers' challenges of today while presenting opportunities for tomorrow. By investing in new technologies and leveraging artificial intelligence, we are well-positioned to enhance our value proposition and deliver even greater value to our customers.

Our strategy revolves around customer centricity, which means keeping the customer in heart and mind in all decisions. If we can stay close to our customers, I am convinced we have a strong foundation to continue growing in the years to come.

HOW IS THE INTEGRATION OF THE CARVED-OUT SCHULTZ BUSINESS PROGRESSING?

We are progressing well with the integration. It is based on learnings and experiences from both the acquisition and integration of Norstedts Juridik in 2018 and more recently, the acquisition and integration of Region South.

Our customers will benefit in multiple ways. First, they will have access to an expanded and supplementary content portfolio, providing them with a richer resource base to draw conclusions from. Secondly, we are adding new functionalities that will simplify our customers' workflow. Our focus is on delivering practical solutions that enhance efficiency and productivity. For our municipal customers specifically, we can offer greatly tailored solutions that are specifically designed to meet the tasks and workflows within a municipality. Overall, the integration is set to enable us to serve our customers better than ever before.

YOU LAUNCHED AN AI ASSISTANT DURING 2024, WHAT HAVE BEEN THE RESPONSE FROM CUSTOMERS?

We have received excellent feedback so far. We stay close to our customers in general but have a special focus on the onboarding of customers that have bought the AI solution. A proper onboarding ensures that the user can utilise the full value of the new solution. It's important to note that AI will not replace lawyers but rather support and simplify their tasks, allowing them to focus on more complex and strategic activities.

We have been pleasantly surprised by the diversity of our customer base. While we expected strong interest from the practitioners, we've seen great demand also from the public sector.

As with any innovation, there are early adopters who quickly embrace new technology and those who prefer to take a more cautious approach. However, there are very few customers who show no interest in our AI assistant. This widespread curiosity is promising for future growth and market adoption.

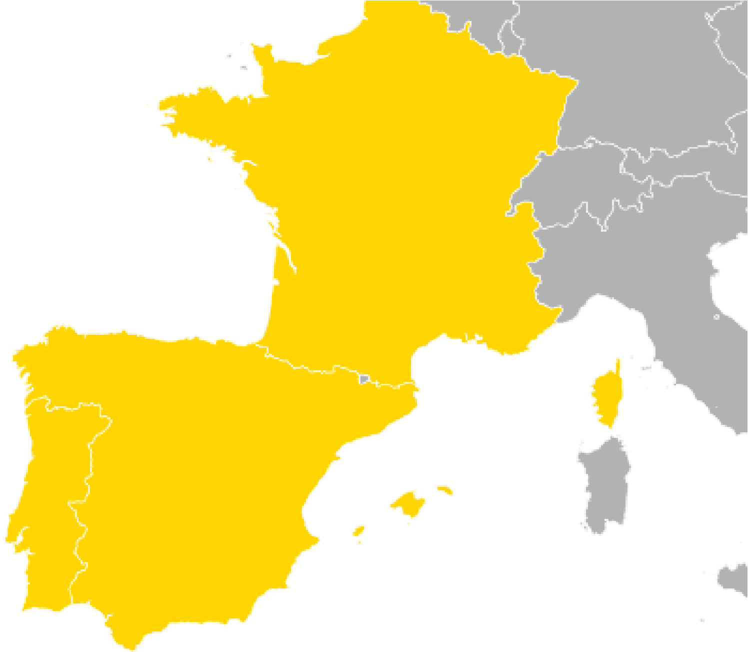
Additionally, our authors and experts are positive about AI developments and are eager to contribute. I'm extremely pleased with this collaborative spirit. Our proprietary content authored by our experts is central to our value proposition, while AI is a valuable technology to enable interaction with the content.

Alexandra Åquist, CEO Region North.

HOW IS AI CHANGING THE MARKET LANDSCAPE FOR REGION NORTH?

For me, it goes without saying that a company like Karnov Group is in a great position to leverage the opportunities AI bring. Our extensive database of quality-assured proprietary content and well-structured metadata provide a solid foundation to leverage AI. Few can measure up to Karnov Group in the Nordic market when it comes to working with the mix of proprietary legal content and technology. Having said that, we remain humble and committed to our mission. We understand the importance of continuous improvement and hard work to deliver the best possible solutions to our customers. By staying attuned to market needs and leveraging our strengths in content and technology, we are confident that we will continue to lead and provide outstanding value to our clients well into the future.

Region South



In Region South, the market is supplied with legal information to legal professionals such as lawyers, the public sector, municipalities, and companies. Aranzadi LA LEY and Lamy Liaisons are leading publishers and providers of legal information in Spain and France with a network of over 5,500 authors and experts and a history of over 100 years.

WELL-KNOWN BRANDS IN LOCAL MARKETS

The local operations are represented by strong brands with high recurring revenues and attractive customer portfolios.

Aranzadi LA LEY is a well-known industry brand in Spain with an attractive product portfolio. The company has a strong market presence within the public sector, law firms and corporates, and is a mission-critical supplier of legal information. The company is further a leader in the development of AI-based litigation tools in Spain.

Lamy Liaisons is a well-known French player with deep sector specialisation that holds some of the most established legal information service brands in the French legal market. The company is a market-leader within labour law and has strong market presence within law firms and the public sector.

The combination of strong IT platforms and proprietary content in Spain and France, together with the Group's experience in value-creating mergers and integrations enables a stronger customer offering and increased customer value. Karnov is now well positioned to generate profitable growth in Region South.

STRENGTHENED CUSTOMER OFFERINGS AND INCREASED PROFITABILITY THROUGH INTEGRATION

Karnov is running integrations in Spain and France. Aranzadi LA LEY has been merged into one legal entity. Content, products and users have been integrated on one technical platform and employees have become one common organisation. In France, Lamy Liaisons is being restructured to become the fastest growing provider of legal information solutions in the French market. The integrations in Spain and France build on the experience of previous integrations, including the merger of Karnov Sweden and Norstedts Juridik into one company.

Integration of the Spanish entities

The integration program of the Spanish entities is led by a steering committee. The practical work takes place in six different workstreams: technology, content, product, sales and marketing, finance, and HR, which are managed by employees who report to the steering group. The goal is to harvest cost synergies of EUR 10 m with full effect on an annual run-rate basis by the end of 2026. The cost to achieve the synergies is estimated at EUR 24 m.

In 2024, the integration has progressed ahead of plan, generating annual run-rate cost-synergies of EUR 8 m. With the technical integration completed, Karnov has initiated the next phase in Spain. The ambition is to restructure the value proposition and leverage the combined business to generate profitable growth.

Adaptation, development, and transformation in France

The adaptation, development and transformation (ACT) program in France has the same steering committee and workstreams as the integration program in Spain. In France, the organisation has been reorganised, increasing the sales force and reducing administrative positions. The product portfolio has been restructured to respond to market demands.

Three main products are now sold in France: Lamyline, Liaisons Sociales and Lamy Notaries. These have an updated user interface and are all sold with AI features.

The ambition is to be the fastest growing legal information solutions provider in the French market in the medium term and to obtain market share in specific verticals.

REGION SOUTH FACTS, 2024	
Net sales:	1,382 MSEK (1,389)
Adjusted EBITA:	154 MSEK (129)
Adjusted EBITA-margin:	11.1% (9.3)
Average number of FTEs:	903 (922)
Brands: Aranzadi LA LEY, Lamy Liaisons and Jusnet	

Next phase of the integration launched

THE FIRST PHASE OF THE SPANISH INTEGRATION HAS BEEN COMPLETED. WHAT HAS PROGRESSED WELL AND WHAT COULD HAVE BEEN DONE BETTER?

The first phase of our integration in Spain has indeed been a great success. The team has delivered in all workstreams and ensured that we reached all deadlines. I'm also pleased that we haven't faced any material technological issues or business disruptions that have impacted our customers.

However, there is always room for improvement. One area we have identified for betterment is considering the customer perspective more proactively and finding greater balance between reaching internal deadlines and customer prioritisations. Such scenarios that occurred were addressed in an efficient manner, and our customers are satisfied with the outcomes.

THE NEXT PHASE OF THE SPANISH INTEGRATION HAS BEEN ROLLED OUT. WHAT ARE THE COMMERCIAL PLANS TO GROW THE SPANISH BUSINESS?

As we move forward with the next phase of the integration, our commercial plans are largely centred on growth leveraging AI advancements and product enhancements. A key focus area is the launch of the new Aranzadi LA LEY products during the first half of 2025, which will be supported by a significant marketing campaign called Hola Futuro (Hello Future). This campaign aims to strengthen our market position and maximize the impact of the Spanish merger.

IN FRANCE, THE INTEGRATION IS BASED ON THE ACT PROGRAM? WHAT HAVE BEEN THE MAIN ACCOMPLISHMENTS IN YOUR VIEW AND WHAT ARE THE AMBITIONS FOR THE SHORT AND MEDIUM TERM?

The ACT (Adaption, Croissance, Transformation) program in France has progressed well, with 65 projects successfully completed in 2024. Several key accomplishments:

- Enhanced value proposition, particularly the launch of our three new flagship products with AI capabilities;
- Completion of our internal reorganisation across Content, HR, and Finance, which has improved our efficiency; and
- Our efforts in especially in the legal training sector, with has generated strong sales growth.

Looking ahead to 2025, our focus will be on two main priorities:
1. Improving churn by establishing a robust customer success organisation and tailored plans by market and product.
2. Further optimising processes leveraging AI to achieve even greater operational excellence.

YOU'RE LAUNCHING AI FEATURES IN WAVES IN SPAIN AND FRANCE. WHAT CAN WE EXPECT IN TERMS OF AI IN THE NEAR-TERM? WHAT HAS THE CUSTOMER FEEDBACK BEEN SO FAR?

In the near term, we are focusing on integrating a larger number of relevant legal sources and proprietary content. Additionally, we aim to improve response times and offer more advanced AI functionalities. The feedback from our customers has been positive so far; they are particularly impressed with the quality of the answers and the ease of use of our AI assistant.

YOU ACHIEVED THE 2024 SYNERGIES TARGET. HOW WILL YOU REACH THE 2026 TARGET?

Achieving the 2024 synergies target was an important milestone for us and we have achieved the expected synergies in all workstreams. To reach our 2026 target, we will progress with our organisational initiatives and achieve operational excellence. While these initiatives are more complex and require longer timeframes, many of them were already initiated 2024 due to their reliance on a common tech environment. With no significant risks identified and a strong foundation in place, we are confident in achieving the 2026 target and leveraging all the synergies internally.

Guillaume Deroubaix, CEO Region South.

" As we move forward with the next phase of the integration, our commercial plans are largely centred on growth leveraging AI advancements and product enhancements.

The Karnov share

Karnov Group was listed on Nasdaq OMX Stockholm Midcap under the ticker KAR on April 11, 2019. The subscription price in the IPO was SEK 43.0. A trading lot is one (1) share.

TRADING IN THE SHARE

127.7 million shares were traded in 2024, representing a share turnover rate of 118 percent. The average daily trading volume was 508,631 shares. The highest daily closing price was SEK 87.9 on May 22, 2024, and the lowest daily closing price was SEK 53.5 on February 1, 2024. The closing price on December 30, 2024, was SEK 82.3, resulting in a market capitalization of approximately SEK 8.9 billion. This corresponds to an increase of 48 percent from December 29, 2023, and an increase of 91 percent compared to the introduction price at listing on Nasdaq Stockholm. In 2024, Nasdaq Stockholm OMXS30 increased by 7 percent. The index where Karnov Group is included, industrial goods and services, increased by 10 percent.

SHARE CAPITAL

On December 31, 2024, the share capital in Karnov Group AB (publ) amounted to SEK 1,663,150 divided into 107,876,145 ordinary shares and 225,902 C-shares. The quota value is SEK 0.015385. Each ordinary share entitles the holder to one (1) vote at general meetings and each class C share entitles the holder to one tenth (1/10) vote at general meetings. The ordinary shares are equally entitled to dividends while the C shares are not entitled to dividends.

INCENTIVE PROGRAMS

Karnov Group currently has two long-term incentive programs, LTIP 2023 and LTIP 2024, which are share saving programs. The purpose of the programs is to encourage 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 program have allocated acquired or already held ordinary shares to the program (so-called Savings Shares).

19 employees participate in LTIP 2023, and 18 employees participate in LTIP 2024. The participants have allocated a total of 174,130 Savings Shares to the programs. Full allotment would mean that the total number of shares under the program will amount to no more than 659,400 ordinary shares, corresponding approximately 0.6 per cent of the total number of shares outstanding in the Company.

SHAREHOLDERS

On 31 December 2024, Karnov Group had 1,845 known shareholders according to the CSD register maintained by Euroclear, which is an increase of approximately 40 percent compared to year-end 2023. The ten largest shareholders controlled 66 percent of the Company's shares. Swedish owners controlled approximately 30 percent of the Company's shares and foreign owners approximately 70 percent. The Board of Directors and management team owned privately and through companies a total of 1 percent of the shares in the Company.

DIVIDEND POLICY

Karnov's ambition is to distribute 30-50 percent of the net profit. Proposals for decisions on dividends shall take into account Karnov's investment opportunities and financial position. The Board of Directors' proposal to the Annual General Meeting 2025 is not to distribute any dividend.

ANNUAL GENERAL MEETING

The Annual General Meeting 2025 will be held on May 15, 2025, at 10.00 a.m. CEST at Cirio Advokatbyrå in Stockholm. Shareholders will be able to exercise their voting rights on site or vote by mail in advance. Voting can be done digitally through a form available on our website, where the notice of the AGM is also available at: www.karnovgroup.com/en/general-meeting.

ANALYSTS

The following sell-side analysts continuously follow Karnov's development on a regular basis:

Bank	Analyst	Contact
Carnegie	Predrag Savinovic	predrag.savinovic@carnegie.se +46 8 588 687 12
Nordea	Thomas Nilsson	thomas.nilsson@nordea.se + 46 704 610 190
Berenberg	Simon Jonsson	simon.jonsson@berenberg.com +44 7989 725 385
SEB	Ina Djupsund	ina.djupsund@seb.se +46 707 392 903

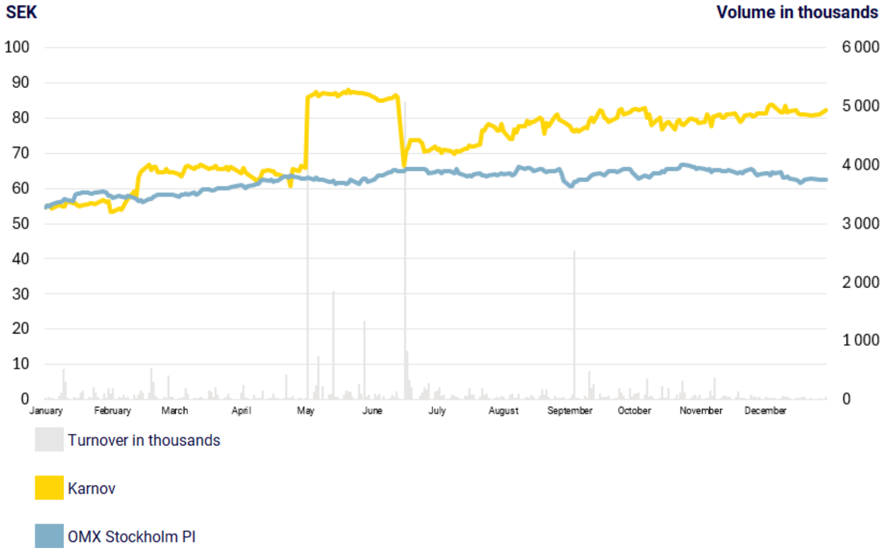
KEY METRICS FOR THE SHARE

	2024	2023
Earnings per share	-0.31	0.34
Proposed dividend per share	0	0
Share turnover	118%	62%
P/E	Neg	163
Yield	0%	0%
Market value at the end of the year (SEKbn)	8.8	6.0

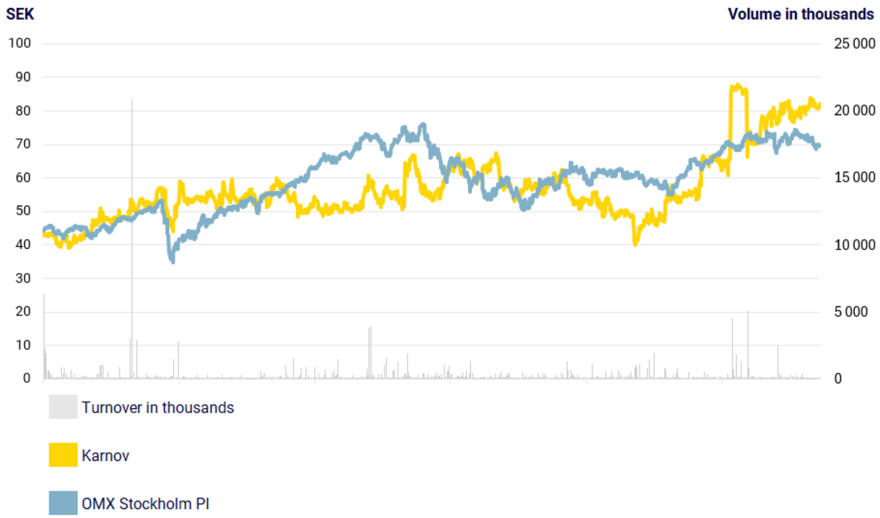
LARGEST SHAREHOLDERS

	Shares	Votes, %
Long Path Partners	14,593,587	13.53%
Invesco	10,433,731	9.67%
Carnegie Fonder	9,877,992	9.15%
Swedbank Robur Fonder	7,624,847	7.07%
Greenoaks Capital Partners	7,316,116	6.78%
Anabranch Capital	7,033,684	6.52%
Janus Henderson Investors	4,383,054	4.06%
Handelsbanken Fonder	3,768,283	3.49%
M&G Investment Management	3,182,580	2.95%
Fjärde AP-fonden	2,907,435	2.69%
	71,121,306	**65.91%**
Other	36,754,836	33.89%
Own shares	225,902	0.20%
Total	**108,102,047**	**100.00%**

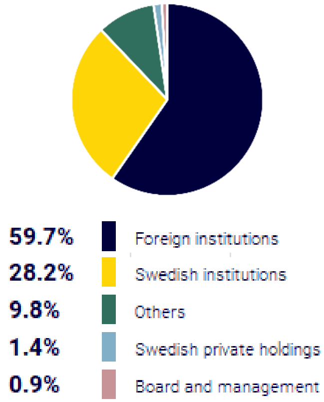
THE KARNOV SHARE 2024



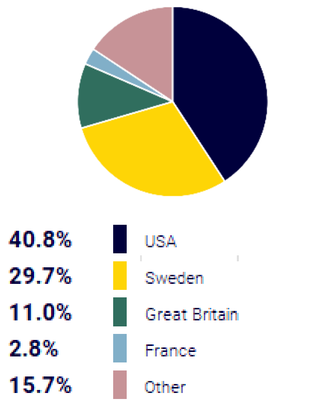
THE KARNOV SHARE 2019-2024



SHARES BY CATEGORY OF OWNERSHIP



OWNERSHIP NATIONALITY



Sustainability report

Karnov Group believes that a prosperous society is built on a robust legal system and democratic principles. Through our products and services, we support the knowledge and decision-making of legal professionals across Europe. By presenting high quality and efficient workflows for our customers, we facilitate access to justice and help create stronger justice for more people.

A prosperous society demands a robust legal system and democratic principles

Karnov Group's view of sustainability is tightly linked to the belief that a prosperous society is built on a robust legal system and democratic principles. Karnov is committed to the Group's mission; to clear the path to justice. As a provider of legal knowledge, Karnov's business is mainly driven by the needs of our customers, developments in society and progress within the industries we serve. Karnov has a strong focus on innovation, mainly driven by its employees and the experts Karnov partners with.

From a sustainability point of view, this means that Karnov Group predominately can make an impact within the social spectra but Karnov is also committed to play its part in reducing greenhouse gas emissions and material sourcing.

KARNOV'S SUSTAINABILITY STRATEGY

Karnov's sustainability strategy is an integral part of the business strategy and linked to the Group's vision, mission, and values. It is also closely linked to five of the UN SDG Goals, in particular SDG 16, Peace, justice and strong institutions.

Karnov Group's core business is to develop legal knowledge solutions that, through their availability, scope and quality, enable customers to make better decisions faster. This is how Karnov facilitates access to justice, and this is why Karnov Group can have an impact led approach to sustainability. Karnov ambition is to the clear the path to justice, whilst balancing economic growth and environmental impact.

Karnov's sustainability strategy, and objectives, is addressed in the local strategies and action plans.

ABOUT THE SUSTAINABILITY REPORT

Karnov Groups sustainability report relates to the -fiscal year 2024. The sustainability report covers the parent company Karnov Group AB (publ) (reg. no. 559016-9016) and all entities consolidated in the financial statements of Karnov Group for the same period, which are specified in Note 3.6 of the Annual Report. The sustainability report is prepared in accordance with the provisions of Chapters 6 and 7 of the Annual Accounts Act. No significant changes have taken place in the application of accounting principles, or the scope of the reporting compared with last year. The Board of Directors of Karnov Group AB (publ) has, when signing the Annual Report, also approved the sustainability report. The Sustainability Report includes pages 32-52, disclosures according to the EU Taxonomy Regulation on pages 42 and 49-51, the section on risks and risk management on pages 45-47 and the business model on page 17.

Comments by Caroline Wiroth, Head of Group Sustainability at Karnov Group

Aligning with CSRD

STRENGTHENING GOVERNANCE AND READINESS: HOW IS KARNOV GROUP ENSURING A SMOOTH TRANSITION TO CSRD COMPLIANCE?

The Corporate Sustainability Reporting Directive (CSRD) was approved by the European Parliament in November 2022. Since then, Karnov Group has prepared processes and completed the different steps needed to report according to the European Sustainability Reporting Standards (ESRS).

During 2024 we have completed our Double Materiality Assessment (DMA), a key requirement under CSRD. This has given us insights into our material questions and therefore what we need to focus on in our ESRS reporting. We already have strong governance processes within the Group, and these have been reviewed and aligned with CSRD requirements. Moreover, we are reviewing data collection processes with our auditor to ensure quality in the audit trail. Altogether it means we are ready to report in line with CSRD in our 2025 Annual Report.

GAINING A COMPETITIVE EDGE: HOW IS KARNOV GROUP LEVERAGING ESRS TRANSPARENCY TO DRIVE BUSINESS VALUE?

ESRS introduces more detailed and standardised sustainability reporting, which requires us to enhance the quality and scope of our data collection. Through our DMA we have identified our key environmental, social, and governance impacts, risks, and opportunities. Based on these findings, we identify our data collection requirements, ensuring that we gather the necessary information for each ESRS disclosure. Additionally, we have reviewed and strengthened our governance structures, integrating sustainability more deeply into our internal policies and decision-making processes.

TURNING DATA INTO IMPACT: HOW IS KARNOV GROUP IMPROVING SUSTAINABILITY DATA FOR SMARTER DECISION-MAKING?

A key focus in our CSRD preparations has been improving the quality and reliability of our sustainability data. As part of this effort, we have strengthened our data collection processes, particularly for emissions reporting, by engaging more closely with suppliers and stakeholders. This has allowed us to enhance the granularity of our reporting, ensuring that we capture more precise information on key areas such as business travel, energy consumption, and supply chain emissions. With stronger data, we are better equipped to progress towards our sustainability goals and align our reporting with the ESRS.

BUILDING TRUST THROUGH TRANSPARENCY: HOW IS KARNOV GROUP PREPARING FOR THE ASSURANCE REQUIREMENTS UNDER CSRD AND ESRS?

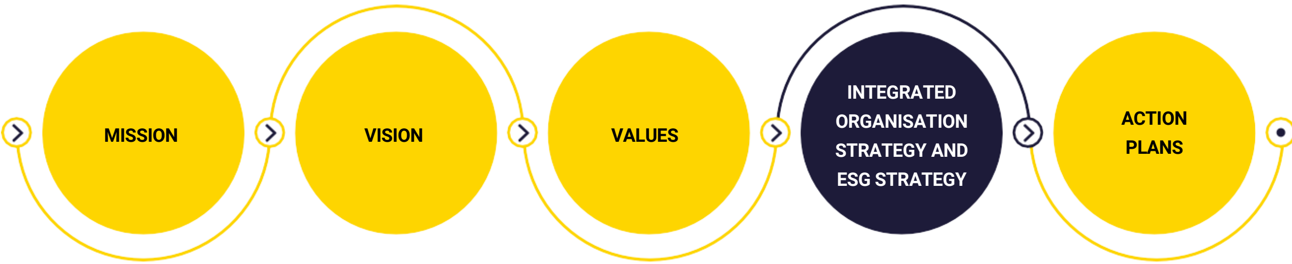
One of the key aspects of CSRD and ESRS is the requirement for third-party assurance of sustainability information. To prepare for this, we have taken proactive steps to align our sustainability reporting processes with financial reporting standards. We are working closely with our auditors to assess data quality, validate methodologies, and establish clear documentation of our sustainability metrics. Additionally, we have strengthened internal controls and review mechanisms to enhance data reliability before submitting for external assurance. This structured approach ensures our disclosures are reconcilable and compliant with the new regulatory requirements.

FROM COMPLIANCE TO COMPETITIVE ADVANTAGE: HOW IS KARNOV GROUP INTEGRATING CSRD AND ESRS REQUIREMENTS INTO ITS OVERALL BUSINESS STRATEGY?

We don't see CSRD compliance as a reporting exercise. Sustainability is not just a reporting obligation: it should be viewed as an integrated part of our decision-making. Our DMA has helped us identify the sustainability topics that are most relevant for our business and stakeholders, allowing us to focus on the areas where we can have the greatest impact. Additionally, we are embedding sustainability considerations into risk management and operations. By doing so, we ensure that CSRD also contributes to long-term value creation for our business, our customers, and society.

Caroline Wiroth, Head of Group Sustainability

> " Sustainability is not just a reporting obligation: it should be viewed as an integrated part of our decision-making. We ensure that CSRD also contributes to long-term value creation for our business, our customers, and society.



Sustainability objectives in brief

SOCIAL

Objectives

- Develop new legal knowledge solutions that help customers serve clients, citizens and students with more efficiency and certainty. Status: *Constant progress*
- Sustain the current diverse, inclusive place of work with well-being and development opportunities for all employees, with an even gender split. Status: *Constant progress*
- Sustain current high employee satisfaction target across the Group. Status: *Sustained in 2024*
- Engage with communities, companies and initiatives that supports our mission. Status: *Progressing*
- Roll-out revised Code of Conduct. Status: *Done*

ENVIRONMENTAL

Objective

- Decrease annual Scope 3 emissions by 15% in 2025 compared to the base line year 2022. Status: *Progressing*

THIRD PARTY ESG RATING

Karnov Group is categorised as a 'low risk' company.

20.2 OUT OF 100

A lower score indicates good performance.

MORNINGSTAR | SUSTAINALYTICS

GOVERNANCE

Objectives

- Maintain a strong governance framework with transparent decision-making processes. Status: *Constant progress*
- Foster a culture of ethical behaviour and accountability and compliance with laws, regulations and industry standards. Status: *Constant progress*
- Annual compliance training completed by all employees. Status: *93% in 2024.*
- Strengthen the stakeholder Sustainability communication. Status: *Constant progress*
- Complete full double materiality analysis and full scope 3 screening, all entities. Status: *Done*
- Implement a strong, group-wide enterprise risk management system. Status: *Done*
- Sustainability strategy fully implemented included localised action plans. Status: *Done*
- Complete full hotspot analysis, all entities. Status: *Done*.

Desired sustainability position

Karnov Group is to be perceived as an innovative and responsible industry leader and collaborator with a strong sustainability agenda contributing to a robust legal system.

SOCIETY
A responsible and trustworthy and company that clears the path to justice and contributes to the rule of law.

CUSTOMERS
A trustworthy, innovative, customer centric supplier of high-quality products and services with close collaboration with vendors, with socially and environmentally sustainable practices throughout the full value chain.

INVESTORS
An industry leader with innovative, premium solutions and services and a clear sustainability agenda with high investor ratings.

EMPLOYEES
A responsible and innovative company with a strong and clear sustainability agenda focusing on the wellbeing and professional development opportunities of all its employees.

PARTNERS AND EXPERTS
An industry leader and collaborator with professional and thoroughly ethical practices at its core offering experts an opportunity to be part of providing trustworthy knowledge and support to the legal community.

SUPPLIERS
Industry leader with a strong sustainability agenda and high demands on ethical practices throughout the full value chain.

UN SDG

Karnov has identified the following UN Sustainable Development Goals where a more substantial contribution is possible to be made in the identified targets within each of the listed SDG:

SDG	TARGET	KARNOV'S CONTRIBUTION
5 GENDER EQUALITY	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	Karnov is committed to providing and promoting equal opportunities throughout all aspects of employment including recruitment and promotion. Karnov offer an inclusive workplace regardless of sex, age, physical abilities, sexual orientation, ethnicity or religious belief.
8 DECENT WORK AND ECONOMIC GROWTH	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors.	Through the development of accurate, reliable and high-quality content combined with innovative technology and process tools, Karnov supports the work of legal knowledge professionals.
13 CLIMATE ACTION	13.2 Integrate climate change measures into national policies, strategies and planning.	Karnov Group calculates and reports greenhouse gas -emissions according to the Greenhouse Gas Protocol (GHG) and we have chosen to use an activity-based approach for climate calculations. This enables us to raise awareness of the activities that drive our emissions and climate impact, educate internally within the Group and ultimately set targets to reduce our emissions. Karnov's target is to decrease the annual Scope 3 emissions by 15% by the end of 2025 (compared to the base line year 2022).
15 LIFE ON LAND	15.2 End deforestation and restore degraded forests.	Karnov Group publishes a wide range of titles as part of our publishing operations. We purchase printing services from third parties who use FSC-certified paper[3] to ensure that the raw material comes from responsibly managed forests. We also investigate the country of origin of the raw material to ensure that the paper does not come from countries with deforestation problems.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all. 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.	The core of Karnov's business is to make the true pillar of democracy - the rule of law - accessible, sharable and debatable – enabling its customers to make better -decisions, faster.

[3] No deforestation, fair wages, good working environment, support for forest conservation and community rights, according to the Forest Stewardship Council.

ESG governance

Karnov Group's Board of Directors has the overall responsibility for sustainable operations. The CEO is responsible for implementing the decisions and strategies of the Board. The sustainability strategy and governance are managed by the Karnov Group Sustainability Committee. The Committee is Chaired by a member from Group Management and includes members from the two business segments. The Sustainability Committee reports to the Board of Directors.

The Committee is responsible for initiating and implementing the necessary changes along the entire value chain. This includes identifying and defining how to assess and report the Group's sustainability impact and analyse how Karnov's sustainability ambitions can be further broadened. The committee is also responsible for the compliance to the CSRD (Corporate Sustainability Reporting Directive).

In addition, all Karnov Group employees have a responsibility, within their own area, to actively contribute to our sustainability efforts, while all managers are responsible for monitoring and ensuring compliance.

GROUP POLICY FRAMEWORK

Karnov Group's governing documents provide a framework for sustainable governance. Laws, government requirements, listing regulations and international standards are woven into the governing documents. The policy documents are reviewed and revised annually, and employees are continuously educated on the policy framework. Please refer to page 44 for the governance framework.

MATERIALITY ASSESSMENT

Karnov Group undertakes yearly materiality assessments as part of the Enterprise Risk Management processes. The materiality assessment is based on a dual perspective, and accounts, both for the impact of sustainability risks on Karnov Group, and to what extent Karnov has an impact on the society and the environment (so-called dual materiality).

The materiality analysis provides the Group with an understanding of the areas of greatest importance and the results of the analysis provide important guidance for the sustainability strategy.

STAKEHOLDER ENGAGEMENT

Karnov Group has ongoing stakeholder dialogues which will be further structured during 2025. The Group has identified following stakeholders along the value chain:

- Customers
- Employees
- Partners and experts
- Society
- Suppliers
- Investors
- Media
- Students

Social

Employees and partners form the core

Karnov operates in a knowledge-based industry with an organisation consisting of a wide range of functions including specialists in areas such as legal expertise, IT development, artificial intelligence, but also in Product Development, Compliance, Marketing, Sales, Administration, Finance and Human Resources.

KEY FIGURES 2024

Social sustainability	
Average numbers of employees (FTEs)	1,211
Nationalities employed	34
Women within the group	58%
Women with staff responsibility	57%
Women in group management	33%
Employee satisfaction	8.0
Work-related injuries	1
Work-related deaths	0
Short-term sick leave	0.7%
Long-term sick leave	2.8%
Number of flights	1,663
Employees attending training	93%
Voluntary employee turnover	8.9%
Remuneration within the Group	
CEO remuneration gap	17.3x*
Business sustainability	
Number of reported and investigated cases of suspected breaches of the code of conduct	0
Information security and integrity	
Reported cases of violation of human rights	0
Reported cases of misconduct	0
Reported cases of harassment and/or discrimination	0

* All remuneration including bonus accrual, LTIP 2023 and LTIP 2024. Please refer to note 2.3.

RECRUITMENT

Recruitment is done with the help of the employees, job advertisement via websites, search activities, professional recruitment companies, and contact with specific professional groups from relevant educational institutions, as well as visibility and hosting of professional networks. As an employer, Karnov focuses primarily on skills and experience and welcomes diversity. One of the principles are to be unbiased in our job-ads and apply the "2-1"-rule in recruitments which means that at least one of "the other gender" is represented in the final run of candidates for a position.

For students, the Group also offers part-time work, internships and thesis/graduation opportunities.

COMMON CORPORATE CULTURE

Diversity in national and organisational cultures creates new conditions in the meeting between the parties in the larger group. Karnov Group's HR function is an important support in the journey of change when implementing the initiatives from the global HR strategy that is anchored in the business strategy.

The flat organisational structure with relatively few levels of management provides employees with opportunities for engagement. The Group CEO strives to be visible and accessible to all employees in the Group by regularly visiting the offices in the various countries.

The Leadership program which is currently being rolled out across all entities in the group is built on the fundamental values of the group, among which Trust and Openness are at the core of our values and as such fundamental for exercising leadership in Karnov Group.

Four core values have been developed as the basis contributing to the foundation of a common corporate culture.

CUSTOMER CENTRICITY

"I have the customer in my heart and mind in everything I do."

TRUST AND OPENNESS

"I trust and I am being trusted."

CURIOSITY AND KNOWLEDGE

"I am eager to learn, I give and get - perspectives."

COLLABORATIVE COMMUNITY

"I share and develop together with my community."

ENGAGEMENT SURVEYS OFFER IMPORTANT FEEDBACK

Karnov Group conducts structured engagement surveys using the Workday Peakon Employee Voice. It is an important tool to quantify employee engagement and get insights into how connected an employee feels to their work, their colleagues, and the business. These surveys have since 2024 been carried out across the entire group. Several aspects are evaluated, such as working conditions and workload, feedback and recognition, and development opportunities. The important result of such survey is the feedback provided to the managers and thereafter the action plans carried out afterwards to secure ongoing improvements in Karnov Group as great place to work.

COMPETENCE DEVELOPMENT

- Individual

Karnov aims to utilise employees' skills and abilities right from the start, i.e. from the beginning of their employment. This is done through an onboarding program where the new employee is paired with a more experienced colleague as a mentor buddy. In connection with the annual performance review, the employee and the manager will jointly draw up an individual development plan, which at least covers the focus areas for the coming year. It will also be possible to sign up for the Group's mentoring program across functions, departments and countries. This is rolled out across Region North and will be rolled out in Region South during 2025. Further development is agreed together with the immediate superior.

A first generation of a Group-wide training platform, Karnov Academy, is under development with a planned introduction in 2025. The Karnov Group Leadership journey and introduction to the Group's cultural values will also be included and be part of the Karnov Academy.

The goal is that all employees, based on the competence development tool "70-20-10", have a strategy for individual development both in the workplace, as on-the-job training, as well as collegial side-by-side learning and through external training and education, which is made available through the training platform Karnov Academy.

- Group-wide

More structured knowledge exchange will increasingly take place between the units and countries. This is done by following the concept of Collaborative Communities where ongoing close collaboration between functions and countries provides exchange of best practices and knowledge, both in the development of new concepts and in the daily execution of tasks. It emphasizes that everyone must have a group-wide global mindset, even when solving tasks locally.

LEADERSHIP PROVISION AND OTHER CAREER OPPORTUNITIES

Leadership development takes place both internally and externally. Karnov also offers other career development within the areas of expertise. The strategy for employee development is based on Karnov being a "Talent Green House" for the employees. Karnov has therefore introduced a personal development concept as part of the HR strategy. The concept will be developed within the framework of the Karnov Academy, and the concept has defined the career paths available within the Karnov Group.

There is a belief that employees who develop are happier, feel more secure and therefore perform better. Therefore, employees can develop in several directions: towards more responsibility and possibly leadership, in-depth specialization or expansion of current areas of expertise. Karnov offers all three career paths and wants employees to see these opportunities as good and qualifying career paths that increase their employability (market value) day by day as a Karnov Group employee.

HEALTH AND SAFETY FOR A BETTER WORK ENVIRONMENT

Karnov places great emphasis on maintaining conditions for good health, not least psychological. The employees' well-being and sense of security in carrying out their daily tasks are assessed on an ongoing basis.

OCCUPATIONAL HEALTH CARE

To promote physical health, Karnov assists with wellness grants and arranges local activity opportunities, for example by arranging different health initiatives across the group, such as massage scheme, running club, bike to work campaigns, company padel, yoga-sessions, fitness contributions and similar.

TERMS AND CONDITIONS AND INCENTIVE PROGRAMS

Karnov respects the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, which includes human rights at work and the right to organize and collective bargaining.

Employment and wage agreements are made both individually and through collective agreements across our group.

During 2023 and 2024, the group has worked with a Negotiating Delegation representing the employees in all group companies to form a European Works Council for Karnov Group. The EWC will come into please in 2025 and will be a forum for exchange of information and for bringing employee perspectives to material management decisions involving employees in two or more countries of the group.

STAFF RESPONSIBILITY AND GOVERNANCE

Most staff report to their head of department, who in turn reports to the head of operations. All personnel management is handled at national level. Support is provided by HR departments in the major subsidiaries.

Social risks are included in the risk description.

Policies and guidelines are included in the sustainability governance section.

Interview with Cristina Sancho, President of Fundación Aranzadi LA LEY

"Our ambition is to become the main reference in Spain for legal culture and innovation"

Karnov Group's ambition is to clear the path to justice. Fundación Aranzadi LA LEY contributes to the ambition by bringing law and justice closer to society through innovation and knowledge transfer. We interviewed Cristina Sancho, President of Fundación Aranzadi LA LEY.

WHY WAS FUNDACIÓN ARANZADI LA LEY FOUNDED?

Fundación Aranzadi LA LEY (the "Foundation") was originally created as a corporate foundation to channel the company's social action and its main CSR initiatives, taking advantage of in-depth knowledge and offered solutions (proprietary content and technological solutions, eds note) and resources (employees, authors and customers, eds note). The legal area has become increasingly important and since 2020 all our projects are aligned with the Sustainable Development Goals of the 2030 Agenda. This has been done to contribute to the global efforts and reach shared achievements both on national and international level.

WHAT ARE SOME OF THE MOST REWARDING OR IMPACTFUL PROJECTS YOU HAVE LED?

Among the most recent projects, I am especially proud of the free practical guide that we managed to publish in less than 48 hours from the environmental disaster, DANA, that affected Spain in October 2024. This meant that people in Valencia could immediately claim public aid and subsidies. People who lost everything (above all, their loved ones, but also their homes, businesses, furniture, clothes etc.) in a few hours.

I am also particularly pleased to support Restorative Justice programs in various penitentiary centers, a system of conflict resolution and reparation of harm complementary to the ordinary justice system. It offers both victims and those who have committed a crime the possibility of dialogue about the events that occurred and their consequences. It also makes it easier for criminal to assume their responsibility.

INNOVATION PLAYS A CRUCIAL ROLE IN YOUR WORK. HOW DOES THE FOUNDATION UTILISE NEW TECHNOLOGIES TO DRIVE CHANGE IN THE LEGAL AND EDUCATIONAL FIELDS?

Technology and innovation have allowed us to deploy all of the Foundation's projects over the years. Examples include applying Jurimetría (AI solution) for legal analysis, convening of events online, and distributing our reports both on the web our digital library Legalteca.

When the state of alarm was declared in Spain and the lockdown was initiated in March 2020, our experience in online training and the availability of technological platforms enabled us to continue 100% of our activity in remote mode, keeping the dialogue with our stakeholders and facilitating the distribution of our reports through digital channels.

LOOKING AHEAD, WHAT ARE THE FOUNDATION'S KEY GOALS AND MILESTONES FOR THE NEXT FIVE YEARS?

The Foundation aims to become the main reference in Spain for legal culture and innovation in the legal sector. Our short-term objectives include involving the in-house legal departments of large firms in our projects as sponsors. All the major law firms are aware of and support our activity and we are gaining capacity for impact with more robust funding.

We want to be able to bring great international experts to Spain to help us visualise the future of the legal professions around the world and thus provide relevant leads for the sector in our country. A sector that is better equipped technologically, more efficient and useful to the public. Additionally, as a corporation linked to the Foundation, contact with the best international talent will help Aranzadi LA LEY, not only to gain reputation, but also to have better customer insights.

Cristina Sancho, President of Fundación Aranzadi LA LEY

Environment

Committed to play a part

Karnov is committed to playing its part in reducing greenhouse gas (GHG) emissions and material sourcing. Karnov calculates emissions according to the GHG protocol and has an ambition to continuously strengthen the data quality and emission reporting.

STRONG SUPPLIER COLLABORATION LEADING TO IMPROVED DATA GRANULARITY

Karnov Groups environmental impact occurs mainly in GHG emissions and the use of material resources. A strong understanding of emission drivers enables Karnov to implement targeted activities to reduce its carbon footprint. Since the start of GHG reporting in 2022, Karnov has continuously strengthened its stakeholder dialogue, leading to improved data granularity, higher quality and greater accuracy in the reporting. Travel emissions are now tracked in detail and the distribution of printed materials is monitored across the majority of the Group.

DATA STORAGE

Karnov stores a large amount of data as part of its operations. Data is stored with third party service providers. The selection-criteria for vendors include geographical location as well as security capabilities. All data is stored in Europe.

SUSTAINABLE AI GROWTH AND AI EMISSION TRACKING

In 2024, Karnov Group expanded its AI solutions to Region North, increasing the importance of tracking emissions related to AI development and customer usage. Emissions are monitored in collaboration with suppliers to evaluate the environmental impact of the Group's AI solutions. These emissions are expected to increase over time due to increased usage. Karnov continuously work to optimise energy efficiency and reduce emissions in line with our sustainability commitments.

TRAVEL

Business travel accounts for 24% of the Group's emissions. During 2024 Karnov has strengthened data collection from the Group's contracted travel agencies, leading to enhanced data quality. This together, with a strong focus on large cultural projects within the Group explains the increase.

ELECTRONICS

Employees have the opportunity to purchase electronic devices (e.g. computers, mobile phones) that has completed its life cycle within the business but is still in good working order. Electronics is also refurbished before and handed to new employees. Electronics is finally recycled according to standard practice.

PUBLISHING BUSINESS

Karnov Group publishes a large number of titles as part of its publishing business. The books are printed by third-party providers using FSC- and PEFC-certified paper, ensuring that the raw materials (paper pulp) come from sustainably managed forests through ongoing communication with printers.

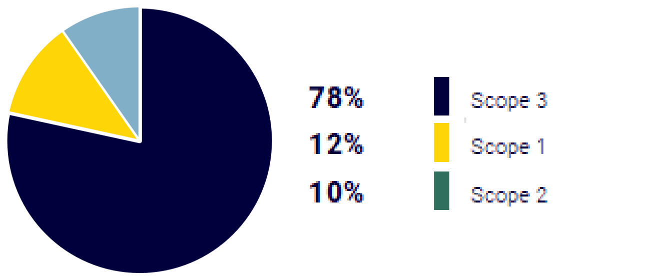
In 2024, the Group has strengthened its emissions reporting by fostering closer collaboration with our suppliers, leading to improved data quality and enhanced tracking of emissions related to print distribution. This joint effort with our printing partners aligns with our commitment to complying with European regulations on deforestation as soon as possible.

GHG EMISSION REDUCTION

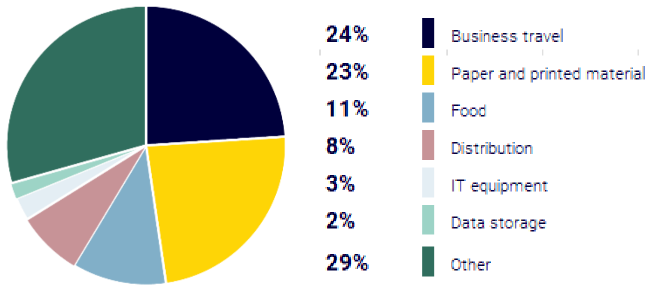
Karnov has chosen the objective to "Reduce Scope 3 emissions" as Scope 3 accounts for the main part of GHG emissions. Emission hotspots are paper and printed material, attributable to the publishing business, IT equipment purchases, catering for employees and events, business travel and data storage.

During 2024 Karnov has focused on activities related to reducing its energy consumption and moving to renewable energy across all offices. The Groups electricity consumption has decreased in combination with a larger share of renewable energy. In addition, the Group has had a decrease in emissions from company vehicles.

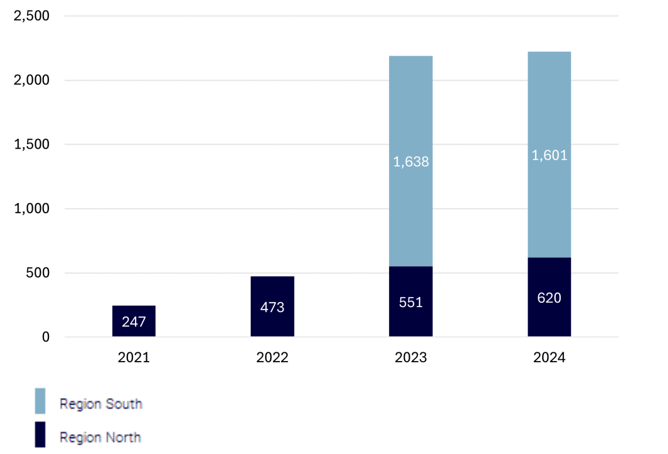
DISTRIBUTION GHG EMISSIONS, %



GHG EMISSIONS SCOPE 3, %



GHG EMISSIONS tCO_2e



EU taxonomy

BACKGROUND

In order to achieve the EU's 2030 climate and energy targets and to meet the objectives of the European Union's Green Deal, a classification system for sustainable economic activities called the EU Taxonomy came into force in 2020. Large companies are partly required to report the share of their activities covered by the taxonomy and partly required to report the proportion of its activities that are consistent with the taxonomy, i.e. are sustainable based on defined scientific review criteria set out in the Taxonomy Regulation for the activity. The criteria for "significant contribution" aim to establish that the economic activity either has a significant positive environmental impact or significantly reduces negative impacts on the environment. The criteria for 'does not cause significant damage' aim to establish that the economic activity does not prevent the other environmental objectives from being achieved, i.e. does not have a significant negative impact on them. Taxonomy-appropriate activities must also be carried out in accordance with the minimum level of safeguards, i.e. sustainable activities must respect basic human rights and follow good business practices.

The taxonomy regulation is a work in progress and does not yet cover all sustainable activities in the market. Karnov Group's activities are not the focus of the current -legislation and has no economic activities to report on. 2023 is the first year Karnov Group reports on the -Taxonomy.

ACCOUNTING PRINCIPLES FOR THE EU TAXONOMY

The key performance indicators reported in the EU taxonomy are presented in separate tables for turnover, capital expenditure and operating expenditure as defined in the Regulation.

Total turnover is Karnov Group's total revenue in 2024 in accordance with IFRS15, which is consistent with the definition of EU taxonomy turnover. The external sales related to the economic activities are similarly reported under activities covered by the taxonomy, either under taxonomy related or not taxonomy related.

The total capital expenditure is Karnov Group's total capital expenditure in 2024, which is reported in the line of additions, excluding goodwill additions, in Note 3.1, 3.2 and 3.3 (Intangible assets, Property, plant and equipment and Leasing). The proportion of capital expenditure covered by the taxonomy, either taxonomy related or not taxonomy related, is capital expenditure related to the assets or processes associated with the respective economic activity.

Total operating expenditure includes all direct costs not recorded as assets that relate to research and development, short-term leases, maintenance and repair or any other direct expenditure related to the day-to-day servicing of tangible fixed assets. The proportion of operating expenditure covered by the taxonomy, whether taxonomy-related or not, is operating expenditure related to the assets or processes associated with the respective economic activity. The taxonomy requires enterprises to comment on how double counting has been avoided in the taxonomy-supported economic activities. Karnov Group has done this based on our cost structures and ensured that the cost elements are separate for each activity, facilitated by the limited amount of transactions made between different activities.

EU Taxonomy KPIs for 2024	Turnover, MSEK	Turnover, %	CapEx, MSEK	CapEx, %	OpEx, MSEK	OpEx, %
Eligible and aligned	0	0%	0	0%	0	0%
Eligible and not aligned	0	0%	0	0%	0	0%
Non-eligible activities	2,593	100%	200	100%	2,098	100%
Total	**2,593**	**100%**	**200**	**100%**	**2,098**	**100%**

For full disclosure of Karnov's EU taxonomy, please refer to note 3, page 49.
For mandatory information on nuclear energy related activities, see note 4, page 52.

Engagement with interested parties

Karnov Group has the ambition to contribute daily to sustainable development in the entire value chain. By collaborating with stakeholders, we see an opportunity for each activity to have a greater impact and lead to synergies. These partnerships create many different contact surfaces, which are important for networking as well as for sharing knowledge and insights. We intend to continuously increase these partnerships while evaluating the ones we have today. With our products and solutions, we also want to contribute to a better governed society. We do this through the content we deliver in digital and printed form.

Below is a summary of stakeholder engagement and how we work with our stakeholders:

INTERESTED -PARTIES	SUSTAINABILITY CORE	COMMUNICATION, COLLABORATION AND VALUE CREATION
Customers	Sustainable products and services Diversity and gender equality Digitalisation Quality of data and content Information security, data protection Responsibility for the environment and working conditions Economic viability Regulatory developments including interpretations and practices	- Regular NPS (Net Promoter Score) measurements - Ongoing dialogue via Key Account Mangers and Support - Customer events, awards - Advisory committees and focus groups - Surveys focusing on customer experience, -customer benefits, insights from which drive -innovation and product development.
Suppliers	Supplier code (environment, human rights and good working conditions, regulatory compliance) Actively working towards more sustainable development Good technology and systems Information security, data protection	- Supplier dialogues - Collaborations
Partners (authors and experts)	Good and sustainable working relationships. Information security and quality. Insight into innovation and product development. Responsibility for the environment and working conditions. High quality technologies and systems.	- Regular NPS (Net Promoter Score) measurements - Dialogue through publishers, editors and legal -training staff - Events, awards - Advisory committees - Collaboration on product development - Inspirational lectures - Social media and newsletters.
Shareholders and investors	Sustainable economic value creation (profitable growth), business ethics Laws, regulations and standards Stability, development, quality and customer satisfaction	- Annual reports and interim reports - Annual General Meeting - Karnov Group’s website (karnovgroup.com) - Investor meetings and conferences
Employees	Good working conditions and responsibility for the climate. Development opportunities. Diversity, inclusion and equality. Information security and data protection Innovation and product development Health and safety Sustainable products and solutions.	- Employee dialogues. - Employee surveys. - Training and development opportunities. - Personal development goals.
Society and legal sector	Responsibility for the environment and working conditions. Laws, regulations and standards.	- Karnov Group's mission is to contribute positively to the rule of law through our products and solutions. We facilitate the digitalisation of professionals' work, leading to increased efficiency.
Media	Sustainable products and services Diversity and gender equality Digitalisation Quality of data and content. Information security, data protection Responsibility for the environment and working conditions Sustainable economic value creation and profitability. Legal changes.	- Press releases - Interviews - Karnov Group website - Social Media - Annual reports and interim reports
Students	Sustainable products and services Digitalisation Quality of data and content Responsibility for the environment and working conditions Regulatory developments including interpretations and practices	- Collaborations with universities - Internships and employment of students - Sponsorship and events - Awards

KARNOV GROUP GOVERNANCE FRAMEWORK

POLICY	AIM	OWNERSHIP	FOLLOW-UP
Code of conduct	Serves as the foundation for Karnov's corporate values and ethical commitment and describes the core principles of the Group's business conduct and integrity including business ethics. It is intended to provide guidance regarding what behaviour is expected from each employee in their daily work and what can be expected from the Group as an employer. It is also essential for customers and business partners to always feel confident that Karnov not only complies with legal requirements but also meets high ethical and professional standards. Authors and suppliers shall pay due attention to the Code.	Group CHRO	Signed by all employees, authors and customers. Senior personnel such as supervisors and managers, have an extended responsibility to engage in ethical issues and to translate the Code and other associated governing policies into local rules and procedures. Our Code of Conduct applies to all employees, clients and suppliers as well as the authors and experts we work with.
Equality policy, Diversity and equality section in personnel handbook	Using information, Karnov shall increase awareness of equality issues and strive for an open attitude and equal treatment throughout the organisation.	Group CHRO	Employee survey conducted twice a year through external and independent supplier.
Whistleblower function	Good relationships, a healthy working environment and exemplary business ethics are crucial to the long-term success of Karnov. It is important for us to identify corruption, irregularities or fraudulent acts that can seriously damage the business or negatively impact our employees, and that such incidents are investigated at as early a stage as possible. For this reason, we have set up a whistleblower function. Karnov has implemented an external setup to ensure anonymity and has established a Group Ethics Committee to guarantee impartial action.	Chairman of the Board	All information reported by whistleblowers is handled by an external party before being presented to the Group's Ethics Committee. Karnov's Chairman of the Board is primarily responsible for the whistleblower function, while the Group's Human Resources Manager is responsible for the practical management.

POLICY	AIM	OWNERSHIP	FOLLOW-UP
Communication policy and social media guidelines	Provides all employees at Karnov with a set of shared guidelines for internal and external communication including social media and crisis communication. It also describes the division of responsibilities and the spokesperson structure for media contacts.	Group CHRO	The policy is reviewed and reported annually, with control routines in place and reported quarterly.
Information security policy	Sets out that Karnov should embed security in the Group's daily work and monitor compliance to protect our customers, Karnov as a company, our brand, our employees and our business against interruptions and outages, as well as reducing risk and loss by preventing and managing unwanted incidents and breaches.	Group CISO	Information Security Board implemented with regularly scheduled meetings.
Business Continuity Policy	The purpose of this plan is to provide executive management, all staff and other relevant stakeholders with an assurance that the Company is prepared for and able to take actions to restore the most business-critical processes, functions and systems in the case of a disaster in an efficient way.	Group CEO	This policy is reviewed annually. Furthermore, an action plan is in place as well as guidelines regarding crisis communication.
Privacy policy	The policy sets out how the Group processes and protects personal data. The policy also focuses on compliance initiatives conducted to always ensure compliance with applicable data protection legislation.	Group Head of Content Strategy and Quality	Karnov has two Data Protection Officers (DPOs) and Compliance Officers working within the company's content and quality department.
Anticorruption	Karnov has zero tolerance for bribery and corruption. This is clearly expressed in the Karnov Code of Conduct, which all employees sign upon employment.	Group CEO	All employees sign our Code of Conduct. Our policies, information and training prevent violations.

Sustainability risks and risk management

Karnov Group's double materiality analysis (DMA) provides Karnov Group with an understanding of which sustainability areas are of greatest importance. The results of the analysis provide important guidance for sustainability work and also help identify focus areas for the Group's reporting. The ambition is to engage stakeholders in material sustainability topics. The DMA has identified a number of priority sustainability areas presented in the table below:

RISK	RISK AREA	RISK MANAGEMENT
ENVIRONMENT - SUPPLY CHAIN AND MATERIAL FLOWS		
Management of materials/resources and increased circularity	Electronics purchases, use and energy consumption have an environmental impact. So do paper purchases and consumption within the Group and waste.	Karnov Group's electricity consumption is limited by environmentally efficient electricity consumption solutions in our rented properties. We recycle electronics within the Group through the resale of electronics to employees. The remaining electronics are recycled or reused. Much of the Group's waste is recycled, including books, glass, pawn, lamps (incl. fluorescent tubes), batteries, electronics, cardboard, plastic, metal and paper. Waste that cannot be recycled is sorted as combustible and managed according to standard practice.
Ecosystem services and biodiversity	Our paper consumption has an environmental impact and a risk that the forest raw material used comes from countries at risk of deforestation.	Karnov Group purchases mainly FSC-certified paper and ensures that the raw material used comes from responsibly managed forests. Possible deforestation linked to our printed material is a risk that we must continuously manage.
ENVIRONMENT - CLIMATE IMPACT		
Climate impact - greenhouse gas emissions	Karnov Group operations do not include environmentally hazardous activities. Our negative environmental impact is mainly attributed to our publishing, our business travel, our data storage, energy consumption in our offices and food and catering for employees and at events. There is also a risk that we will not meet the expectations of employees and customers to conduct structured environmental and climate work. This is an important prerequisite for us to be a good and competitive player in the market.	Karnov Group calculates and reports greenhouse gas emissions according to the Greenhouse Gas Protocol (GHG) and we have chosen to use activity-based carbon accounting. This enables us to raise awareness of our emission hotspots and climate impact and to educate internally, set targets that drive desirable behaviour and over time reduce our emissions.

RISK	RISK AREA	RISK MANAGEMENT
SOCIAL - QUALITY AND SAFETY		
Information security	The information in the services we provide to our -customers is sensitive. We need to protect it from e.g. cyber threats and ensure that it is handled within legal requirements and guidelines. Information security incidents and any failures in their management can have significant financial consequences and put at risk our trust and position in the market.	Karnov Group has a group-wide information security function - the Information Security Board. The function is responsible for information security within -Karnov Group and drives the day-to-day security efforts and monitors compliance to protect our customers, our company, our brand, our employees and our business, from disruptions and business interruptions, and to mitigate risk and loss by avoiding and managing unwanted events and breaches. Karnov Group has established information security procedures and processes that are overseen by the Information Security Board. The company's data is stored on servers in Europe to ensure compliance with GDPR. Karnov Group uses technical protection against cyber threats and has internal procedures and processes in place to regulate and ensure sufficient protection of the information we hold. The protection is regularly evaluated internally. To strengthen the knowledge of our employees, we conduct annual training courses in both information security and GDPR.
SOCIAL – BUSINESS ETHICS		
Anticorruption	Karnov has zero tolerance for bribery and corruption. This is clearly stated in the Karnov Code of Conduct. The risk of corrupt behaviour is relatively limited and arises mainly in connection with purchases and sales.	Good relationships, a healthy working environment and exemplary business ethics are crucial to Karnov's long-term success. It is important for us to identify corruption, irregularities and fraud that could seriously damage the business or have a negative impact on our employees, and that such incidents are investigated at the earliest possible stage. A whistleblowing function has been established to make it easy for those who wish to come forward with information about irregularities that contravene applicable laws, ethical and moral principles, or Karnov's policies. Karnov has implemented an external function to ensure anonymity and has established an Ethics Committee at Group level to ensure that actions taken are impartial. Karnov's Code of Conduct also covers bribery and corruption, and the Code is communicated to and signed by all employees.
SOCIAL - EMPLOYEES		
Ability to attract and retain talent	Access to skilled people and expertise is critical to Karnov Group's business and to delivering high quality content and solutions. The competence, commitment and relationship with our employees, authors and experts are key factors in ensuring that our customers are satisfied with our products and solutions. If Karnov Group employees are unhappy and disengaged, it can lead to reduced productivity and terminations. If the Karnov Group brand is damaged, there is also a risk that it will be more difficult for Karnov Group to retain and attract new employees and specialists.	Karnov Group strives to create an attractive and healthy working environment. We actively and continuously promote the development of a customer -centric culture, which contributes to a strong brand. Assessment of the company's ability to maintain a healthy workplace with satisfied employees and a focus on attracting, developing and retaining employees, is based on employee surveys, exit interviews, analysis of employee turnover and sickness and other absences. Karnov Group continues to further develop its employment offering. Karnov Group's Code of Conduct and employee handbook are guiding instruments for a healthy working environment. Karnov Group also focuses on maintaining a strong platform of authors and experts in their respective markets through ongoing dialogues, networking meetings and attractive compensation terms. Karnov Group continuously measures the satisfaction of authors and experts through an author-specific Net Promoter Score survey (which measures the likelihood of recommending Karnov Group as a partner).

RISK	RISK AREA	RISK MANAGEMENT
Discrimination and inequality	Discrimination on the grounds of gender, age, -ethnicity, religion and sexual orientation is unlawful and failure to do so can lead to a breach of trust, a less favourable working environment resulting in reduced productivity, difficulties in recruiting and retaining staff, as well as legal claims.	Karnov Group has zero tolerance in relation to -discrimination and harassment. No one shall be subjected to discrimination or harassment related to gender, transgender identity and expression, ethnicity, religion or belief, disability, sexual orientation or age. This is set out in the Code of Conduct and in the Diversity and Equality section of the Employee Handbook. We believe that treating each other with respect and dignity ensures a healthy and productive working environment. The company has established procedures for dealing with discrimination and harassment in the workplace.
Stress & mental illness	A socially sustainable workplace starts with sustainable employees. Sustainable employees require sustainable working conditions and are a prerequisite for the long-term and stable development of Karnov Group. Factors such as stress, long working hours and physical working conditions that negatively affect the work environment increase the risk of work-related injuries and illnesses. This can lead to sick leaves, which means that we are unable to perform our duties satisfactorily.	Social sustainability and socially sustainable business require a work-life balance, and that we work to -prevent harmful stress and sick leave. Focusing on protective factors while minimising risk factors will be crucial to improving the health and work capacity of employees. Karnov Group aims at a good working environment where physical, organisational and social aspects of the working environment are central. Our employees have access to occupational healthcare, and we have good opportunities to work proactively with health. We conduct employee surveys twice a year. These provide ongoing information on stress levels, health and employee satisfaction. The outcome of these is evaluated by Karnov Group's management and initiatives are launched based on the analysis. The initiatives are driven by the Human Resources department.
Flexible workplace	Employee health and well-being are two key factors in Karnov Group's commitment to delivering high quality content and solutions. There is a risk that employees working from home will have less ergonomic work-stations, resulting in a risk of injury.	Karnov Group intends to continue to offer a flexible workplace with the possibility to work at home. Employees have been given the opportunity to have their work tools installed at home.
SOCIAL - RESPECT FOR HUMAN RIGHTS		
Social responsibility, human rights and environmental considerations in the supply chain	Karnov Group may be exposed to risks related to the environment, working conditions, human rights and corruption, among others, through suppliers. Our paper consumption has a negative environmental impact and there is risk that the raw material used comes from countries at risk of deforestation. Otherwise, we see no obvious risks of human rights violations as a result of our operations. Karnov Group does not operate in countries identified as high-risk in this regard.	Karnov Group mainly purchases FSC certified paper and ensures that the raw material used comes from responsibly managed forests. Possible deforestation linked to our printed material is a risk that we have to manage on an ongoing basis. Karnov's Code of Conduct is partly based on the UN Guiding Principles on Human Rights and must be adhered to by all employees. Our Code of Conduct also applies to suppliers.
Societal expectations	Society's expectations of the role of business in sustainable development are increasing. If Karnov Group does not align with society's expectations, there is an increased risk that we will not be seen as a relevant player in the market and for our employees. In the long run, this would have a negative impact on our business.	Through ongoing dialogue with stakeholders, we work to understand the expectations of the industry in general and the Karnov Group in particular. In addition, our industry reports contribute to industry insights. By sharing these insights and our knowledge, generating discussion and driving debate on issues important to the industry, we believe we can contribute to the industry and society.

1. Declaration Scope 1-3

Scope 1 - direct greenhouse gas emissions, i.e. those that the activity has directly control. This includes, for example, greenhouse gas emissions from own vehicles.

Scope 2 - indirect emissions, from the production of electricity, district heating and district cooling.

Scope 3 - indirect greenhouse gas emissions, in addition to purchased energy, that occur outside the boundaries of the activity. Scope 3 greenhouse gas emissions are usually divided into upstream and downstream depending on whether they occur before or after the company's own activities in the chain. Upstream can be, for example, material consumption, transport and distribution to customers, employee commuting, business travel, production of equipment and downstream there is e.g. processing, use and finishing of products sold.

2. GHG emissions

GHG EMISSIONS, METRIC TONNES CO2 EQUIVALENTS

	2024	2023	2022	2021
Scope 1	261	401	0.4	0.3
Scope 2	214	135	54	57
Scope 3*	1,725	1,495	443	218
Total market based GHG emissions	1,931	2,031	497	275
Total local based GHG emissions	2,200	2,223	473	247

**Of which material Scope 3 emissions for Karnov Group*

Business travel	528	418	47	22
Paper and printed material	522	521	229	154
Food	240	236	65	20
Distribution	166	71	-	-
IT Equipment	59	67	72	6
Data storage	40	59	27	13
Total	1,389	1,219	432	212

3. EU taxonomy

PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES 2024

Fiscal year 2024	2024			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute turnover (3)	Proportion of Turnover (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A1) or eligible (A2) turnover 2022 (18)**	Category (enabling activity) (20)	Category (transitional activity) (21)
		MSEK	%	Y / N / N/EL						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			0%																
A.1. Environmentally -sustainable activities (Taxonomy-aligned)																			
		0	0%	-	-	-	-	-	-								0%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	0%	0%	0%
Of which enabling		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		
Of which transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
			0%																
Turnover of Taxonomy-eligible but not environmentally -sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%														0%		
Total (A.1+A.2)		0	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		2,593	100%																
Total (A+B)		2,593	100%																

PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES 2024

Fiscal year 2024	2024			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A1) or eligible (A2) CapEx 2022(18)	Category (enabling activity) (20)	Category (transitional activity) (21)
		MSEK	%	Y / N / N/EL						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			0%																
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)																			
		0	0%	-	-	-	-	-	-								0%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	0%	0%	0%
Of which enabling		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		
Of which transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
		0	0%																
CapEx of Taxonomy-eligible but not environmentally -sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%														0%		
Total (A.1+A.2)		0	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		200	100%																
Total (A+B)		200	100%																

PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES 2024

Fiscal year 2024	2024			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A1) or eligible (A2) OpEx 2022(18)	Category (enabling activity) (20)	Category (transitional activity) (21)
		MSEK	%	Y / N / N/EL						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			0%																
A.1. Environmentally -sustainable activities (Taxonomy-aligned)																			
		0	0%	-	-	-	-	-	-								0%		
OpEx of environmentally -sustainable activities (Taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	0%	0%	0%
Of which enabling		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		
Of which transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
		0	0%																
OpEx of Taxonomy-eligible but not environmentally -sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%														0%		
Total (A.1+A.2)		0	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		2,098	100%																
Total (A+B)		2,098	100%																

4. Mandatory information on nuclear energy related activities

ROW	NUCLEAR ENERGY RELATED ACTIVITIES	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the -purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	FOSSIL GAS RELATED ACTIVITIES	
4.	The undertaking carries out, funds or has exposures to construction or operation of -electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil -gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Auditor’s report on the statutory sustainability report

To the general meeting of the shareholders in Karnov Group AB (publ), corporate identity number 559016-9016

ENGAGEMENT AND RESPONSIBILITY

It is the board of directors who is responsible for the statutory sustainability report for the year 2024 on pages 32–52 and that it has been prepared in accordance with the Annual Accounts Act according to the prior wording that was in effect before 1 July 2024.

THE SCOPE OF THE AUDIT

Our examination has been conducted in accordance with FAR’s standard RevR 12 The auditor´s opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

OPINION

A statutory sustainability report has been prepared.

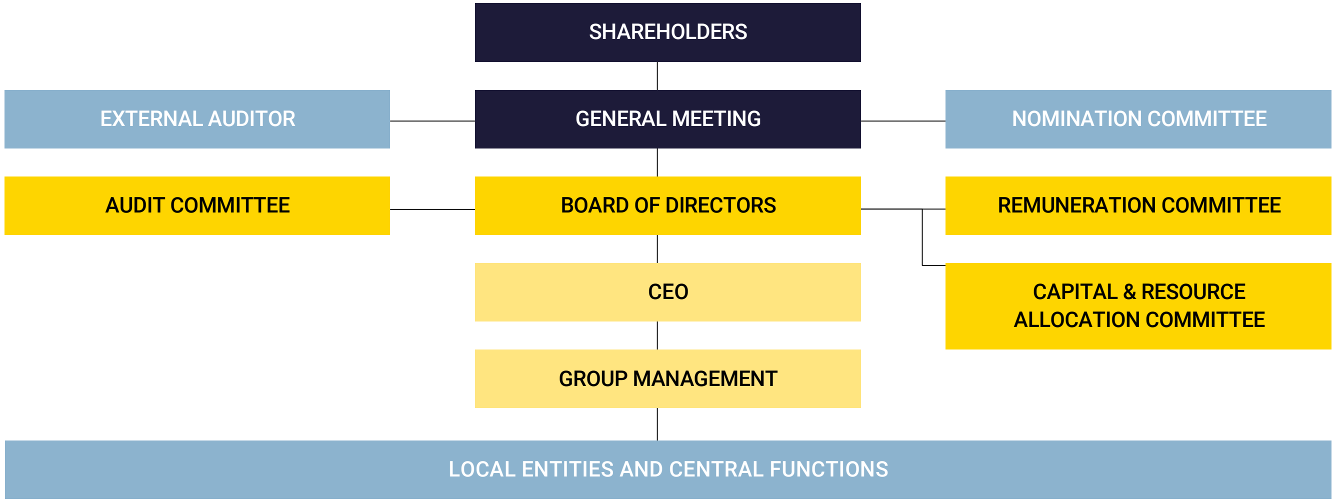
Stockholm, 31 March 2025
Öhrlings PricewaterhouseCoopers AB

Martin Johansson
Authorized Public Accountant
Auditor in charge

Patrik Larsson
Authorized Public Accountant

Corporate Governance Report

Karnov Group AB (publ) is a Swedish limited liability company domiciled in Stockholm, Sweden. Karnov Group AB (publ) was listed at Nasdaq Stockholm in April 2019 and has since applied The Swedish Corporate Governance Code ("the Code"). For 2024, the Company reports no deviations from the Code.



CORPORATE GOVERNANCE WITHIN KARNOV GROUP

The Corporate Governance within Karnov Group is mainly based upon Swedish legislation, e.g. the Swedish Companies Act, as well as the articles of association and internal rules, including policies and instructions. Companies whose shares are listed on a regulated market in Sweden shall also be compliant with the Code. The Code sets a higher standard for good corporate governance than the minimum standard of the Swedish

Companies Act and other rules. Companies are not required to comply with all rules in the Code. Alternative solutions which are deemed more suitable for the relevant company's specific circumstances can be chosen, provided that any such deviations and the chosen alternative solutions are described, and the reasons therefore are explained.

GENERAL MEETINGS

General

According to the Swedish Companies Act, the general meeting is the ultimate decision-making body of the Company. At the general meeting, the shareholders exercise their voting rights on key issues, such as the adoption of income statements and statements of financial position, appropriation of the Company's results, discharge from liability of members of the Board of Directors and the CEO, election of members of the Board of Directors and auditors and remuneration to the Board of Directors and the auditors.

The annual general meeting must be held within six (6) months from the end of the financial year. In addition to the annual general meeting, extraordinary general meetings may be convened. According to the articles of association, general meetings are convened by publication of the notice convening the meeting in the Official Swedish Gazette (Sw. Post- och Inrikes Tidningar) and on the Company's website. The Company shall also advertise in Dagens Industri that notice has been made.

Right to attend general meetings

Shareholders who wish to participate in a general meeting must be included in the shareholders' register maintained by Euroclear Sweden AB ("Euroclear") on the day falling five weekdays (Saturdays included) prior to the meeting, and notify Karnov Group of their participation no later than on the date stipulated in the notice convening the meeting. In addition to notifying the Company, shareholders whose shares are nominee registered through a bank or other nominee must request that their shares be temporarily registered in their own names in the shareholders' register maintained by Euroclear in order to be entitled to participate in the general meeting. Shareholders should inform their nominees well in advance of the record date. Shareholders may attend general meetings in person or by proxy and may be accompanied by not more than two advisors.

Shareholder initiatives

Shareholders who wish to have a matter brought before the general meeting must submit a written request to the Board of Directors. The matter shall be addressed at the general meeting, provided that the request was received by the Board of Directors no later than one (1) week prior to the earliest date pursuant to the Swedish Companies Act on which notice to attend the general meeting may be issued or after that date, but in due time for the matter to be included in the notice to attend the general meeting.

NOMINATION COMMITTEE

Pursuant to the Code, Swedish companies whose shares are admitted to trading on a regulated market in Sweden are to have a nomination committee. The Annual General Meeting on May 10, 2022, resolved to adopt the below instruction for the nomination committee, which shall apply until further notice.

Instruction for the nomination committee of Karnov

The Nomination Committee shall be composed of the representatives of the three largest shareholders (or group of shareholders) in terms of voting rights listed in the shareholders' register maintained by Euroclear Sweden AB as of the last business day of August, and the chairman of the Board of Directors, who will also convene the first meeting of the Nomination Committee.

Board members may be members of the Nomination Committee but may not constitute a majority thereof. If more than one Board member is a member of the Nomination Committee, no more than one of those members may be dependent of a major shareholder of the Company.

The member representing the largest shareholder in terms of voting rights shall be appointed chairman of the Nomination Committee. Members of the Board of Directors may not be the chairman of the Nomination Committee. If the member representing the largest shareholder in terms of voting rights is a Board member, the Nomination Committee shall appoint another member as chairman.

In the event that a member leaves the Nomination Committee prior to the work of the committee having been completed, a representative from the same shareholder (or group of shareholders) may replace the leaving member, if deemed necessary by the Nomination Committee. In the event that a shareholder (or group of shareholders) represented in the Nomination Committee has reduced its holding of shares in the Company, the representative from such shareholder (or group of shareholders) may resign and, if deemed appropriate by the Nomination Committee, a representative from the shareholder next in line in terms of size may be provided an opportunity to enter. If the shareholding in the Company is otherwise significantly changed before the Nomination Committee's work has been completed, a change in the composition of the Nomination Committee may take place, in such way that the Nomination Committee deems appropriate. Changes in the composition of the Nomination Committee shall be made public as soon as possible.

The composition of the Nomination Committee is to be announced no later than six months before the AGM.

The Nomination Committee is tasked with, ahead of the AGM, submitting proposals for a) chairman of the AGM, b) directors' fees and other compensation for committee work, c) election of directors, d) election of the chairman of the Board of Directors, e) election of the auditor and auditor's fees, f) changes in the instructions for the Nomination Committee, if applicable, and g) other matters that according to the Swedish Corporate Governance Code, are to be handled by the Nomination committee.

In its evaluation of the Board of Directors' appraisal, and in its proposal, the Nomination Committee shall consider that the Board of Directors is to have a composition appropriate to the Company's operations, phase of development and other relevant circumstances. The Board members elected by the general meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. The Nomination Committee is to strive for gender balance on the Board of Directors of the Company.

Remuneration shall not to be paid to the members of the Nomination Committee. The Company is to pay any necessary expenses that the Nomination Committee may incur in its work.

The term of office for the Nomination Committee ends when the composition of the following Nomination Committee has been announced.

Nomination committee for the Annual General Meeting in 2025

- Ulrik Grönvall (Chair), Portfolio Manager, Swedbank Robur, Sweden;
- Will Brennan, MD and Portfolio Manager, Long Path Partners, USA;
- David Nadel, Portfolio Manager, Invesco, USA; and
- Magnus Mandersson, Chairman of the Board of Directors, Karnov Group AB (publ).

THE BOARD OF DIRECTORS

Composition and independence

Members of the Board of Directors are normally appointed by the annual general meeting for the period until the end of the next annual general meeting. According to the Company's articles of association, the general meeting shall appoint no less than three (3) and no more than ten (10) board members. Pursuant to the Code, the Chairman of the Board shall be appointed at the general meeting. No more than one board member elected by the general meeting may be a member of the executive management of the Company or a subsidiary of the Company. The majority of the board members elected by the general meeting are to be independent of the Company and its executive management. At least two (2) of the board members who are independent of the Company and its executive management shall also be independent in relation to the Company's major shareholders. See "Board of Directors, Senior Executives and Auditor" on page 61 for an account of the board members' independence in relation to the Company, its executive management and its major shareholders.

Responsibilities of the Board

The Board of Directors is the Company's second-highest decision-making body after the general meeting. The duties of the Board of Directors are primarily set forth in the Swedish Companies Act, the Company's articles of association and the Code. In addition, the work of the Board of Directors is guided by the instructions from the general meeting as well as the rules of procedure of the Board of Directors. The rules of procedure of the Board of Directors govern the division of work within the Board of Directors. The Board of Directors also adopts instructions for the committees of the Board of Directors, an instruction for the CEO and an instruction for the financial reporting to the Board. The Board of Directors is responsible for the organisation and the management of the Company's matters, which, among other things, entails a responsibility for outlining overall, long-term strategies and objectives, budgets and business plans, establishing guidelines to ensure that the operations create value in the long term, reviewing and establishing the accounts, making decisions on issues regarding investments and sales, capital structure and distribution policy, developing and adopting material policies, ensuring that control systems exist for monitoring that policies and guidelines are followed, ensuring that there are systems for monitoring and controlling the operations and risks, significant changes in the organisation and operations, appointing the CEO and, in accordance with the guidelines adopted by the general meeting, setting remuneration and other terms of employment benefits for the CEO and other senior executives.

Work of the Board

The chairman of the Board of Directors is responsible for ensuring that the Board of Directors' work is carried out efficiently and that the Board of Directors fulfils its obligations. The Board of Directors meet according to an annual predetermined schedule. In addition to ordinary board meetings, board meetings may be convened where the chairman considers it to be necessary or a board member or the CEO so requests.

During 2024, the Board held twenty-one (21) board meetings, including meetings by correspondence (per capsulam). Prior to each ordinary Board meeting, Board members receive a written agenda, based on the Board's established rules of procedure, and a complete set of documents for information and decision-making. Recurring items include the Company's financial results, the market situation, investments and adoption of the financial statements. Reports from the audit and remuneration committees are also regularly addressed. The Group CEO presents items for discussion at the meetings and attends all board meetings together with the Group CFO, except during the annual performance review of their work. The Company's Head of Investor Relations serves as Board secretary. Other senior executives participate as presenters on specific issues. The company's external auditor meets the Board at least once per year without management participation.

Evaluation of the Board

On an annual basis, the Board shall evaluate its formalities and way of working to ensure that the Board work is well functioning. The evaluation includes strategy and where the Board shall focus and identification of areas where the Board needs additional competence. The evaluation also includes whether the Board composition is appropriate. The Nomination Committee is using the evaluation in its work.

The Chairman of the Board initiates and leads the evaluation of the Board. Evaluation tools include detailed questionnaires and discussions. In 2024, the Board members responded to a written questionnaire covering the Board work in general as well as the work of the respective committees. The results from the evaluations were presented to the Board and were thoroughly discussed. The Nomination Committee was informed of the results of the Board work evaluation.

AUDIT COMMITTEE

The Board of Directors has established an audit committee. Pursuant to the Swedish Companies Act, the members of the audit committee may not be employees of the Company and at least one (1) member must have accounting or auditing qualification. The audit committee currently consists of four members: Lone Møller Olsen (Chairman of the Audit Committee), Ulf Bonnevier, Magnus Mandersson and Salla Vainio. The audit committee's main tasks are to:

a. monitor the Company's financial reporting and provide recommendations and proposals to ensure the reliability of the reporting;
b. in respect of the financial reporting, monitor the effectiveness of the Company's internal control, internal audit, and risk management;
c. keep itself informed about the external audit of the annual report for the Company and the Group as well as regarding the conclusions of the Swedish Inspectorate of Auditors' quality controls;
d. inform the Board of the result of the external audit and the way in which the external audit contributed to the reliability of the financial reporting, as well as the function filled by the audit committee;
e. review and monitor the impartiality and independence of the external auditor and, in conjunction therewith, pay special attention to whether the external auditor provides the Company with services other than auditing services; and
f. assist the nomination committee in conjunction with its preparation of proposals to the general meeting's resolution regarding election of external auditor.

During 2024, the Audit Committee held five (5) meetings at which minutes were taken. Discussions and decisions at all meetings of the Audit Committee have been reported to the Board of Directors.

REMUNERATION COMMITTEE

The Board of Directors has established a remuneration committee. Pursuant to the Code, the Chairman of the Board may be the chairman of the remuneration committee, but the other members of the remuneration committee are to be independent of the Company and its executive management. The remuneration committee currently consists of three members: Magnus Mandersson (Chairman of the Remuneration Committee), Ulf Bonnevier and Salla Vainio. All members of the remuneration committee are independent in relation to the Company and its executive management. The remuneration committee's main tasks are to:

a. prepare the Board's decisions on issues concerning principles for remuneration, remunerations and other terms of employment for the executive management;
b. monitor and evaluate programmes for variable remuneration, both ongoing and those that have ended during the year, for the executive management;
c. monitor and evaluate the application of the guidelines for remuneration of the executive management that the annual general meeting is legally obliged to establish, as well as the current remuneration structures and levels in the Company;
d. prepare and submit to the Board a report on the monitoring and evaluation to be carried out under the items (b) to (c) above; and
e. if the Company implements an incentive program for the employees of the Company, ensure that the incentive program is annually evaluated.

During 2024, the Remunerations Committee held three (3) meetings at which minutes were taken. Discussions and decisions at all meetings of the Remunerations Committee have been reported to the Board of Directors.

ATTENDANCE IN BOARD OR COMMITTEE MEETINGS

The following table presents each member of the Board of Directors' attendance in meetings in 2024.

	Board Meetings	Audit Committee	Remuneration Committee	Capital Allocation Committee
Magnus Mandersson	21/21	5/5	3/3	1/1
Ulf Bonnevier	21/21	5/5	3/3	-
Lone Møller Olsen	21/21	5/5	-	-
Salla Vainio	21/21	5/5	3/3	1/1
Loris Barisa	21/21	-	-	1/1
Ted Keith	12/21*	-	-	1/1

* Ted Keith represents the company's largest shareholder, Long Path Partners, and was subsequently excluded from the Board meetings surrounding the public offer during 2024.

REMUNERATION TO THE BOARD OF DIRECTORS

The Annual General Meeting on 8 May 2024 resolved on the following remuneration to the members of the Board of Directors until the Annual General Meeting 2025.

(TSEK)	Board fee	Audit	RemCom	Capital Allocation Committee	Board fee
Magnus Mandersson	1,050	75	100	50	1,275
Ulf Bonnevier	375	75	35	-	485
Lone Møller Olsen	375	200	-	-	575
Salla Vainio	375	75	35	50	535
Loris Barisa	375	-	-	50	425
Ted Keith*	-	-	-	-	-
Total	**2,550**	**425**	**170**	**150**	**3,295**

* Ted Keith represents the company's largest shareholder, Long Path Partners, and has waived fees.

CAPITAL & RESOURCE ALLOCATION COMMITTEE

The Board of Directors has established a Capital & Resource Allocation Committee. The members of the committee are Ted Keith (Chairman of the Capital & Resource Allocation Committee), Magnus Mandersson, Salla Vainio and Loris Barisa. All members of the Capital & Resource Allocation Committee are independent in relation to the Company and its Executive Management. The Capital & Resource Allocation Committee's main task is to:

a. perform review of capital allocation opportunities as well as performance of existing investments

During 2024, the Capital & Resource Allocation Committee held one (1) meeting at which minutes were taken. Discussions and decisions have been reported to the Board of Directors.

THE CEO AND OTHER SENIOR EXECUTIVES

Responsibilities and work of the senior executives

The CEO is subordinated to the Board of Directors and is responsible for the day-to-day management and operations of the Company in accordance with the instructions from the Board of Directors. The division of work between the Board of Directors and the CEO is set out in the rules of -procedure for the Board of Directors and the instructions for the CEO. The CEO is responsible for providing the Board of Directors with information and the necessary documentation for decision making. The CEO leads the work of the -senior executives and makes decisions after consulting its members. Further, the CEO reports at meetings of the Board of Directors and assures that members of the Board of Directors regularly receive the information required to follow the Company's and the Group's financial position, results, liquidity and development. The CEO and the other senior executives are presented in "Board of Directors, Senior Executives and Auditor" on page 61 in this Annual Report.

Evaluation of the CEO

On an annual basis, the Board shall evaluate the CEO to ensure that the Company is being operated in the best way possible. The evaluation focuses on whether the CEO has accomplished the stated objectives, how the co-operation with the Board of Directors has worked and the general development of the Company. No Senior Executive is present when the Board is evaluating the leadership of the -Company.

The Board has conducted an evaluation in 2024. The results from the evaluations were presented to the CEO and were thoroughly discussed. Further, Karnov also conducts internal engagement reports on half-year basis, where the employees have the possibility to evaluate both the CEO as well as the Senior Executives in elected areas.

Current employment terms for the CEO and the other senior executives

The CEO is entitled to an annual fixed salary of TSEK 6,840 and pension benefits in accordance with Karnov's prevailing pension policy. Provided that certain financial targets set by the Board of Directors are met, the CEO may also receive a bonus. The target bonus is an amount corresponding to 100 percent of the annual fixed salary. Pursuant to the current guidelines for remuneration to the senior executives, the bonus shall not exceed 100 percent of the fixed annual salary. For the CEO, a notice period of 12 months applies in case of termination by Karnov and 6 months in case of termination by the CEO. For the other senior executives, the notice period is up to twelve (12) months in case of termination by Karnov and up to six (6) months in case of termination by the senior executive.

Guidelines for remuneration to the senior executives

The Annual General Meeting on 5 May 2021 resolved on guidelines for executive remuneration. The guidelines encompass salary and other remuneration for the Company's CEO and other senior executives. The guidelines also encompass remuneration to Board members insofar as they receive remuneration in addition to Board fees for services relating to a position covered by these guidelines. The guidelines shall apply to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines at the AGM 2021. These guidelines do not apply to any remuneration resolved by general meeting.

THE GUIDELINES PROMOTION OF THE COMPANY'S BUSINESS STRATEGY, LONG-TERM INTERESTS AND SUSTAINABILITY

A prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company is able to recruit and retain qualified personnel. To this end, it is necessary that the Company offers competitive remuneration. These guidelines enable the Company to offer the executive management a competitive total remuneration. For information about the Company's business model and strategy, see the Company's website (www.karnovgroup.com/).

Long-term share-related incentive plans in form of a share saving program has been implemented in the Company. The plans include among others the CEO and other senior executives in the group. For more information regarding these incentive plans, including the criteria which the outcome depends on, please see https://www.karnovgroup.com/en/ltip-2023/ and https://www.karnovgroup.com/en/ltip-2024/.

TYPES OF REMUNERATION

Remuneration and other terms and conditions of employment shall be adequate to enable the Company and the group to retain and recruit skilled senior executives at a reasonable cost. The remuneration to senior executives may consist of fixed remuneration, variable remuneration, pension, other benefits and severance payment and it shall be based on principles of performance, competitiveness and fairness. The general meeting can also, irrespective of these guidelines, resolve on, among other things, share-related or share price-related remuneration.

FIXED REMUNERATION

Each senior executive shall be offered a fixed remuneration in line with market conditions and based on the senior executive's responsibility, expertise and performance.

VARIABLE REMUNERATION

Variable remuneration may comprise of annual variable cash salary and long-term variable pay in the form of cash. Variable remuneration shall be subject to the fulfilment of defined and measurable targets. 60 per cent of the variable remuneration is based on financial performance decided by the Board of Directors based on the Company's financial targets and 40 per cent of the variable remuneration is based on non-financial performance activities decided by Board of Directors to achieve the financial targets and the overall targets of the Company. This creates incentives to promote the Company's business strategy, long-term interests and sustainability.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration for the CEO may amount to not more than 100 per cent of the total fixed annual salary and the variable cash remuneration for the other senior executives may amount to not more than 75 per cent of the total fixed annual salary. Variable cash remuneration shall not qualify for pension benefits unless otherwise provided by mandatory collective agreement provisions.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the Company.

Terms for variable remuneration shall be designed so that the Board of Directors, under exceptional financial conditions, may limit or omit to pay variable compensation if such a measure is deemed reasonable.

In special cases, agreements may be reached on remuneration of a non-recurring nature, provided such remuneration does not exceed an amount corresponding to the individual's total fixed annual salary and maximum variable cash salary, and is not paid more than once per year and per individual.

PENSION

Agreements regarding pensions shall, where applicable, be premium based and designed in accordance with the level and practice applicable in the country in which the senior executive is employed. Senior executives shall receive pension premiums of no more than 35 per cent of the total fixed annual salary.

OTHER BENEFITS

Other benefits, such as a Company car, preventive care, health care and health insurance, may be paid in accordance with customary market terms. The other benefits shall amount to not more than 10 per cent of total fixed annual salary.

TERMINATION OF EMPLOYMENT

Fixed remuneration during notice periods and severance payment, including payments for any restrictions on competition, shall in aggregate not exceed an amount equivalent to the fixed remuneration for 12 months for the CEO and no more than 12 months for other senior executives. No severance pay shall be paid in the case of termination by the employee.

SALARY AND EMPLOYMENT CONDITIONS FOR EMPLOYEES

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the Company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

THE DECISION-MAKING PROCESS TO DETERMINE, REVIEW AND IMPLEMENT THE GUIDELINES

The Board of Directors has established a remuneration committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the AGM. The guidelines shall be in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive -management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the Company. The members of the remuneration committee are independent of the -Company and its executive management.

REMUNERATION TO SENIOR EXECUTIVES

The following table presents the remuneration paid to the senior executives in 2024, MSEK.

	Wages, bonus and other benefits	Social contributions	Pension benefits	Total
Pontus Bodelsson	13.5	0.0	2.1	15.6
Other senior executives	31.0	1.7	4.4	37.1
Total	**44.5**	**1.7**	**6.5**	**52.7**

The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

DEROGATION FROM THE GUIDELINES

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As set out above, the remuneration committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guideline.

Long-term incentive programs to senior executives and other employees

The Annual General Meeting on May 10, 2023, decided to resolve to implement a long-term incentive program in the form of a share saving program (LTIP 2023). The program is directed to the CEO, Group Management and a number of key employees within the Group. 19 employees participate in LTIP 2023. The participants are divided into four categories dependent on position. The participants have allocated a total of 96,845 saving shares to the program.

Participants who retain the Savings Shares during the program's vesting period of at least three years and also remain employed by Karnov throughout the whole vesting period will at the end of the period be eligible for free additional ordinary shares ("Performance Shares"). The allotment of Performance Shares is subject to the satisfaction of certain performance criteria related to the organic growth, organic adjusted EBITDA margin, synergies harvested in Region South as well as achievement of ESG -targets, as defined in the annual general meeting's resolution, during 2023–2025. Full allotment of Performance Shares would mean that the total number of shares under the program amount to no more than 366,007 ordinary shares.

The Annual General Meeting on May 8, 2024, decided to resolve to implement a long-term incentive program in the form of a share saving program (LTIP 2024). The program is directed to the CEO, Group Management and a number of key employees within the Group. 18 employees participate in LTIP 2024. The participants are divided into four categories dependent on position. The participants have allocated a total of 77,285 saving shares to the program.

Participants who retain the Savings Shares during the program's vesting period of at least three years and also remain employed by Karnov throughout the whole vesting period will at the end of the period be eligible for free additional ordinary shares ("Performance Shares"). The allotment of Performance Shares is subject to the satisfaction of certain performance criteria related to the organic growth, organic adjusted EBITDA margin, synergies harvested from the two Group initiatives as well as achievement of ESG targets, as defined in the annual general meeting's resolution, during 2024–2026. Full allotment of Performance Shares would mean that the total number of shares under the program amount to no more than 293,393 ordinary shares.

INTERNAL CONTROL

General

Karnov has established an internal control system aimed at achieving an efficient organisation that meets the targets set by the Board of Directors. This system includes work to ensure that Karnov's operations are conducted correctly and efficiently, that laws and regulations are complied with and that financial reporting is accurate and reliable and in accordance with applicable laws and regulations. Karnov has chosen to structure internal control work in accordance with the so-called COSO framework, which includes the -following elements: control environment, risk assessment, control activities, information and communication as well as monitoring and follow-up.

The Compliance department includes corporate functions for regulatory compliance and information security and has been established to increase control at Group level.

Control environment

Karnov's control environment is based on the distribution of work among the Board of Directors, the committees, the CEO and the CFO and the corporate values on which the Board of Directors and the Group management communicate and base their work. In order to maintain and develop a well-functioning control environment, to comply with applicable laws and regulations, and to ensure compliance within the entire Group with Karnov's desired business practices, the Board of Directors, as the ultimately responsible body, has established a number of basic documents relevant to risk management and the internal control which consists of operational control documents, policies, procedures and instructions. Among these documents are the rules of procedure for the Board of Directors, the instructions for the committees of the Board of Directors, the instructions for the CEO, the instructions for financial reporting, the code of conduct, the communication policy and the insider policy.

Policies, routine descriptions and instructions are distributed to all relevant employees of Karnov through Karnov's intranet. Karnov's employees are obliged to comply with the code of conduct, the communication policy and insider policy, and employees regularly perform relevant tests to ensure they are aware of the content of relevant policies, routine descriptions and instructions.

Diversity

Karnov Group strives for and has a relatively even gender distribution in all parts of the organisation. There is no -diversity policy; however, diversity is taken into account when recruiting employees, senior executives and board members.

Risk assessment

Karnov has established a risk assessment procedure, meaning Karnov conducts annual risk analysis and risk assessments, which are followed-up and reported quarterly. Based on this procedure, risks are identified and categorised according to the following four areas:

- Strategic risks
- Operational risks
- Compliance risks
- Financial risks

Karnov's objective with the risk analysis is to identify the most significant risks that may prevent Karnov from achieving its targets or realising its strategy. The objective is further to evaluate these risks based on the probability that they will arise in the future and to what extent the risks may affect Karnov's targets if they were to occur. Individual risks are assigned a so-called risk owner. The risk owner has a mandate and responsibility to ensure actions and controls are established and implemented. The risk owner is also responsible for monitoring, follow-up and reporting of changes in Karnov's risk exposure to identified risks. Identified risks are reported by the CFO to the audit committee and the Board of Directors. The Board of Directors evaluates Karnov's risk management system, including risk assessments, and shall annually submit a description in which the most important elements of Karnov's internal control and risk management are examined in detail. The purpose of this procedure is to ensure that significant risks are managed and that controls that counteract identified risks are implemented. Read more about risks and risk management on page 69-70.

Control activities

Karnov has established a risk management process that includes a number of key controls of matters that must be in place and function in the risk management processes. The control requirement is an important tool that enables the Board of Directors to lead and to evaluate information from Group management and to take responsibility for identified risks. Karnov focuses on documenting and evaluating the major risks related to financial reporting to ensure that Karnov's reporting is accurate and reliable.

Karnov Group uses a third party GRC (Governance, Risk and Compliance) tool to manage and control, in an efficient and automated way, self-assessments on a quarterly basis.

Information and communication

The Board of Directors of Karnov has adopted an insider policy and a communication policy governing Karnov's management and communication of inside information and other information. The insider policy is intended to reduce the risks of insider dealing and other unlawful behaviour and to facilitate Karnov's compliance with applicable rules regarding the handling of inside information. In addition, Karnov has established procedures for the handling of information and restriction of the dissemination of information. The communication policy describes Karnov's overall focus on communication matters. Karnov's communication shall be characterised by long-term perspective and trust, reliability as well as proactivity, speed and transparency. The communication shall be accurate, relevant and comprehensive in accordance with Nasdaq Stockholm's rule book for issuers.

Investor Relations function

The purpose of Karnov's investor relations function is to build a long-term knowledge of and trust in Karnov's operations and value creation, whilst ensuring that Karnov complies with applicable regulations. Karnov's investor relations function handles regular contacts with shareholders, analysts, investors, financial journalists, Nasdaq Stockholm, the Swedish Financial Supervisory Authority and other capital market participants and coordinates general meetings, analyst meetings and capital market presentations. The Head of Investor Relations is responsible for this function, reporting to the CFO.

Sustainability Committee

The purpose of Karnov Group's Sustainability Committee is to oversee the Group's work with sustainability issues and to achieve the objectives set by the Board of Directors. The Company's Chief Product Officer is responsible for the Sustainability Committee, which reports annually to the Board of Directors.

Monitoring and follow-up

A self-assessment of internal control requirement effectiveness shall annually be performed and followed-up quarterly and facilitated by the CISO. The CISO must document the self-assessment for the CFO. The CFO is responsible for presenting the result to the audit committee and the Board of Directors. Karnov has a group-wide monitoring process by which the entities and functions shall follow up the effectiveness of controls and report back to the CISO.

External audit

The auditor shall review Karnov Group's financial report and accounting, as well as the management of the Board of Directors and the CEO. Since the Company is a parent company, the auditor shall also review the consolidated accounts and the Group companies' relations to each other. The audit of Karnov's financial reports and accounts as well as the management by the Board of Directors and the CEO is conducted in accordance with generally accepted auditing standards in Sweden. Following each financial year, the auditor shall submit an auditor report and a consolidated auditor report to the annual general meeting.

Karnov's auditor is PwC. Martin Johansson is the auditor in charge. For more information about the auditor, see "Board of Directors, senior executives and auditor—Auditor".

In 2024, the total remuneration for audit services to Karnov's auditors was SEK 6.7 (7.5) m, of which SEK 6.4 (7.1) m was invoiced by PwC. Remuneration for other audit services was SEK 0.8 (0.8), m of which SEK 0.6 (0.7) m was invoiced by PwC.

Shareholders representing more than 10% of the votes

Long Path Partners is the only shareholder who has a direct or indirect shareholding in the company representing at least one tenth of the voting rights of all shares in the company.

Board of Directors, Group Management Team and Auditor

BOARD OF DIRECTORS

The Board of Directors currently consists of six members, appointed for the period until the close of the annual general meeting 2025.

Board of Directors						
Name	**Magnus Mandersson**	**Ted Keith**	**Salla Vainio**	**Ulf Bonnevier**	**Lone Møller Olsen**	**Loris Barisa**
Position	Chairman of the Board since 2018. Chairman of the Remuneration Committee and member of the Audit Committee.	Board member since 2023. Chairman of the Capital Allocation Committee. Member of the Remuneration Committee.	Board member since 2020. Member of the Audit Committee, Remuneration Committee and Capital Allocation Committee.	Board member since 2018. Member of the Audit Committee and Remuneration Committee.	Board member since 2018. Chairman of the Audit Committee.	Board member since 2021. Member of the Capital Allocation Committee.
Born	1959	1987	1969	1964	1958	1966
Education	Bachelor of Science in Business Administration, Lund University.	B.S. from the Massachusetts Institute of Technology and an MBA from Harvard Business School.	Master of Science in Economics, Helsinki School of Economics.	Bachelor of Science in Business and Accounting, Uppsala University. Leadership training (IFL), Stockholm School of Economics.	Master of Science in Economics and Business Administration, Copenhagen Business School. State authorized public accountant/Chartered accountant, Danish Ministry of Business Affairs.	Technical high school degree
Other ongoing assignments	Chairman of Tampnet AS and DNS:NET Internet Service GmbH. Board member of Albert Immo Holding S.à.r.l., PMM Advisors S.A. and Interogo Foundation (supervisory council, Beirat).	Partner and Portfolio Manager at Long Path Partners, Senior Lecturer at MIT Sloan School	Chairman of Save the Children, Finland, Board member of FCG Ltd and member of Directors' Institute. Board member of BAC Business Advisors Circle.	CFO of Tampnet.	Board member of Jetpak AB, KNI A/S, Investeringsforeningen Bankinvest, Kapitalforeningen Bankinvest Select and Investeringsforeningen Bankinvest Engros.	Wealth Manager, Coeli
Previous positions	Senior Independent Director of Helios Towers Africa Plc. Chairman of Next Biometrics Group ASA, Doro AB and Red Bee Media Sweden AB. Board member of Lund University. Executive vice president of Telefonaktiebolaget LM Ericsson.	Different positions at the Blackstone Group and Berkshire Partners.	CEO of Marketing Clinic, Fondia Plc and SanomaPro. Board member of Helsinki School of Economics Support Foundation, QPR Software Plc. Chairman of the Board of Motiva Ltd.	CFO and Executive Vice President of Humana AB. Country Director of Ipsos. CFO Western Europe of Synovate. CEO of Wolters Kluwer Scandinavia.	Partner at Deloitte Denmark.	Managing Director (Europe) & Member of Operating Committee Thomson Reuters (Markets), Chairman of -Finwire AB.
Own and closely associated holdings	174,842 shares	-	6,000 shares	27,000 shares	11,976 shares	10,000 shares
Independence under the Code	Independent in relation to Karnov and its executive management as well as Karnov's major shareholders.	Independent in relation to Karnov and its executive management. Dependent in relation to Karnov's major shareholders.	Independent in relation to Karnov and its executive management as well as Karnov's major shareholders.	Independent in relation to Karnov and its executive management as well as Karnov's major shareholders.	Independent in relation to Karnov and its executive management as well as Karnov's major shareholders.	Independent in relation to Karnov and its executive management as well as Karnov's major shareholders.

GROUP MANAGEMENT TEAM

Group management consists of nine persons. The section below presents the senior executives, their position, the year each person became a senior executive and their shareholdings in Karnov Group.

Group Management					
Name	**Pontus Bodelsson**	**Magnus Hansson**	**Charlotte Arup**	**Alexandra Åquist**	**Guillaume Deroubaix**
Position	President and CEO since 2021	CFO since 2023	Chief Human Resources Officer since 2017.	CEO Region North since 2023. Country Manager Spain since 2024.	CEO Region South since 2023.
Born	1967	1973	1965	1973	1970
Education	Master of Laws and Executive MBA.	MSc in Business and Economics, Jönköpings universitet.	Master of Laws, University of Copenhagen.	Studies in law, University of Stockholm.	LL.M. (Master of Laws International Business Law) at University of Dijon.
Other ongoing assignments	Board member of Bodelsson Consulting AB. Chairman in entities held by Karnov Group.	Board member of Östersjövägen Invest AB.	Chairman of Grosserer Gert Lassen & hustru Margrethe Familiefond and BHA Fonden.	-.	-
Previous positions	CEO of the media group Sydsvenskan/HD and Nationalencyklopedin/NE.	CFO of Lime Technologies	Chairman of Tempus Heat A/S. HR Manager in Kyocera Unimerco Tooling A/S.	Head of Sweden, ARAG Group and Head of Individual Fund-raising, UNICEF Sweden.	COO of LexisNexis France and Managing Director of LexisNexis MENA.
Own and closely associated holdings	81,000 shares	9,928 shares	24,192 shares	4,651 shares	17,314 shares

Group Management				
Name	**Anne Nørvang Hansen**	**Niels Munk Hansen**	**Jonathan Minzari**	**Mariano Blanchard**
Position	Chief Product Officer since 2025.	Chief Strategic Development Officer since 2023.	Chief Emerging Ventures and M&A Officer since 2023.	Chief Technology Officer since 2025.
Born	1969	1971	1975	1976
Education	Master of Science in Modern Languages and Business Administration, Copenhagen Business School.	Master of Laws, University of Copenhagen. MBA, INSEAD.	M.Sc. in Economics and Business Administration from Copenhagen Business School.	Master of Engineering (M.Eng.) from Argentinean Catholic University, Buenos Aires.
Other ongoing assignments	-	Chairman of Densou Media A/S.	Various Board positions in entities held by Karnov Group.	-
Previous positions	Various positions in Karnov Group since 1996.	CEO of auxil.dk, VP Stations DSB A/S.	Various leadership positions in Karnov Group since 2012	Group CTO Allfunds Bank, CIO Bank Inter, Global Head, Architecture, IPsoft, various positions in McKinsey & Company.
Own and closely associated holdings	592,163 shares	19,388 shares	6,852 shares	-

ADDITIONAL INFORMATION REGARDING THE BOARD MEMBERS AND SENIOR EXECUTIVES

All Board members and senior executives can be reached at Karnov's address: Warfvinges väg 39, SE 112 51 Stockholm, Sweden. There are no family ties between any of the Board members and/or the senior executives. There are no conflicts of interest or potential conflicts of interest between the Board members' and Senior Executives' duties to Karnov and their private interests or other duties. However, some Board members and senior executives hold shares in Karnov. There are no arrangements or understandings with major share-holders, customers, suppliers or others, pursuant to which any Board member or Senior Executive was elected or appointed to his or her current position. During the past five years, none of the Board members or Senior Executives have

i. been convicted for fraudulent offences,
ii. been involved in or represented a company which has been declared bankrupt or filed for compulsory liquidation or been subject to receivership,
iii. been the subject of official public incrimination or sanctions (or accused of such actions) by statutory regulatory authorities (including designated professional bodies) or
iv. been disqualified by a court from acting as a member of the administrative, management or supervisory body of a company or from acting in the management or conduct the affairs of a company.

AUDITOR

The annual general meeting on 8 May 2024 re-elected PricewaterhouseCoopers AB, cor-porate registration number 556067-4276, as auditor for the period until the close of the annual general meeting 2025. Martin Johansson has been the auditor in charge since 2022. Martin Johansson is an authorised public accountant and member of FAR (the Institute for the Accountancy Profession in Sweden). PricewaterhouseCoopers AB's address is c/o PricewaterhouseCoopers AB, SE-113 97 Stockholm, Sweden.

Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in Karnov Group AB (publ), corporate identity number 559016-9016

ENGAGEMENT AND RESPONSIBILITY

It is the board of directors who is responsible for the corporate governance statement for the year 2024 on pages 54–63 and that it has been prepared in accordance with the Annual Accounts Act.

THE SCOPE OF THE AUDIT

Our examination has been conducted in accordance with FAR's standard Rev 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

OPINIONS

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, 31 March 2025
Öhrlings PricewaterhouseCoopers AB

Martin Johansson
Authorized Public Accountant
Auditor in charge

Patrik Larsson
Authorized Public Accountant

Board of Directors' Report

The Board of Directors and CEO of Karnov Group AB (publ), corporate identity number 559016-9016, hereby present the annual report and consolidated financial statements for the 2024 financial year included on pages 65-125. Unless otherwise stated, amounts are reported in millions of Swedish kronor (MSEK). Terms such as "Karnov," "the company," "the Group," refer in all cases to the parent company, Karnov Group AB (publ), and its subsidiaries.

BUSINESS

Karnov is a leading provider of information solutions and services in the areas of legal, tax and accounting and environmental, health and safety in Europe. Karnov has a broad value proposition that aim to deliver knowledge and workflow efficiency to Karnov's customers based on a solid understanding of the complexity of its customers' businesses.

Karnov's products are largely digital, including 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.

Karnov is organised into three reporting segments: Region North, Region South and Group functions.

In 2024, Region North represented 47 percent and Region South 53 percent, of Karnov's net sales, respectively. The segment Group functions did not have any reported net sales.

Karnov assesses financial performance based on a number of alternative performance measures. For more information on these, please refer to page 132.

Revenue model

Karnov's online offering consists of subscription-based products and solutions, whereas the offline offering consists of both subscription-based and non-subscription-based products and solutions. In 2024, 87 (87) percent of Karnov's net sales came from subscriptions paid annually in advance.

Market

In 2024, Karnov's operations were in the legal and tax & accounting professional markets in Europe. These markets encompass, among other things, online information database services, printed information sources, legal practice management software and legal training courses. The products and services are generally offered to law firms, tax and accounting firms, corporates in a wide range of industries and the public sector, including courts, libraries, universities and other public authorities and municipalities. Karnov's product offerings are, with a few variations, similar on all markets. Given that the markets have separate legal systems and the languages are different, the content of the product offering is unique in each of the countries. AI presents new business opportunities for Karnov Group by generating additional customer value to customers within the legal market.

Objectives and growth strategy

Karnov's value proposition involves three overall objectives:

- Deliver the highest quality of content
- Provide a state-of-the-art user experience
- Support workflow efficiency

Karnov's growth strategy includes a number of strategic initiatives and enablers aiming to allow Karnov to expand its core offerings on the current markets as well as grow in adjacent verticals and expand geographically in the future. The growth strategy is built on Karnov's key strengths and the vision to enable its customers to make better decisions, faster. The strategy is supported by Karnov's existing base of experts, data sources, customers and partners. These are the core elements in Karnov's history and future, in which Karnov has invested over decades.

Group structure

For information on Group structure, please refer to note 3.6 on page 96.

Significant events in 2024

- Karnov Group launched the Acceleration Initiative, with the ambition to accelerate the profitable growth strategy across the Group to achieve further customer value and improved profitability. The ambition is to achieve additional annual cost-efficiencies of EUR 10 m within the Group by the end of 2026.
- Karnov Group entered into a business carve-out agreement to acquire legal information business of J.H. Schultz Information A/S.

The Group Financial development

MSEK	2024	2023	Δ%
Net sales	2,592.7	2,474.6	4.8%
Organic growth, %	2.8%	4.3%	
Adjusted EBITA	580.6	487.7	19.0%
Adjusted EBITA margin, %	22.4%	19.7%	
EBIT	146.0	156.2	-6.5%
EBIT, margin %	5.6%	6.3%	
Profit for the year	-33.1	36.9	-189.7%
Earnings per share, after dilution, SEK	-0.31	0.34	-191.2%
Adjusted free cashflow	298.8	231.0	29.4%

Net sales

Net sales increased by 4.8 percent to SEK 2,593 m (2,475). Organic growth was 2.8 percent, currency effects had a negative impact on net sales of -0.3 percent and acquired growth accounts for 2.3 percent. Net sales growth within the Group is driven by increased online sales of our legal research solutions as we sell more licenses and/or upgrade existing customers and expand our customer base, mainly in Region North.

Earnings

EBITA amounted to SEK 366 m (370) and the EBITA margin was 14.1 percent (15.0). Adjusted for items affecting comparability, adjusted EBITA increased to SEK 581 m (488) and the adjusted EBITA margin was 22.4 percent (19.7). Items affecting comparability amounted to a total of SEK 215 m (120) and were mainly related to post-merger integration, restructuring costs and acquisition costs. Operating profit (EBIT) was SEK 146 m (156), a decrease relating to the items affecting comparability.

Depreciation and amortisation

Depreciation and amortisation amounted to SEK -386 m (-368). The higher amortisation was driven by investments in intangible assets from finalised development projects and acquired entities.

During the fourth quarter an impairment test was undertaken on the Group's cash-generating units, defined as Region North and Region South. None of the cash-generating units had a book value exceeding its recoverable amount, and therefore no goodwill impairment has been recorded in 2024.

Share of profit in associated companies

Share of profit in associated companies amounted to SEK 1 m (-5).

Net financial items and profit before and after tax

Net financial items amounted to SEK -181 m (-116), an increase mainly driven by higher interest costs and exchange rate losses. Net financial items were affected by currency differences of SEK -32 m (18) related to long term loans in DKK and EUR. Profit before income tax was SEK -34 m (34). The income tax was SEK 0 m (3). Net result for the year was negative and amounted to SEK -33 m (37).

Cashflow and investments

Cash flow from operating activities amounted to SEK 316 m (337). The overall development in the cash flow was in line with expectations due to seasonal invoicing fluctuations, mainly relating to trade receivables.

MSEK	2024	2023
Cash flow from operating activities	315.5	337.0
Acquisition of intangible and tangible assets	-167.7	-163.0
Payment of lease liabilities	-64.1	-63.4
Free cash flow	83.7	110.6
Items affecting comparability	215.1	120.4
Adjusted free cash flow	**298.8**	**231.0**

Total investments amounted to SEK 602 m (221), mainly relating to business acquisitions and investments in intangible assets. The Group's investments in intangible and tangible fixed assets amounted to SEK 168 m (163).

Financial position

MSEK	2024	2023
Total borrowings excl. leasing	2,685.8	2,206.2
Cash and cash equivalents	402.8	450.6
Net debt	**2,283.0**	**1,755.6**
Leverage ratio	3.0	2.8
Equity	2,373.5	2,337.1
Equity/asset ratio, %	31.7%	33.7%

Net debt was SEK 2,283 m (1,756) at the end of the period. The leverage, defined as net debt in relation to adjusted EBITDA excluding leasing liabilities, was 3.0x (2.8). Total net debt calculation is defined as total borrowings including capitalised bank costs less leasing liabilities and cash and cash equivalents. Equity amounted to SEK 2,374 m (2,337) and the equity ratio was 31.7 percent (33.7). Cash and cash equivalents amounted to SEK 403 m (451). The Group had unutilized credit lines of SEK 322 m (SEK 777 m).

THE BUSINESS SEGMENT PERFORMANCE

Region North

MSEK	2024	2023	Δ%
Net sales	1,210.7	1,085.8	11.5%
Organic growth, %	7.0%	4.4%	
Adjusted EBITDA	605.7	511.3	18.5%
Adjusted EBITDA margin, %	50.0%	47.1%	
Adjusted EBITA	520.7	441.5	17.9%
Adjusted EBITA margin, %	43.0%	40.7%	
EBIT	296.5	276.1	7.4%
EBIT, margin %	24.5%	25.4%	

Net sales

Net sales increased by 11.5 percent to SEK 1,211 m (1,086), of which organic growth was 7.0 percent, currency effects accounted for -0.5 percent and 5.0 percent was acquired growth. The increase in net sales is driven by the businesses gaining market shares, especially in the public sector, municipalities and the EHS vertical and by upselling to existing customers. The carved-out Schultz legal information business acquired in June 2024 has contributed with net sales of SEK 50 m in 2024.

Earnings

EBITA amounted to SEK 481 m (441) and the EBITA margin amounted to 39.7 percent (40.6). Adjusted EBITA amounted to SEK 521 m (442) and the adjusted EBITA margin amounted to 43.0 percent (40.7). The margin improvement driven by operational leverage from higher net sales as well as achieved synergies from the Acceleration Initiative.

Operating profit (EBIT) amounted to SEK 297 m (276).

Region South

MSEK	2024	2023	Δ%
Net sales	1,382.0	1,388.8	-0.5%
Organic growth, %	-0.4%	3.8%	
Adjusted EBITDA	234.2	208.4	12.4%
Adjusted EBITDA margin, %	16.9%	15.0%	
Adjusted EBITA	153.6	129.1	19.1%
Adjusted EBITA margin, %	11.1%	9.3%	
EBIT	-128.6	-93.9	36.9%
EBIT, margin %	-9.3%	-6.8%	

Net sales

Net sales decreased by -0.5 percent to SEK 1,382 m (1,389), of which organic growth was -0.4 percent, currency effects accounted for -0.4 percent and 0.3 percent was acquired growth. The net sales decrease is due to product rationalisation in both Spain and France, as well as adjusted go-to-market approach within less profitable customer groups in Spain. Moreover, declining print business contributes to the decrease.

Earnings

EBITA amounted to SEK 1 m (22) and the EBITA margin amounted to 0.1 percent (1.6). Adjusted EBITA amounted to SEK 154 m (129) and the adjusted EBITA margin amounted to 11.1 percent (9.3). The margin improvement is mainly driven by lower employee expenses, as synergies from the integration are coming through.

Operating profit (EBIT) amounted to SEK -129 m (-94).

Group Functions

MSEK	2024	2023	Δ%
Adjusted EBITA	-93.7	-82.9	-13.0%
EBIT	-21.9	-26.0	15.8%

Earnings

The Group functions cover the Group wide tasks such as Group Management (including information security, compliance and HR), Investor Relations and Group Finance functions. Adjusted EBITA was SEK -94 m (-83) and EBIT was SEK -22 m (-26).

OTHER GROUP INFORMATION

Seasonal variations

Typically, a significant proportion of Karnov Group's online contracts in Region North are renewed and invoiced during the fourth quarter, impacting cash flow during the fourth and first quarters. Online contracts in Region South are renewed and invoiced predominantly in the first quarter, impacting cash flow during the first and second 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

The average number of full-time equivalents (FTEs) amounted to 1,211 (1,226), of which 91 in Sweden, 156 in Denmark, 43 in Norway, 325 in France and 596 in Spain and Portugal. On average during the year, 58 (56) percent of the workforce was female, and 42 (44) percent was male. Karnov aims to create an attractive workplace where employment and attracting competence are key focus areas. Karnov seeks to inspire and support the development of a culture defined by a one-team-one-company where the customer comes first, and efficient collaboration is being promoted. The HR strategy is aimed at ensuring that Karnov attracts and retains talent and inspires to high performance with high motivation, ultimately contributing to a strong brand.

Environmental impact and sustainability

Karnov's Code of Conduct is the basis for how all employees shall relate to environmental concerns. Karnov strives to protect the environment as far as technologically possible and economically feasible. The objective is to minimise Karnov's environmental footprint and continuously develop the environmental initiatives, with focus on the areas deemed as the most important: purchasing, distribution and transportation, energy and water usage, and waste management. For Karnov, sustainability is closely connected with how the company creates long-term value for its stakeholders and acts as a quality player and an attractive employer. Karnov considers this work to be about by combining expertise with new technology in an increasingly digitized world, strengthening the foundation for justice in the society. The work is based on Karnov's core values. Karnov has further developed and adopted new policies in the areas of Code of Conduct, IT, information security and data integrity and also implemented a whistleblower function. Karnov has prepared a Sustainability Report in accordance with the requirements of the Swedish Annual Accounts Act. The Sustainability Report includes pages 32-52, disclosures according to the EU Taxonomy Regulation on pages 42 and 49-51, the section on risks and risk management on pages 45-47 and the business model on page 17.

Share capital and ownership

Karnov Group's share was listed on Nasdaq Stockholm on 11 April 2019, Mid Cap segment, under the ticker KAR. On 31 December 2024, the registered share capital amounted to SEK 1,663,150 and the total number of shares and votes in Karnov Group AB (publ) amounts to 108,102,047 shares and 107,898,735.2 votes. Each share has a quotient value of approximately SEK 0.015385. The total number of shares consists of 107,876,145 ordinary shares, which carry one vote per share, and 225,902 shares of series C, which carry one-tenth of a vote per share. All shares have been issued in accordance with Swedish law and are denominated in SEK. A detailed description of changes in the share capital is available on the Company's website, www.karnovgroup.com/en/share-capitaldevelopment/. On 31 December 2024, the Company had 1,845 known shareholders. The largest shareholders with 5% or more of the shares outstanding in Karnov Group AB (publ) are listed in the below table.

Shareholders with > 5% of equity	No of shares	Equity %
Long Path Partners	14,593,587	13.5%
Invesco	10,433,731	9.7%
Carnegie Fonder	9,877,992	9.1%
Swedbank Robur	7,624,847	7.1%
Greenoaks Capital	7,316,116	6.8%
Anabranch Capital	7,033,684	6.5%
Total	**56,879,957**	**52.7%**
Other shareholders	51,222,090	47.3%
Total number of shares	**108,102,047**	**100.0%**

The parent company

The parent company's registered office is in Stockholm. The Parent Company's main business consists of managing shares in subsidiaries and is primarily focused on strategic development, economic control, corporate governance issues, and the work of the board of directors. Net sales for the year amounted to SEK 0 m (0). Operating profit (EBIT) amounted to SEK -26 m (-21) and profit for the period was SEK 62 m (215).

Guidelines for remuneration to senior executives

The CEO is entitled to an annual fixed salary of TSEK 6,840 and pension benefits in accordance with Karnov's prevailing pension policy. The target for the CEO's variable remuneration corresponds to an amount equal to 100 percent of the annual fixed salary and is determined based on financial targets that are set by the Board of directors each year. Pursuant to the current guidelines for remuneration to the senior management, the variable remuneration shall not exceed 100 percent of the annual fixed salary for the CEO and 75 percent for other senior executives. For the CEO, a notice period of 12 months applies in case of termination by the Company and 6 months in case of termination by the CEO. For the other senior executives, the notice period is up to twelve months in case of termination by the Company and up to six months in case of termination by the senior executive.

Guidelines for remuneration to the senior executives was adopted by the AGM on May 5, 2021. Guidelines for remuneration to the senior executives will be adopted at the AGM on May 15, 2025. The proposal of guidelines will be presented in connection with the notice of the AGM.

Outlook for the coming financial year

Karnov issues no financial forecasts regarding its future growth. Karnov has a strong position in an attractive and growing segment of professional information services in Europe. This market is characterised by stable customers in both the private and public sector facing an increasingly complex and rapidly changing regulatory environment, leading to a growing need for high qualitative content supporting workflow efficiency. Karnov has a resilient business model since the customer base is diverse with low churn and the subscriptions-based invoicing generates strong cash flows and predictable revenue streams.

AI presents new business opportunities for Karnov Group by generating additional customer value to customers within the legal market.

The invasion of Ukraine and expanded conflict between Israel and Palestine pose 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 believes that the combination of its extensive database built over 200 years, value-adding content, investments in product development, strong brand legacy and online platform is key to enabling its customers to make better decisions, faster.

Events after the balance sheet date

No significant events.

Appropriation of profit

The Board of Directors of Karnov proposes that the Group's and the Parent Company's income statements and balance sheets be presented for adoption to the annual general meeting to be held on May 15, 2025. Karnov Group intends to allocate the free cash flow to invest in the cost-initiatives as well as the Group's AI platform. The Board of Directors proposes no dividend for the AGM on May 15, 2025.

Non-restricted equity in the parent company at the disposal of the Annual General Meeting

SEK	2024
Share premium	2,654,034,291
Retained earnings including net profit for the year	48,825,687
Profit for the period	62,351,856
Total carried forward	**2,765,211,834**
The Board proposes that the profits be appropriated as follows:	
Proposed dividend	-
Amount carried forward	**2,765,211,834**

RISKS AND RISK MANAGEMENT

Like all businesses, Karnov's operations are associated with risks that may impact the Group's business, earnings and financial position. On a yearly basis, Karnov makes an overall risk assessment in which all risks are graded according to probability and impact.

Focus is placed on identifying risks, preventing the occurrence of risks and preparing action plans, which enable mitigation of any damage such risks may cause. The risks are divided into strategic, operational and financial risks. On basis of the analysis above, policies are formed, followed by procedures to ensure that the policies are followed.

The risks Karnov has identified as the most material in its operations, and the ways in which these are managed, are described below. For more information about the risk assessment procedure see the Corporate Governance report on page 54.

RISK	DESCRIPTION	RISK MANAGEMENT
STRATEGIC AND OPERATIONAL RISKS		
Market changes and competition	Karnov operates in highly competitive markets for legal information services in Denmark, Sweden, Norway, France, Spain and Portugal. These markets and the products and services themselves (both online and offline), may change due to factors beyond Karnov's control, including changes in customer demand, the impact of consolidation, technological changes (such as AI), legislative and regulatory changes, entry of new competitors, disruptive business models and other factors. There is a risk that new market entrants will disrupt current business models, leading to lower customer demand and financial loss. Karnov could also be required to invest significant amounts to enhance its products and services or partner with other businesses.	Karnov monitors the industry and the competitive landscape in terms of possible partnerships and acquisition candidates. Karnov has a continuous dialogue with its customers and partners. Customer satisfaction is measured on a regular basis through a Net Promotor Score survey.
Cybersecurity	A significant breakdown or other disruption (such as a cyberattack) on an online platform or in an IT system could affect Karnov's ability to conduct its operations and fulfil its customer commitments. There is also a risk that trade secrets or personal data or other sensitive information about employees or customers, could be used incorrectly or disclosed if Karnov was exposed to security breaches	A business contingency plan has been adopted to handle disruptions due to unforeseen events. Since Karnov processes a lot of customer and employee data, there is a potential risk that this information may be leaked or lost if the company does not work continuously to ensure a high level of information security, with updated processes, software and IT solutions. An information security policy and guidelines have been implemented which all employees are expected to comply with. An Information Security Board has been established and contributes to high IT security standards and awareness within the Group.
Acquisitions	Growth through acquisitions, large and small, is part of Karnov's strategy. This entails a risk that Karnov will not identify suitable acquisition targets, that the company will not successfully negotiate acceptable terms, or be able to finance the acquisitions. Even if Karnov finds suitable targets, it may not obtain relevant regulatory approvals such as clearances from competition authorities. Acquisition also entails a risk that Karnov will be exposed to unknown obligations in the acquired company or that the acquisition and integration costs will be higher than expected. In addition, acquisitions of less profitable businesses may have negative impact on Karnov's margins. Integration of acquired entities and organisational changes may also result in key individuals leaving the organisation or loss of customers.	Karnov has an experienced organisation for identifying and making acquisitions in line with its strategy. Over the years, Karnov has established and implemented a structured and systematic acquisition process that requires analysis, documentation and sufficiently approval prior to each acquisition. Karnov also establishes a detailed integration plan for the acquisition decision to reduce the risk of increased integration costs.
Technical shortcomings	Any shortcomings in functionality or that cause interruptions in the availability of Karnov's services and solutions, including user errors, may lead to loss of or delayed market acceptance and usage of the company's services and solutions. This may also lead to warranty claims, issuance of customer credits, or refund of prepaid charges for unused services, loss of customers, or reallocation of resources to development and customer service. Finally, such shortcomings may damage Karnov's reputation.	Karnov has defined and enforces a set of IT Security policies, procedures and appropriate security measures. Controls are performed according to the approved annual cycle. A Group major incident process is implemented and together with the establishment of a Group IT Change Board this helps ensure both a controlled IT environment and agile deployment process for customer facing online services

RISK	DESCRIPTION	RISK MANAGEMENT
Dependence on key personnel and expertise	Karnov is dependent on a variety of expert competencies and key individuals to deliver high quality content and solutions. If Karnov fails to retain senior executives and key personnel and authors/specialists or to recruit highly skilled personnel and author/specialists, this could hamper Karnov's future expansion and brand.	Karnov has a strong focus on attracting, developing, and retaining skilled and dedicated employees. Karnov has continued to work on developing its employee offering including incentive programmes for key personnel and initiatives to develop Karnov's employer brand and appeal as a workplace. Karnov also focuses on maintaining a strong author base across our markets by continuous dialogue, networking events and attractive remuneration terms. Karnov continuously measures employee and author satisfaction. For more information see sustainability risk areas on pages 47-48
Public tenders	Some of Karnov's customers within the public sector in Sweden are required by law to acquire products and services via public procurement. A public procurement and a decision to award a contract won by Karnov may be challenged by other tenderers or potential tenderers even after Karnov has incurred significant expenditures. Such appeal procedures may not only lead to costs and time loss for Karnov but may also lead to a new public procurement process and loss of the awarded contract. Public procurement legislation also provides for the cancellation of public sector contracts awarded in breach of the legislation.	Karnov has an experienced organisation and a structured process for public tenders and continuously monitors changes in the public procurement framework.
FINANCIAL RISKS		
Goodwill and other intangible assets	Goodwill and other intangible assets represents a significant part of Karnov's balance sheet. Depending on the results of operations in the future, Karnov may have to make write-downs of its asset values	Impairment tests are conducted annually, or, if necessary, more often based on significant events or changes. Karnov monitors relevant circumstances that affect the business and the possible impact these would have on the valuation of goodwill and other intangible assets. There was no impairment need at the end of the period based on the impairment test prepared.
Liquidity and financing risks	Liquidity risk is defined as the risk that Karnov will be unable to meet its payment obligations. Financing risk is defined as the risk that financing of outstanding loans becomes impossible or costlier or that borrowing limits or covenants are breached. Inadequate access to financing for investments could lead to limited growth opportunities. If Karnov is compelled to change its subscription-based models, it could have an impact on the company's cash flow, and therefore on the company's ability to attract financing.	Karnov manages liquidity risk by maintaining a liquidity reserve (cash, bank balances, and an unutilised portion of existing credit lines). Karnov's finance department seeks to maintain agreements on available lines of credit and conducts ongoing aggregate cash flow forecasts and rolling forecasts to ensure adequate liquidity for the operations. The company strives to raise credit with safe maturities and maintains a high level of transparency with its creditors. The Group finance department analyses compliance with the financial covenants on an ongoing basis.
For more information about financial risks, please refer to note 6.2.		
Sustainability risks	For a description of sustainability-related risk areas, see pages 45-47.	

Consolidated statement of comprehensive income

MSEK	Note	2024	2023
Net sales	2.2	2,592.7	2,474.6
Total revenue		**2,592.7**	**2,474.6**
Costs of goods and services sold		-349.0	-365.3
Employee benefit expenses	2.3	-1,156.0	-1,131.1
Depreciations and amortisations	3.1, 3.2, 3.3	-385.5	-367.8
Other operating income and expenses	3.6, 7.3	-556.2	-454.2
Operating profit (EBIT)	2.1	**146.0**	**156.2**
Share of profit in associated companies	3.4	1.4	-5.4
Financial income	6.7	14.8	35.5
Financial expenses	6.7	-195.7	-151.9
Profit before tax		**-33.5**	**34.4**
Tax on profit for the year	5.1	0.4	2.5
Profit for the year		**-33.1**	**36.9**
Other comprehensive income:			
Items that may be reclassified to the income statement:			
Exchange differences on translation of foreign operations		60.4	-26.6
Actuarial gains/losses on defined benefit plans		1.8	2.0
Other comprehensive income for the year		**62.2**	**-24.6**
Total comprehensive income for the year		**29.1**	**12.3**
Profit for the year is attributable to:			
Owners of Karnov Group AB (publ)		-33.1	38.2
Non-controlling interests		-	-1.3
Profit for the year		**-33.1**	**36.9**
Total comprehensive income for the year is attributable to:			
Owners of Karnov Group AB (publ)		29.1	13.6
Non-controlling interests		-	-1.3
Total comprehensive income for the year		**29.1**	**12.3**
Earnings per share, basic, SEK	6.3	-0.31	0.34
Earnings per share, after dilution, SEK	6.3	-0.31	0.34
Weighted average number of ordinary shares (thousands)	6.3	107,876	107,862
Effect of performance shares (thousands)	6.3	226	240
Weighted average number of ordinary shares adjusted for dilution (thousands)	6.3	108,102	108,102

Consolidated balance sheet

MSEK	Note	31 Dec 2024	31 Dec 2023
ASSETS:			
Goodwill	3.1, 3.5, 3.6	3,617.8	3,251.1
Other intangible assets	3.1, 3.6	2,364.2	2,233.1
Right-of-use assets	3.3	161.4	201.1
Property, plant and equipment	3.2	37.4	41.2
Investments in associated companies	3.4, 6.6	38.3	48.8
Other financial investments	6.6	13.0	13.0
Loans to associated companies	6.6	26.0	25.2
Deposits	6.6	13.1	7.7
Deferred tax assets	5.2	184.4	135.4
Total non-current assets		**6,455.6**	**5,956.6**
Inventories		18.8	18.7
Trade receivables	4.1, 6.2, 6.6	450.7	411.9
Prepaid expenses		69.1	57.5
Other receivables	6.6	72.7	10.6
Tax receivables		19.4	26.6
Cash and cash equivalents	6.2, 6.6	402.8	450.6
Total current assets		**1,033.5**	**975.9**
TOTAL ASSETS		**7,489.1**	**6,932.5**

Consolidated balance sheet, cont.

MSEK	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES:			
Share capital	6.3	1.7	1.7
Share premium		2,654.0	2,654.0
Treasury shares		0.0	0.0
Reserves		-193.0	-253.4
Retained earnings including net profit for the year		-89.2	-65.2
Total equity attributable to the parent company's shareholders		**2,373.5**	**2,337.1**
Total equity		**2,373.5**	**2,337.1**
Borrowing from credit institutions	6.1, 6.2, 6.4, 6.5, 6.6	2,570.9	2,123.0
Lease liabilities	3.3, 6.2, 6.5, 6.6.	131.9	179.1
Deferred tax liabilities	5.2	320.6	342.3
Provisions	3.7	102.1	78.4
Other non-current liabilites	6.6	40.2	52.5
Total non-current liabilities		**3,165.7**	**2,775.3**
Borrowing from credit institutions	6.1, 6.2, 6.4, 6.5, 6.6	114.9	83.2
Trade payables	6.2, 6.6	111.9	111.3
Current tax liabilities		36.0	30.0
Accrued expenses	4.2, 6.2, 6.6	451.1	479.5
Prepaid income	2.2	985.2	921.7
Lease liabilities	3.3, 6.2, 6.5, 6.6	52.5	52.8
Other current liabilities	4.3, 6.2, 6.5, 6.6	198.3	141.6
Total current liabilities		**1,949.9**	**1,820.1**
TOTAL EQUITY AND LIABILITIES		**7,489.1**	**6,932.5**

Consolidated statement of changes in equity

	Equity attributable to the parent company's shareholders							
MSEK	Share capital	Share premium	Treasury shares	Reserves	Retained earnings	Equity attributable to the parent company's shareholders	Non-controlling interests	Total equity
Balance at January 1, 2024	**1.7**	**2,654.0**	**-**	**-253.4**	**-65.2**	**2,337.1**	**-**	**2,337.1**
Profit for the year	-	-	-	-	-33.1	-33.1	-	-33.1
Other comprehensive income for the year	-	-	-	60.4	1.8	62.2	-	62.2
Total comprehensive income/loss	**-**	**-**	**-**	**60.4**	**-31.3**	**29.1**	**-**	**29.1**
Transaction with shareholders in their capacity as owners:								
Sharebased payment	-	-	-	-	7.3	7.3	-	7.3
Total transaction with shareholders	**-**	**-**	**-**	**-**	**7.3**	**7.3**	**-**	**7.3**
Closing balance at December 31, 2024	**1.7**	**2,654.0**	**-**	**-193.0**	**-89.2**	**2,373.5**	**-**	**2,373.5**

	Equity attributable to the parent company's shareholders							
MSEK	Share capital	Share premium	Treasury shares	Reserves	Retained earnings	Equity attributable to the parent company's shareholders	Non-controlling interests	Total equity
Balance at January 1, 2023	**1.7**	**2,654.0**	**-**	**-226.8**	**-109.0**	**2,319.9**	**6.5**	**2,326.4**
Profit for the year	-	-	-	-	38.2	38.2	-1.3	36.9
Other comprehensive income for the year	-	-	-	-26.6	2.0	-24.6	-	-24.6
Total comprehensive income/loss	**-**	**-**	**-**	**-26.6**	**40.2**	**13.6**	**-1.3**	**12.3**
Transaction with shareholders in their capacity as owners:								
Sharebased payment	-	-	-	-	3.6	3.6	-	3.6
Divestment	-	-	-	-	-	-	-5.2	-5.2
Total transaction with shareholders	**-**	**-**	**-**	**-**	**3.6**	**3.6**	**-5.2**	**-1.6**
Closing balance at December 31, 2023	**1.7**	**2,654.0**	**-**	**-253.4**	**-65.2**	**2,337.1**	**-**	**2,337.1**

Consolidated statement of cash flow

MSEK	Note	2024	2023
Cash flow from operating activities:			
Operating profit (EBIT)		146.0	156.2
Adjustments for non-cash items:			
Depreciations and amortisations	3.1, 3.2, 3.3	385.5	367.8
Sharebased payments		7.3	3.6
Provisions made	3.7	-7.4	-1.8
Other	3.4, 3.6	23.3	-1.7
Non-cash items		**408.7**	**367.9**
Effect of changes in working capital:			
Change in inventories		0.3	1.8
Change in receivables		-88.9	-19.5
Change in trade payables and other payables		40.7	-2.1
Change in prepaid income		26.6	23.7
Net effect of changes in working capital		**-21.3**	**3.9**
Provisions paid		-10.7	-1.4
Net financial items, paid		-142.3	-128.0
Corporate tax paid		-64.9	-61.6
Cash flow from operating activities		**315.5**	**337.0**

Consolidated statement of cash flow, cont.

MSEK	Note	2024	2023
Cash flow from investing activities:			
Business combinations	3.6	-428.4	-54.9
Other financial investments		-5.8	-3.0
Acquisition of intangible assets	3.1	-163.3	-155.8
Acquisition of property, plant and equipment	3.2	-4.4	-7.2
Cash flow from investing activities		**-601.9**	**-220.9**
Cash flow from financing activities:			
Repayment long-term debt		-83.2	-2,587.9
Proceeds long-term debt		491.4	2,330.6
Payment of lease liabilities		-64.1	-63.4
Change in long-term receivables		-	0.1
Payment of contingent considerations	3.6	-108.3	-17.1
Cash flow from financing activities		**235.8**	**-337.7**
Cash flow for the period		**-50.6**	**-221.6**
Cash and cash equivalents at the beginning of the year		450.6	671.2
Exchange-rate differences in cash and cash equivalents		2.8	1.0
Cash and cash equivalents at the end of the year		**402.8**	**450.6**

Notes

1. Basis of reporting

1.1 GENERAL INFORMATION
The Karnov Group produces legal, financial and tax information to judicial, fiscal and accounting professionals mainly in Denmark, Sweden, Norway, Spain, Portugal and France. The Parent, Karnov Group AB (publ), reg. no. 559016-9016 is a limited liability company domiciled in Sweden with its registered office in Stockholm. The visiting address of its head office is Warfvinges väg 39, 112 51 Stockholm. The consolidated financial statements were authorized for publishing by the Board of Directors on March 31, 2025.

1.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. The consolidated financial statements have been prepared under the historical cost convention, except for financial assets (derivative instruments) at fair value through profit and loss. In addition to this, specific accounting policies are described in each of the individual notes to the consolidated financial statements as outlined here:

2.1 Operating profit per segment
2.2 Revenue, prepaid income and geographical segmentation
2.3 Employee benefits and incentive program
3.1 Intangible assets
3.2 Tangible assets
3.3 Right-of-use assets and Lease liabilities
3.4 Investments in associated companies
3.5 Impairment of non-financial assets
3.6 Business Combinations, Divestments and Group structure
3.7 Provisions and contingent liabilities incl. retirement obligations
4.1 Trade receivables
5.1 Tax on profit for the year
5.2 Deferred tax
6.3 Share capital
6.4 Borrowings
6.6 Financial instruments
6.7 Financial Items

Basis of preparation
The consolidated financial statements of the Karnov Group have been prepared in accordance with IFRS accounting standards, adopted by the IAASB as endorsed by the EU. In addition, the recommendation RFR 1 Supplementary Accounting Regulations for Groups has been applied together with the Swedish Annual Accounts Act. The preparation of financial statements in conformity with IFRS requires the application of certain critical accounting estimates. It also requires Management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a greater degree of judgement or complexity, or areas in which assumptions and estimates are significant to the consolidated financial statements, are disclosed in each separate note. The accounting policies remain unchanged for the consolidated financial statements compared to 2023.

The financial statements for the Parent as well as the Parent's accounting policies are presented separately from the consolidated financial statements and are shown in section 8.

New and amended standards
The Group regularly assess the impact of new IFRS standards and interpretations. We implement new IFRS standards and interpretations from their mandatory effective dates at the latest. New and amended IFRSs applicable from 1 January 2024 or later that affect the Group include amendments to IAS 1 (effective date 1 January 2024) and the new standard IFRS 18 Presentations and Disclosure in Financial Statements (effective date 1 January 2027). The amendments to IAS 1 clarify how conditions which an entity must comply within twelve months after the reporting period affect the classification of a liability. Additional disclosure requirements also arise from loan arrangements as non-current while its right to defer settlement of those liabilities is subject to its compliance with covenants within twelve months after the reporting date. The disclosure requirements include providing information about the covenants, such as the nature of the covenants, when the company is required to comply with them and the carrying amount of related liabilities. Companies are also required to disclose facts and circumstances, if any, that indicate they may have difficulty complying with the covenants, such as any action the company has taken during or after the reporting period to avoid or mitigate a potential breach. Karnov Group assesses that the new amendments in IAS 1 will not have any additional impact on the Karnov Group classification and presentation.

IFRS 18 is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The Key concepts introduced in IFRS 18 relate to structure of the statement of profit or loss as well as required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management - defined performance measures) and also enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. Karnov Group has not yet implemented IFRS 18 since it has not yet been adopted by EU.

Consolidated financial statements
Subsidiaries
Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and the Group has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The Group applies the acquisition method to account for acquisitions. The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred. The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively. The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Swedish kronor (MSEK), which is the Parent Company's functional currency and the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within "financial income or cost". All other foreign exchange gains and losses are presented in the income statement within "operating profit"

Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency of the Group are translated into the presentation currency as follows:

- balance sheet items are translated at the exchange rate prevailing at the balance sheet date.
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates), in which case income and expenses are translated at the rate on the dates of the transactions.
- All resulting exchange differences are recognised in other comprehensive income. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in the comprehensive income.

Cash flow statement

The cash flow statement is prepared according to the indirect method and reflects the consolidated net cash flow broken down into operating, investing and financing activities. Cash flow from operating activities includes inflows from the year's operations adjusted for noncash operating items, changes in working capital, financial income received, financial expenses paid and income tax paid. Cash flow from operating activities also includes short-term lease payments, lease payments of low-value assets and variable lease payments. Cash flow from investing activities includes payments in respect of the acquisition or divestment of enterprises and financial assets as well as the purchase, development, improvement or sale of intangible assets and property, plant and equipment. Cash flow from financing activities includes payments to and from shareholders and the raising and repayment of non-current and current debt and lease liabilities.

iXBRL tagging

The Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) has introduced a single electronic reporting format for the annual financial reports of issuers with securities listed on the EU regulated markets. The combination of XHTML format and iXBRL tags makes it possible for annual financial reports to be read by both humans and machines, thus enhancing accessibility, analysis and comparability of the information included in the annual financial reports. The Group's iXBRL tags have been prepared in accordance with the ESEF taxonomy, which is included in the ESEF Regulation and developed based on the IFRS taxonomy published by the IFRS Foundation. The line items in the consolidated financial statements are tagged to elements in the ESEF taxonomy. For financial line items that are not directly defined in the ESEF taxonomy, an extension to the taxonomy has been created. Extensions are anchored to elements in the ESEF taxonomy, except for extensions that are subtotals. The annual report submitted to Bolagsverket (the Officially Appointed Mechanism) consists of the XHTML document together with the technical files.

Use of key ratios not defined in IFRS

Karnov Group's accounts are prepared in accordance with IFRS. Only a few key ratios are defined in IFRS. Karnov is applying certain "Alternative Performance Measures" as further commented on by ESMA (European Securities and Markets Authority). Briefly, an alternative performance measure is a financial measurement of historical or future earnings development, financial position or cash flow, not defined or specified in IFRS. To assist Group Management and other stakeholders in their analysis of the Group's performance, Karnov is reporting certain key ratios not defined by IFRS. Group Management believes that this data will facilitate analysis of the Group's performance. This data supplements the IFRS information and does not replace the key ratios defined in IFRS. Karnovs definitions of measurements not defined in IFRS may differ from definitions used by other companies. All of Karnovs definitions are included in the section Financial Definitions at the end of this report. Key ratio calculations that cannot be checked against items in the statement of income and balance sheet can be found in section Alternative Performance Measures at the end of this report.

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 MSEK unless otherwise stated. Comparative figures from previous period are presented in brackets.

2. Operating profit and segmentation

2.1 OPERATING PROFIT PER SEGMENT

Accounting policy

Management has defined North, South and Group Functions as the reportable segments in the Group as this reflects Management's approach to the organisation and the management of activities, including the assessment of results and the use of resources. The Group CEO is identified as the most senior decision maker (CODM). Segment profits are from a business perspective monitored down to Adjusted EBITA. Income statement items below Adjusted EBITA, balance sheet and cash flows are entirely monitored on Group level. Karnov Group's business operations are in general independent of differences in products and channels and the Group therefore monitors the overall net sales distribution trend between online and offline products at Group level.

	North		South		Group Functions		Total	
MSEK	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Net sales specified on product categories:								
Online	1,098.8	958.0	1,061.1	1,066.7	-	-	2,159.9	2,024.7
Offline	111.9	127.8	320.9	322.1	-	-	432.8	449.9
Net sales	**1,210.7**	**1,085.8**	**1,382.0**	**1,388.8**	**-**	**-**	**2,592.7**	**2,474.6**
Adjusted EBITDA	**605.7**	**511.3**	**234.2**	**208.4**	**-93.3**	**-82.8**	**746.6**	**636.9**
Depreciations and amortisations	-85.0	-69.8	-80.6	-79.3	-0.4	-0.1	-166.0	-149.2
Adjusted EBITA	**520.7**	**441.5**	**153.6**	**129.1**	**-93.7**	**-82.9**	**580.6**	**487.7**
Amortisations from acquisitions	-140.0	-132.9	-79.5	-78.2	-	-	-219.5	-211.1
Items affecting comparability	-39.7	-3.1	-152.5	-107.0	-22.9	-10.3	-215.1	-120.4
Non-operating group transactions	-44.5	-29.4	-50.2	-37.8	94.7	67.2	-	-
Operating profit (EBIT)	**296.5**	**276.1**	**-128.6**	**-93.9**	**-21.9**	**-26.0**	**146.0**	**156.2**
Share of profit in associated companies							1.4	-5.4
Net financial items							-180.9	-116.4
Profit before tax							**-33.5**	**34.4**
Tax on profit for the year							0.4	2.5
Profit for the period							**-33.1**	**36.9**

2.2 REVENUE, PREPAID INCOME AND GEOGRAPHICAL SEGMENTATION

Accounting policy

Revenue is recognised dependent on the relevant contract with the customer. A customer is a party that has contracted with the Group to obtain goods or services that are an output of the Group's ordinary activities in exchange for consideration. Within the Group there are the following main revenue streams:

Online sales: Subscriptions, Support
Offline sales: Books, Advertisement, Courses

Online sales

Karnov's products are largely digital, including subscription-based online solutions for law firms, tax and accounting firms, corporates and the public sector including courts, universities, public authorities, and municipalities. The Group offers term-based access to its intellectual property. The contracts are individually priced for each customer based on volume and content of the contract. Differences in prices are recognised in net sales when contracts are invoiced. Karnov's contract with customers typically have a binding period of 1-12 months, with the majority being 12-month contracts or short. As permitted under IFRS 15, the transaction price allocated to unsatisfied long-term contracts are therefore not disclosed. Usually, the customer is invoiced the full contractual fee one month prior to the beginning of the contractual period. Upfront payments are recognised as a contract liability and included in the balance sheet item prepaid income. Revenue is recognised on a straight-line basis over the period which the customer has the right to access the intellectual property.

Offline sales

Karnov also publishes and sells printed books and journals and hosts legal training courses. Revenue is recognised when or as control is transferred to the customer. For printed books and journals revenue is recognised when the product is delivered to the customer. Revenue for training courses is recognised over time as the training services are being rendered. No element of financing is deemed present as the sales are made with a credit of up to 30 days. Karnov recognises a receivable when the product is delivered to the customer as this is the point in time where the consideration becomes unconditional because only the passage of time is required before the payment is due. On sale of books the Group grants a 60 day right of return. If conditions for return are met the Group refunds the full invoiced amount after receival of the returned books. Returned sales are recognised at the time the books are received at Karnov's premises and a credit note is issued.

Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts in an individual foreign country are disclosed separately.

Accounting estimates and assumptions

The Group does not recognise a provision in the balance sheet for returned goods as the financial value of returned books on a yearly basis is considered immaterial. The Group is in a limited extent exposed to customers potentially terminating renewed contracts for which the customer payment has not taken place, but revenue has been recognized. A provision is recognized for such revenue based on experiential termination rate.

Net sales are classified by category as follows:

MSEK	2024	2023
Sale of online services	2,159.9	2,024.7
Sale of offline products and services	432.8	449.9
Net sales	**2,592.7**	**2,474.6**

Net sales are classified by geographical market as follows:

MSEK	2024	2023
Sweden	481.6	446.4
Denmark	592.0	529.6
Norway	100.2	88.2
France	656.0	629.5
Spain	758.2	776.2
Portugal	4.7	4.7
Net sales	**2,592.7**	**2,474.6**

Prepaid income by geographical market as follows:

MSEK	2024	2023
Sweden	166.6	160.0
Denmark	323.9	283.0
Norway	41.1	44.2
France	178.2	169.8
Spain	274.2	263.4
Portugal	1.2	1.3
Total prepaid income	**985.2**	**921.7**

MSEK	2024	2023
Prepaid income in the beginning of the year	**921.7**	**902.6**
Revenue from prepaid income from the opening balance	-921.7	-902.6
Invoiced subscriptions during the year	2,336.7	2,174.4
Subscriptions invoiced and recognised as revenue	-1,351.5	-1,252.7
Prepaid income at the end of the year	**985.2**	**921.7**

Geographical segmentation of Goodwill and other intangible assets, Right-of-use assets and Property, plant and equipment as follows:

MSEK	2024	2023
Sweden	1,033.7	1,102.7
Denmark	2,089.3	1,657.9
Norway	331.6	347.1
France	1,321.9	1,232.8
Spain	1,402.1	1,383.8
Portugal	2.2	2.2
Total	**6,180.8**	**5,726.5**

2.3 EMPLOYEE BENEFITS AND INCENTIVE PROGRAM

General

The total employee benefits include recognised expenses to LTIP programs from 2023 and 2024. Total expense to those programs in 2024 was SEK 10.6 m (5.2). The share of these related to CEO and Senior executives totals in 2024 an expense of SEK 6.4 m (3.0). In accordance with currently applicable regulations, a mutual period of termination of employment of a maximum of twelve months applies for the CEO. The CEO's variable remuneration target is 100 percent of the annual fixed salary and is determined based on financial targets that are set by the Board of Directors each year. The CEO's variable remuneration shall not exceed 100 percent of the annual fixed salary. Pursuant to the current guidelines for remuneration to other senior management shall the variable remuneration not exceed 75 percent of the annual fixed salary.

Accounting policy

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are included in accrued expenses in the balance sheet as current liabilities.

The fair value of deferred shares granted to employees for nil consideration under the LTIP programs is recognised as an expense over the relevant service period, being the year to which the remuneration relates and the vesting period of the shares. The fair value is measured at the grant date of the shares and is recognised in equity in the share-based payment reserve. The number of shares expected to vest is estimated based on the non-market vesting conditions. The estimates are revised at the end of each reporting period, and adjustments are recognised in profit or loss and the share-based payment reserve.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective from the date of the forfeiture. The deferred shares are acquired by the Company and are held as treasury shares until such time as they are vested.

Wages, bonus, benefits, social contributions and pensions

MSEK	Wages, bonus and other benefits	Social contributions	Pension benefits	Total
2024				
Senior Management and board members	54.1	1.7	6.5	62.3
Other employees	810.5	209.3	41.3	1,061.1
Other personnel-related costs	-	-	-	32.6
Total	**864.6**	**211.0**	**47.8**	**1,156.0**

Wages, bonus, benefits, social contributions and pensions

MSEK	Wages, bonus and other benefits	Social contributions	Pension benefits	Total
2023				
Senior Management and board members	46.8	3.7	4.6	55.1
Other employees	797.1	213.7	41.9	1,052.7
Other personnel-related costs	-	-	-	23.3
Total	**843.9**	**217.4**	**46.5**	**1,131.1**

2.3 EMPLOYEE BENEFITS AND INCENTIVE PROGRAM CONT.

Board and senior management compensation

MSEK	Compensation for board work	Wages, bonus and other benefits	Social contributions	Pension benefits	Total
2024					
Magnus Mandersson (Chairman of the board)	1.2	-	-	-	1.2
Lone Møller Olsen	0.6	-	-	-	0.6
Ulf Bonnevier	0.5	-	-	-	0.5
Salla Vainio	0.5	-	-	-	0.5
Loris Barisa	0.4	-	-	-	0.4
Ted Keith *	-	-	-	-	-
Pontus Bodelsson	-	17.5	-	2.1	19.6
Other senior management (9 FTE)	-	33.4	1.7	4.4	39.5
Total	**3.2**	**50.9**	**1.7**	**6.5**	**62.3**

Board and senior management compensation

MSEK	Compensation for board work	Wages, bonus and other benefits	Social contributions	Pension benefits	Total
2023					
Magnus Mandersson (Chairman of the board)	0.9	-	-	-	0.9
Lone Møller Olsen	0.5	-	-	-	0.5
Ulf Bonnevier	0.4	-	-	-	0.4
Salla Vainio	0.4	-	-	-	0.4
Loris Barisa	0.4	-	-	-	0.4
Ted Keith *	-	-	-	-	-
Pontus Bodelsson	-	15.0	-	2.0	17.0
Other senior management (9 FTE)	-	29.1	3.7	2.6	35.4
Total	**2.7**	**44.1**	**3.7**	**4.6**	**55.1**

*Ted Keith has waived his board fee

2.3 EMPLOYEE BENEFITS AND INCENTIVE PROGRAM CONT.

	2024			2023		
Average number of employees Full Time Equivalents (FTEs)	**Men**	**Women**	**Total**	**Men**	**Women**	**Total**
Sweden	42	48	90	51	49	100
Denmark	95	61	156	106	51	157
Norway	23	20	43	19	16	35
France	110	215	325	99	209	308
Spain	239	357	596	252	373	625
Total subsidiaries	**509**	**701**	**1,210**	**527**	**698**	**1,225**
Parent company, Sweden	1	-	1	1	-	1
Total group	**510**	**701**	**1,211**	**528**	**698**	**1,226**

Gender distribution of board members and other senior management	2024			2023		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Members of the Board of the Parent company	4	2	6	4	2	6
Excecutive directors and other senior management (Group management)	6	3	9	6	3	9
Total	**10**	**5**	**15**	**10**	**5**	**15**

3. Invested capital

3.1 INTANGIBLE ASSETS

Accounting policy

Goodwill

Goodwill arises on the acquisition of subsidiaries or businesses and represents the excess of the consideration transferred and the net fair value of the identifiable assets, liabilities and contingent liabilities assumed.

Goodwill is not amortised, but it is tested for impairment and is carried at cost less accumulated impairment losses. For impairment testing purposes, goodwill acquired in a business combination is allocated to each of the Cash-Generating units (CGUs), that is expected to benefit from the synergies of the combination. The Group has defined a CGU to be aligned with the operating segments, North and South. Each unit or Group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

Goodwill impairment testing is undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed. For further information on impairment testing please refer to impairment of non-financial assets in section 3.

Capitalised development costs

The Group has ongoing development activities regarding software products related to the online access to the Group's databases.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use.
- There is an intention and ability to use or sell the software product.
- it can be demonstrated how the software product will generate probable future economic benefits.
- adequate technical, financial and other resources to complete the development and to use or sell the software.
- expenditures attributable to the software development can be reliably measured.

Directly attributable costs that are capitalized as part of the software development include employee costs, costs for consultants and an appropriate portion of relevant overheads.

Development costs that do not meet the above criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Software development costs recognised as assets are amortised over their estimated useful lives in the range from 3 to 7 years.

Customer relationships

Separately acquired customer relationships are recognised at historical cost. Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Customer relationships have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of customer relationships over their estimated useful lives of 15 to 20 years.

Content

Organic development and maintenance of own content is expensed in the income statement as incurred. Content acquired in a business combination is recognised at fair value at the acquisition date. Content assets acquired in a business combination have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of content assets acquired in business combinations over their estimated useful lives of 15 to 20 years.

Trademarks

Separately acquired trademarks are recognised at historical cost. Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives of 10 to 15 years.

Technology

Separately acquired technology products supporting online access to the Group’s databases or IT systems for internal purposes are recognised at historical cost. Technology products acquired in a business combination are recognised at fair value at the acquisition date. Technology products have a finite useful life and are carried at cost less accumulated amortisations. Amortisation is calculated using the straightline method to allocate the cost of technology products over their estimated useful lives of 3 to 7 years.

3.1 INTANGIBLE ASSETS CONT.

		Other intangible assets					
MSEK	Goodwill	Capitalised development costs	Customer relations	Content	Trademarks	Technology	Total
Cost at January 1, 2024	**3,251.8**	**613.2**	**1,260.8**	**722.3**	**443.9**	**561.5**	**6,853.5**
Additions for the year	-	162.1	-	-	-	-	162.1
Additions related to business combinations	292.7	2.7	212.4	30.9	2.3	2.8	543.8
Disposals	-	-9.8	-	-	-	-	-9.8
Disposals, companies sold, external	-13.1	-16.8	-	-	-	-13.4	-43.3
Currency exchange differences	86.4	7.2	33.6	25.2	9.6	3.5	165.5
Accumulated cost at December 31, 2024	**3,617.8**	**758.6**	**1,506.8**	**778.4**	**455.8**	**554.4**	**7,671.8**
Amortisation at January 1, 2024	**0.7**	**253.2**	**573.2**	**48.0**	**184.2**	**310.0**	**1,369.3**
Reassessments	-0.7	-0.7	-	-	-	-	-1.4
Depreciations and amortisations	-	104.6	94.2	35.1	35.9	54.3	324.1
Disposals	-	-9.7	-	-	-	-	-9.7
Disposals, companies sold, external	-	-12.7	-	-	-	-4.4	-17.1
Currency exchange differences	-	2.6	15.1	1.6	4.0	1.3	24.6
Accumulated Amortisation at December 31, 2024	**-**	**337.3**	**682.5**	**84.7**	**224.1**	**361.2**	**1,689.8**
Carrying amount at 31 December 2024	**3,617.8**	**421.3**	**824.3**	**693.7**	**231.7**	**193.2**	**5,982.0**

3.1 INTANGIBLE ASSETS CONT.

		Other intangible assets					
MSEK	**Goodwill**	**Capitalised development costs**	**Customer relations**	**Content**	**Trademarks**	**Technology**	**Total**
Cost at January 1, 2023	**3 250,3**	**455,8**	**1 268,8**	**726,9**	**460,7**	**576,9**	**6 739,4**
Reassessment	-	-2,5	-	-	-	-	-2,5
Additions for the year	-	155,8	-	-	-	-	155,8
Additions related to business combinations	16,7	-1,7	-3,6	-2,3	1,2	18,1	28,4
Disposals	-	-16,0	-	-	-16,6	-7,3	-39,9
Transfer	-	25,0	-	-	-	-25,0	-
Currency exchange differences	-15,2	-3,2	-4,4	-2,3	-1,4	-1,2	-27,7
Accumulated cost at December 31, 2023	**3 251,8**	**613,2**	**1 260,8**	**722,3**	**443,9**	**561,5**	**6 853,5**
Amortisation at January 1, 2023	**0,7**	**180,8**	**489,8**	**10,4**	**153,2**	**263,9**	**1 098,8**
Reassessment	-	2,2	-	-	-	-	2,2
Depreciations and amortisations	-	78,7	88,1	38,3	35,9	51,3	292,3
Impairment	-	4,7	-	-	-	-	4,7
Disposals	-	-12,5	-	-	-3,6	-2,0	-18,1
Transfer	-	1,3	-	-	-	-1,3	-
Currency exchange differences	-	-2,0	-4,7	-0,7	-1,3	-1,9	-10,6
Accumulated Amortisation at December 31, 2023	**0,7**	**253,2**	**573,2**	**48,0**	**184,2**	**310,0**	**1 369,3**
Carrying amount at 31 December 2023	**3 251,1**	**360,0**	**687,6**	**674,3**	**259,7**	**251,5**	**5 484,2**

3.2 TANGIBLE ASSETS.

Accounting policy

Property, plant and equipment are recognised at cost less accumulated depreciation. Cost is defined as the acquisition price and costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amounts of any replaced parts are derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, which are as follows:

- Land; no depreciation
- Buildings; 20 - 30 years
- Improvements on leaseholds; 5 years
- Furniture, fittings and equipment; 3 - 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment are written down immediately to their recoverable amounts, if these are lower than their carrying amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "other operating income" or "other operating expenses" in the income statement.

MSEK	Land and buildings	Leasehold improvements	Furniture, fittings and equipment	Assets under construction	Total
Cost at January 1, 2024	**7.7**	**23.7**	**38.4**	**1.3**	**71.1**
Additions	-	1.2	2.5	0.7	4.4
Additions related to business combinations	-	-	0.1	-	0.1
Transfer	-	1.3	0.8	-2.1	-
Currency exchange differences	0.3	0.6	0.7	0.1	1.7
Accumulated cost at December 31, 2024	**8.0**	**26.8**	**42.5**	**-**	**77.3**
Amortisation at January 1, 2024	**-**	**9.2**	**20.7**	**-**	**29.9**
Depreciations and amortisations	-	3.3	5.9	-	9.2
Currency exchange differences	-	0.2	0.6	-	0.8
Accumulated Amortisation at December 31, 2024	**-**	**12.7**	**27.2**	**-**	**39.9**
Carrying amount at 31 December 2024	**8.0**	**14.1**	**15.3**	**-**	**37.4**

3.2 TANGIBLE ASSETS CONT.

MSEK	Land and buildings	Leasehold improvements	Furniture, fittings and equipment	Assets under construction	Total
Cost at January 1, 2023	**7.7**	**22.2**	**42.8**	**3.6**	**76.3**
Reassessments	-	0.7	0.9	-	1.6
Additions	-	0.9	4.0	2.3	7.2
Additions related to business combinations	-	0.9	4.0	2.3	7.2
Disposals	-	-	-13.8	-	-13.8
Transfer	-	-	4.6	-4.6	-
Currency exchange differences	-	-0.1	-0.1	-	-0.2
Accumulated cost at December 31, 2023	**7.7**	**23.7**	**38.4**	**1.3**	**71.1**
Amortisation at January 1, 2023	**-**	**6.1**	**24.8**	**-**	**30.9**
Reassessments	-	0.2	0.8	-	1.0
Depreciations and amortisations	-	3.1	8.9	-	12.0
Disposals	-	-	-13.6	-	-13.6
Currency exchange differences	-	-0.2	-0.2	-	-0.4
Accumulated Amortisation at December 31, 2023	**-**	**9.2**	**20.7**	**-**	**29.9**
Carrying amount at 31 December 2023	**7.7**	**14.5**	**17.7**	**1.3**	**41.2**

3.3 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting policy

The Group's leasing arrangements mainly consists of rental agreements for the Group's office locations, car leases and miscellaneous other leases as operating leases. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. Management exercises significant judgement in determining whether it is reasonably certain that these extension and termination options will be exercised.

Right-of-use assets

Right-of-use assets and lease liabilities are recognised in the balance sheet at the commencement date of the contract, if it is or contains a lease. Right-of-use assets are recognised at cost less accumulated depreciation and impairment. Cost is defined as the lease liability adjusted for any lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the lease term

Lease liabilities

Lease liabilities are measured at the present value of future payments, using the interest rate implicit in the lease agreement. Lease payments are discounted using the Group's incremental borrowing rate, which is quarterly adjusted for the functional currencies and expected length of the lease term, if the interest rate implicit in the lease agreement cannot be determined. Lease payments contain fixed payments less any lease incentives receivable, variable lease payment that depend on an index or a rate as well as payments of penalties for terminating the lease, if the terms of the lease warrants that the Group exercises that option.
The lease liability is remeasured if or when the future payment or lease term changes. Any net remeasurement of the lease liability is recognised as an adjustment to the lease asset. If the carrying amount of the lease asset is reduced to zero, the adjustment will be recognised in the income statement

Additional information

Short-term lease expenses, low-value assets and variable lease payments are classified as operating expenses in the income statement. In total the Group has expensed 0.2 m (0,0) for short term leases and 3.4 m (0.5) for low value leases.

Accounting estimates and assumptions

Expired leases

The lease term is the period during which the lease contract is enforceable. If the original expiry date of a lease contract has passed, typically in the case of property leases, but the contract continues without a determined expiry date, the lease term is set for an estimated period during which the lease contract is expected to be enforceable. This estimate is based on Management's judgement and takes into consideration the location of the lease, capitalised leasehold improvements and the experience with similar leases for the specific area.

Extension and termination options

When determining the lease term for lease agreements containing extension, purchase and termination options, Management considers circumstances that create a financial incentive to exercise an extension option or not to exercise a termination option. Extension, purchase and termination options are only included in the lease term if it is reasonably certain that a lease will be extended, purchased or terminated.

MSEK	2024	2023
Within one year	52.5	52.8
Later than 1 year and no later than 5 years	118.4	154.7
Later than 5 years	13.5	24.4
Total	**184.4**	**231.9**

MSEK	2024	2023
Right-of-use assets at January 1	**201.1**	**236.7**
Reassessments	-24.3	20.3
Additions	33.0	24.1
Disposals	-1.2	-19.5
Depreciations	-52.2	-58.8
Currency exchange differences	5.0	-1.7
Right-of-use assets at December 31	**161.4**	**201.1**
Lease liabilities at January 1	**231.9**	**266.9**
Reassessments	-23.1	22.0
Additions	33.0	21.1
Disposals	-1.0	-18.9
Interest accrued	3.1	5.1
Interest paid	-3.1	-5.1
Payments	-61.0	-58.3
Currency exchange differences	4.6	-0.9
Lease liabilities at December 31	**184.4**	**231.9**

3.4 INVESTMENTS IN ASSOCIATED COMPANIES

General

On 8 July 2024 Karnov Group Holdco DK ApS divested its shareholding of 49% of ProcurementLink for 1 DKK. The book value of the divested shareholding was SEK12.3 m.

Accounting policy

Investments in associated companies include all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20 percent and 50 percent of the voting rights.
Investments in associated companies are accounted for using the equity method of accounting, after initial recognition at cost. Under the equity method of accounting, investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the acquiree in profit or loss, and the Group's share of fluctuations in other comprehensive income.
Divested investments in associated companies are recognized in the financial statement on the day of the sale. The result is included in the Other operating income and expenses line.

MSEK	2024	2023
Cost at January 1	66.4	66.5
Divestment of companies	-12.3	-
Currency exchange differences	0.4	-0.1
Cost at December 31	**54.5**	**66.4**
Value adjustment		
Value adjustments at January 1	-17.6	-12.2
Share of profit in associated companies	1.4	-5.4
Value adjustments at December 31	**-16.2**	**-17.6**
Carrying amount at December 31	**38.3**	**48.8**
Associated entities:		
Karnov Group Norway AS	40.0%	40.0%
ProcurementLink ApS	0.0%	49.0%

3.5 IMPAIRMENT OF NON-FINANCIAL ASSETS

General

Management prepares impairment tests on an annual basis. For the 2024 reporting period, the recoverable amount of the cash generating segments (CGUs) was determined based on value-in-use calculations which require the use of assumptions. Based on the impairment test, a material excess value was identified for segment North compared to the carrying amount of tested net assets for which reason no impairment was made as of 31 December 2024. Also segment South holds excess value in comparison to the carrying amount of tested net assets for which reason no impairment was made as of 31 December 2024.

Accounting policy

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortisation but are tested annually for impairment. Property, plant and equipment and intangible assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Property, plant and equipment and intangible assets, except for goodwill, that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Accounting estimates and assumptions

The calculation of the value in use for tested net assets use post-tax cash flow projections for a five-year period based on strategy plans and on projections hereof. Projections extending beyond 2027 are based on general parameters, such as expected market growth and profitability assumptions. The terminal value used in the calculations for both CGUs is determined on the assumption of 2.0 percent growth (2.0) in both segments. The growth rates do not exceed the long-term average growth rate for the business in which the CGU's are operating. The pre-tax discount rate used in Region North was 8.7 (9.4) percent. The pre-tax discount rate used in Region South was 9.5 (10.3) percent.
Management has performed a sensitivity analysis for each key assumption (discount rates and growth rate in the terminal period), keeping all other assumptions constant. The sensitivity analysis shows that a 1 percent increase in the discount rate or a 1 percent reduction of the growth assumptions will not change the outcome of the impairment test.

MSEK	CGU North	CGU South	Total
Carrying amount Goodwill at 31 December 2024	2,309.9	1,307.9	3,617.8

3.6 BUSINESS COMBINATIONS, DIVESTMENTS AND GROUP STRUCTURE

General

In 2024, a total of 4 acquisitions were completed within Karnov at an estimated total consideration of SEK 537.3 m.

Accounting policies

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquisition. The time of acquisition is the date when control of the enterprise is transferred to the Group. For Group accounting policies on control, please refer to the basis for preparation in section1. In respect of newly acquired enterprises, comparative figures and key figures will not be restated. On acquiring new enterprises of which the Group obtains control, the purchase method is applied according to which their identified assets, liabilities and contingent liabilities are measured at their fair values on the acquisition date. Any non-current assets acquired for the purpose of resale are, however, measured at their fair values less expected cost of disposal. Restructuring costs are solely recognised in the pre-acquisition balance sheet if they are a liability for the acquired enterprise. Any tax effect of revaluations is taken into account. The purchase price of an enterprise consists of the fair value of the consideration paid for the enterprise with the addition of the fair values of any previously held interests in the acquiree. If the final consideration is conditional upon one or more future events, such contingent consideration will be recognised at fair value on the time of acquisition. Any subsequent adjustment of contingent consideration is recognised directly in the income statement, unless the adjustment is the result of new information about conditions prevailing on the acquisition date, and this information becomes available up to 12 months after the acquisition date. Transaction costs are recognised directly in the income statement when incurred. If the purchase price exceeds the fair values of the assets, liabilities and contingent liabilities identified on acquisition, any remaining positive differences (goodwill) are recognised in the balance sheet under intangible assets and tested for impairment at least annually. If the carrying amount of an asset exceeds its recoverable amount, it is written down to such lower recoverable amount. If, on the acquisition date, there are any uncertainties with respect to identifying or measuring acquired assets, liabilities or contingent liabilities or uncertainty with respect to determining their cost, initial recognition is made on the basis of provisionally calculated values. Such provisionally calculated values may be adjusted, or additional assets or liabilities may be recognised up to 12 months after the acquisition date, if new information becomes available about conditions prevailing on the acquisition date, which would have affected the calculation of values on that day, had such information been known

Accounting estimates and assumptions

Management continuously assesses contingent consideration arrangements. arising from business combinations and which is expected to be paid out to previously owners.

QSE Conseil SAS

On 29 April 2024 Karnov Group acquired QSE Conseil SAS for a total estimated consideration of SEK 15.9 m. Cash paid on closing 29 April 2024 was SEK 7.6 m and SEK 8.3 m is considered as contingent liabilities expected to be paid out in full by the latest in Q3 2025. QSE will consolidate Karnov Group's position on the French EHS market and accelerate the Group's international expansion. QSE is expected to contribute by SEK 9.0 m in net sales and SEK 2.7 m in adjusted EBITA on a yearly basis. Identified assets in the transaction was Customer relations to which SEK 5.0 m was allocated. An amount of SEK 8.2 m was allocated to Goodwill. The purchase price allocation is not considered final until 12 months after the acquisition date

Schultz Legal Information Business

On 19 June 2024 Karnov Group entered into a business carve out agreement to acquire the legal information business of J.H. Schultz Information A/S for a cash consideration of SEK 481.3 m financed by existing credit lines. Cash paid on closing 19 June 2024 was SEK 380.8 m and contingent considerations of SEK 100.5 m was paid 26 November 2024. The acquisition provides Karnov Group new customers on the Danish municipality market and strengthens Karnov Group's portfolio of Danish content. The acquisition is expected to contribute by SEK 83 m in net sales and SEK 50 m in adjusted EBITA on a yearly basis. The expected cost-to-achieve for the integration is expected to total SEK 25 m. Major assets identified from the purchase price allocation are Customer relations and Content. Allocated amount to Goodwill was SEK 257.7 m. The purchase price allocation was updated in this quarter. The purchase price allocation is not considered final until 12 months after the acquisition date.

Batir Technologies SAS

On 16 July 2024 Karnov Group acquired Batir Technologies SAS for a total estimated consideration of SEK 31.0 m. Cash paid on closing was SEK 29.2 m and SEK 1.8 m is considered as contingent liabilities expected to be paid out in full by the latest in Q3 2025. Batir Technologies delivers a workflow tool for tax calculation in the French real estate market. Batir Technologies is expected to contribute by SEK 9.3 m in net sales and SEK 4.3 m in adjusted EBITA on a yearly basis. Identified assets in the transaction was Customer relations to which SEK 10.9 m was allocated but also Technology by SEK 2.8 m and Trademarks by SEK 0.6 m. Allocation to Goodwill amounts to SEK 20.3 m. The purchase price allocation is not considered final until 12 months after the acquisition date.

JAD Expert Journals

On 9 October 2024 Karnov Group completed the acquisition of three carved-out expert journals in France. La Lettre des Juristes d'affaires (The Business Lawyer's newsletter), Droit & Patrimoine (Law & Heritage), and NextStep Magazine. Total consideration amounts to SEK 9.0 m and was paid on closing. JAD is expected to contribute by SEK 8.3 m in net sales and SEK 1.5 m in adjusted EBITA on a yearly basis. Identified assets in the transaction was Customer relations to which SEK 3.8 m was allocated but also Trademarks by SEK 1.7 m. Allocation to Goodwill amounts to SEK 6.5 m. The purchase price allocation is not considered final until 12 months after the acquisition date.

3.6 BUSINESS COMBINATIONS, DIVESTMENTS AND GROUP STRUCTURE CONT.

	QSE Conseil SAS	Schultz Legal Information Business	Batir Technologies SAS	JAD
	29 Apr 2024	19 Jun 2024	16 Jul 2024	9 Oct 2024
Purchase price, MSEK				
Cash paid on closing date	7.6	380.8	29.2	9.1
Contingent consideration	8.3	100.5	1.8	-
Total consideration	15.9	481.3	31.0	9.1
Reported amounts, MSEK				
Intangible assets: Customer relations	5.0	192.7	10.9	3.8
Intangible assets: Technology	-	-	2.8	-
Intangible assets: Content	-	30.9	-	-
Intangible assets: Trademarks	-	-	0.6	1.7
Trade payables and other liabilities	-	-	-	-2.9
Fair value of other net assets acquired	3.9	-	-	-
Deferred tax	-1.2	-	-3.6	-
Total identified net assets	7.7	223.6	10.7	2.6
Goodwill	8.2	257.7	20.3	6.5
Total	15.9	481.3	31.0	9.1

3.6 BUSINESS COMBINATIONS, DIVESTMENTS AND GROUP STRUCTURE CONT.

General

In 2024 were two divestments of subsidiaries from Karnov Group completed; LCB ApS and Ante ApS.

Accounting policies

Discontinued businesses are from the date of sale no longer part of the Groups Balance sheet. Profit or Loss up to the date of the sale is included in the financial statements. The results from the sale of Group companies are included in the Other operating income and expenses line in the income statement.

Ante ApS

The entity was sold on July 25 at a total selling price of 1 DKK. An earn out agreement entitles the seller up to DKK 0.8 m if a certain performance measure based on revenue for financial year 2027 is met. The Group result of the divestment of Ante amounts to SEK -8.5 m.

LCB ApS

The entity was sold on July 31 at a total selling price of 1 DKK. In addition to that an exit bonus of 20% has been agreed based on future potential resale of the entity. The Group result of the divestment of LCB ApS amounts to SEK -2.4 m.

3.6 BUSINESS COMBINATIONS, DIVESTMENTS AND GROUP STRUCTURE CONT.

	All entities within the Group	Corporate identity number	Registered office	Voting share	Share of equity	Carrying amount 2024 (MSEK)
C	KARN Holdco AB (1)	559016-4124	Stockholm	100,0%	100,0%	1,169
C	KARN Middlecompany AB (1)	559016-8927	Stockholm	100,0%	100,0%	
C	KARN Biddingcompany AB (1)	559016-8844	Stockholm	100,0%	100,0%	
C	Karnov Group Holding AB (1)	556847-3143	Stockholm	100,0%	100,0%	
C	Karnov AB (1)	556847-5791	Stockholm	100,0%	100,0%	
C	Norstedts Juridik AB (2)	556226-6097	Stockholm	100,0%	100,0%	
C	Notisum AB (2)	556516-2467	Stockholm	100,0%	100,0%	
C	DIB Kunskap AB (2)	559469-7343	Stockholm	100,0%	100,0%	
C	Karnov Group Holdco DK ApS (1)	36 96 61 14	Copenhagen	100,0%	100,0%	
C	Karnov Group Denmark A/S (2)	10 36 19 90	Copenhagen	100,0%	100,0%	
C	DIB Viden A/S (2)	31 58 18 69	Copenhagen	100,0%	100,0%	
C	BELLA Intelligence ApS (2)	39 13 52 72	Copenhagen	100,0%	100,0%	
C	Notisum ApS (2)	36 02 01 56	Copenhagen	100,0%	100,0%	
C	DIBkunnskap AS (2)	974 379 511	Oslo	100,0%	100,0%	
C	Echoline SAS (2)	517 886 990	Toulouse/Paris	100,0%	100,0%	
C	QSE Conseil SAS (2)	498 110 188	Nantes	100,0%	100,0%	
C	Karnov Holdco France SAS (1)	401 899 349	Paris	100,0%	100,0%	
C	Lamy Liaisons SAS (2)	480 081 306	Saint-Ouen	100,0%	100,0%	
C	Batir Technologies SAS (2)	434 018 305	Saint-Ouen	100,0%	100,0%	
C	Karnov Holdco Spain SL (1)	B09 941 527	Madrid	100,0%	100,0%	
C	Editorial Aranzadi, S.A. (Sociedad Unipersonal) (2) *	A81 962 201	Madrid	100,0%	100,0%	
C	LA LEY Soluciones Legales, S.A. (2)	A58 417 346	Madrid	100,0%	100,0%	
C	LA LEY eLearning, S.A. (2) *	A86 363 611	Madrid	100,0%	100,0%	
C	Jusnet Unipessoal Lda (2)	507 271 050	Lisbon	100,0%	100,0%	
A	Karnov Group Norway AS (2)	924 428 600	Oslo	40,0%	40,0%	

*Effective as per January 1st 2024, the company is merged into LA LEY Soluciones Legales, S.A

Note:
C Consolidated
A Associated
(1)Holding company
(2)Operating company

3.7 PROVISIONS AND CONTINGENT LIABILITIES INCL. RETIREMENT OBLIGATIONS

General

The Group is required to restore its leased premises in Denmark and in France (last year also Spain) to their original condition at end of the respective lease terms. Provisions have been recognised to provide for this. The costs have been capitalized as part of the cost of leasehold improvements based on expected costs at present value.
In region South the Group is per local legislation obliged to recognise provisions to Jubilee and long service benefits. Restructuring provisions relate to France and is in accordance with post-merger integration plans.

Accounting policy

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the provision. The increase in the provision due to the passage of time is recognised as interest expense. The greater portion of the Group's provisions is short-term in nature.

When it comes to retirement obligations the Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no legal or constructive obligations to pay further contributions if the fund of a contribution plan does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a pension plan under which the Group is obliged to pay an employee a certain amount or percentage of the employee's final salary at retirement. Actuarial calculations are made yearly to calculate the defined benefit obligation. Current service costs and calculated interest are charged to the income statement and actuarial gains/losses to other comprehensive income.

Retirement benefit obligations

The Group has defined benefit plans in Sweden, France and Spain along with defined contribution plans in Denmark and Norway as well as in France and Spain. The defined benefit plans in Sweden are however accounted for as defined contribution plans due to insufficient information available. More information on the defined benefit plans in Sweden, France and Spain is available below.

The following expenses for the Group's pensions plans have been recognised in the income statement:

MSEK	2024	2023
Charged to income statement:		
Expenses for defined contribution plans	43.2	42.9
Expenses for defined benefit plans	4.6	3.6
Total charges to income statement	**47.8**	**46.5**

Defined benefit plans in France and Spain

Defined benefit plan costs recognised in the income statement amount to SEK 4.6 m (3.6) and actuarial gains recognised in other comprehensive income amount to SEK 2.4 m (2.0). The Group is expecting the costs of the plans in France and Spain to total SEK 4.5 m in 2025. Actuarial reports have been prepared for the plans and the results of these are reflected in the income statement, other comprehensive income and balance sheet accordingly. The below is specifying changes to defined benefit obligations and assets:

MSEK	2024	2023
Present value of defined benefit obligations:		
At January 1	**66.5**	**63.8**
Current service costs	3.1	2.0
Calculated interest	2.3	2.2
Actuarial gains/losses	-1.3	-2.4
Contributions from plan participants paid in	-2.6	-1.4
Addition from acquisitions	-	2.6
Currency exchange differences	2.4	-0.3
At December 31	**70.4**	**66.5**
Present value of defined benefit assets:		
At January 1	**18.8**	**17.6**
Calculated interest	0.8	0.6
Actuarial gains/losses	1.1	-0.4
Contributions from plan participants paid in	-2.5	1.1
Currency exchange differences	0.7	-0.1
At December 31	**18.9**	**18.8**
Defined benefit obligations recognized in the balance sheet, net	**51.5**	**47.7**

Defined benefit plans in Sweden

Commitments for old-age pensions and family pensions for white collar employees in Sweden are insured on the basis of insurance premiums with Alecta. According to the statement UFR 10 from the Emerging Issues Task Force of the Swedish Financial Reporting Board (Rådet för finansiell rapportering), this is a multi-employer defined benefit plan. For the financial year 2024, the Group did not have access to the details enabling the report of these plans as defined benefit plans. The ITP pension plan, secured on the basis of insurance with Alecta, is therefore, reported as a defined contribution plan. The year's fees for pension insurance policies, established with Alecta, amount to SEK 8.7 m (8.0). The surplus from Alecta can be distributed to the policy holders and/or the insured individuals. At the end of 2024, the Group is not aware of any surplus or deficit at the collective consolidation level of Alecta.

3.7 PROVISIONS AND CONTINGENT LIABILITIES INCL. RETIREMENT OBLIGATION CONT.

The collective consolidation level consists of the market value of Alecta's assets as a percentage of the insurance obligations calculated in accordance with Alecta's and other's actuarial calculation assumptions, which is not in accordance with IAS 19. Based on information from Alecta's web page (www.alecta.se) the collective consolidation ratio of Alecta is 162,0% by the end December 2024 (158% by the end of December 2023). The Group is expecting the costs for the Alecta pension plans to total SEK 8.9 m in 2025.

MSEK	Asset Retirement obligation	Pension plans	Jubilee and long-service benefits	Restructuring provision	Total
At January 1 2024	**9.0**	**47.7**	**5.5**	**16.2**	**78.4**
Charged to the income statement	0.9	4.6	-0.7	-22.8	-18.0
Recognized in other comprehensive income	-	-2.4	-	-	-2.4
Reclassed from other liabilities	-	-	-	41.4	41.4
Currency exchange differences	0.3	1.6	0.2	0.6	2.7
At December 31 2024	**10.2**	**51.5**	**5.0**	**35.4**	**102.1**

MSEK	Asset Retirement obligation	Pension plans	Jubilee and long-service benefits	Restructuring provision	Total
At January 1 2023	**14.4**	**46.2**	**-**	**-**	**60.6**
Additions related to business combinations	-	2.6	-	-	-
Charged to the income statement	-5.4	3.6	-	-	-1.8
Recognized in other comprehensive income	-	-2.0	-	-	-2.0
Realised during the year	-	-2.5	-	-	-2.5
Reclassed from other liabilities	-	-	5.5	16.2	21.7
Currency exchange differences	-	-0.2	-	-	-0.2
At December 31 2023	**9.0**	**47.7**	**5.5**	**16.2**	**78.4**

Contingent liabilities

Contractual obligations

As part of the Group's ordinary business Karnov has entered into a number of long-term (sales or purchase) contracts.
Apart from the liabilities already recognised in the balance sheet, no significant financial losses are expected to be incurred as a result of these contracts.

The parent of the group is borrower and guarantor in the Facilities Agreement disclosed in section 6. For information regarding the obligations of the Parent see section 8.

4. Working capital

4.1 TRADE RECEIVABLES

Accounting policy

Trade receivables are amounts owed by customers for merchandise sold or services performed in the ordinary course of business. If collection of the outstanding amount is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

On initial recognition, trade receivables are measured at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The carrying amount of trade receivables, after any impairment, is presumed to correspond to their fair value, as this item is short-term in nature.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on a combination of historic payment profiles of sales and management assessment of expected future market conditions.

Historically Karnov Group has experienced relatively small amounts of losses compared to the business activity which is mainly due to the significant part of subscriptions in the business.

Both losses regarding trade receivables and recoveries of trade receivables previously written off are recognised within "other operating expense" in the income statement.

Accounting estimates and assumptions

The fair values of trade receivables and other receivables of the Group correspond to book values. Karnov Group invoices one month prior to the contract period of the agreement for which reason the customers are paying upfront.

Historically, Karnov Group has experienced relatively small amounts of losses compared to the business activity which is reflected in the impairment principle.

The maximum exposure to credit risk of trade receivables at the reporting date consists of the carrying amount. The Group does not hold any collateral as security

MSEK	2024	2023
Trade receivables	459.8	423.6
Less: provision for impairment of trade receivables	-9.1	-11.7
Trade receivables – net	**450.7**	**411.9**

MSEK	2024	2023
EUR	322.4	303.5
SEK	41.2	16.3
DKK	79.7	85.8
NOK	7.4	6.3
Total trade receivables	**450.7**	**411.9**

MSEK	2024	2023
Balance not due	247.0	227.7
0-3 months	187.6	164.6
3-6 months	12.1	12.3
Over 6 months	4.0	7.3
Total trade receivables	**450.7**	**411.9**

MSEK	2024	2023
Allowance for impairment at 1 January	11.7	12.4
Provision for impairment of trade receivables	2.3	4.5
Realized losses during the year	-4.9	-5.2
Allowance for impairment at 31 December	**9.1**	**11.7**

4.1 TRADE RECEIVABLES. CONT.

MSEK	Balance not due	0-3 months	3-6 months	> 6 months	Total
December 31, 2024					
Expected loss rate	0.3%	0.3%	0.3%	66.0%	2.0%
Trade receivables	247.0	187.6	12.1	13.1	459.8
Loss allowance	**-0.7**	**-0.5**	**-**	**-7.9**	**-9.1**

MSEK	Balance not due	0-3 months	3-6 months	> 6 months	Total
December 31, 2023					
Expected loss rate	0.3%	0.3%	0.3%	59.6%	2.8%
Trade receivables	228.3	165.0	12.3	18.0	423.6
Loss allowance	**-0.6**	**-0.4**	**-**	**-10.7**	**-11.7**

4.2 ACCRUED EXPENSES

Specification of:

MSEK	2024	2023
Accrued author royalty	93.3	94.3
Accrued wages and salaries	244.8	258.0
Other accrued expenses	113.0	127.2
Total accrued expenses	**451.1**	**479.5**

4.3 OTHER LIABILITIES

Specification of:

MSEK	2024	2023
Value-added tax liability	83.4	86.7
Contingent considerations	9.5	7.3
Employee withholding taxes	18.0	25.1
Other	87.4	22.5
Total other current liabilities	**198.3**	**141.6**

5. Tax

5.1 TAX ON PROFIT FOR THE YEAR

Accounting policy

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except from cases where it relates to items recognised in other comprehensive income or directly in equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities

MSEK	2024	2023
Current tax:		
Current tax for the year	70.0	60.2
Current tax prior years	6.9	3.9
Total current tax	**76.9**	**64.1**
Deferred income tax		
Change in deferred tax for the year	-78.3	-64.7
Change in deferred tax prior years	1.0	-1.9
Total deferred tax expense/income	**-77.3**	**-66.6**
Tax on profit for the year	**-0.4**	**-2.5**

Reconciliation of effective tax

MSEK	2024	2023
Profit before tax	-33.5	34.4
Tax calculated at domestic tax rates applicable to profits in the respective countries	-16.8	-11.9
Expenses not deductible for tax purposes	10.9	17.2
Non-taxable income	-2.1	-2.6
Other adjustments to taxable income	0.7	-2.3
Previously unrecognised tax losses and deferred tax assets	-	-6.8
Adjustments for current tax of prior periods	6.9	3.9
Tax on profit for the year	**-0.4**	**-2.5**

5.2 DEFERRED TAX

Accounting policy

Deferred tax is recognised, using the balance sheet liability method on any temporary differences between the tax base of assets and liabilities and their carrying amounts, except for deferred tax on temporary differences arisen either on initial recognition of goodwill or on initial recognition of a transaction that is not a business combination, with the temporary difference ascertained on initial recognition affecting neither net profits nor taxable income. Deferred tax is determined on the basis of the tax rules and rates prevailing at the balance sheet date in a particular country. The effect of any changes in tax rates on deferred tax is included in tax on profit for the year, unless such deferred tax is attributable to items previously recognised directly in equity or in other comprehensive income. In the latter case, such changes will also be recognised directly in equity or in other comprehensive income. The tax base of a loss, if any, which may be set off against future taxable income, is carried forward and set off against deferred tax in the same legal tax entity and jurisdiction. Deferred income tax assets are recognised if it is probable that future taxable profits will be available against which the tax assets can be utilised.

Accounting estimates and assumptions

The Group has tax loss carry forwards of which those expected utilized within a foreseeable future have been capitalized. At each period end, the Group investigates the possibility of capitalizing the deferred tax assets with regard to the tax loss carry forwards. Deferred tax assets are recognised only in those cases in which it is probable that future tax surpluses will be available against which the temporary difference can be utilised.

MSEK, 2024	Deferred tax January 1	Currency exchange differences	Recognized in income statement re. this year	Recognized in income statement re. prior years	Recognized in income statement re. change of tax rates	Recognized in other comprehensive income	Additions relating to acquisitions	Deferred tax December 31
Intangible assets	-388.9	-9.6	40.6	-2.0	-	-	-2.8	-362.7
Property, plant and equipment	0.2	-	-0.1	-	-	-	-	0.1
Current assets	12.0	0.4	-9.2	-	-	-	-	3.2
Provisions	11.6	0.4	0.8	-	-	-0.6	-	12.2
Lease liabilities	1.7	0.1	-0.2	-	-	-	-	1.6
Prepaid income	82.1	2.8	10.0	-	-	-	-	94.9
Other current liabilities	18.0	0.7	-9.3	1.0	-	-	-	10.4
Capitalized tax losses	56.4	2.0	45.7	-	-	-	-	104.1
	-206.9	**-3.2**	**78.3**	**-1.0**	**-**	**-0.6**	**-2.8**	**-136.2**
Of this recognised as:								
Deferred tax assets								184.4
Deferred tax liabilities								-320.6
Expected to be utilised as follows:								
Within one year								108.5
After more than one year								-244.7

5.2 DEFERRED TAX CONT.

MSEK, 2023	Deferred tax January 1	Currency exchange differences	Recognized in income statement re. this year	Recognized in income statement re. prior years	Recognized in income statement re. change of tax rates	Recognized in other comprehensive income	Additions relating to acquisitions	Deferred tax December 31
Intangible assets	-411.2	2.9	32.9	-33.6	11.4	-	8.7	-388.9
Property, plant and equipment	-1.9	-	2.1	-	-	-	-	0.2
Current assets	-	-	-1.2	13.2	-	-	-	12.0
Provisions	20.8	-0.5	0.4	-10.9	-	0.5	1.3	11.6
Lease liabilities	-	-	0.1	1.6	-	-	-	1.7
Prepaid income	67.9	-0.4	11.3	3.3	-	-	-	82.1
Other current liabilities	1.6	-1.2	-7.6	19.3	-	-	5.9	18.0
Capitalized tax losses	32.2	-0.1	26.7	-2.4	-	-	-	56.4
	-290.6	**0.7**	**64.7**	**-9.5**	**11.4**	**0.5**	**15.9**	**-206.9**
Of this recognised as:								
Deferred tax assets								135.4
Deferred tax liabilities								-342.3
Expected to be utilised as follows:								
Within one year								112.1
After more than one year								-319.0

6. Funding and financial risks

6.1 CAPITAL STRUCTURE

General
The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.
In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to the shareholders, return capital to the shareholders, issue new shares or sell assets to reduce debt. Please refer to the Capital allocation model on page 17.

Consistent with others in the industry, the Group monitors capital based on gearing ratios. The net debt-to-Adjusted EBITDA leverage is calculated as net debt divided by Adjusted EBITDA and the equity ratio as equity divided by total assets. Please refer to the financial definition section of this report for further elaboration on the above. The gearing ratios on December 31, 2024, were as follows:

MSEK	2024	2023
Total borrowings excl. leasing	2,685.8	2,206.2
Cash and cash equivalents	402.8	450.6
Net debt	**2,283.0**	**1,755.6**
Adjusted EBITDA LTM	771.6	636.9
Leverage ratio	3.0	2.8
Equity	2,373.5	2,337.1
Total assets	7,489.1	6,932.5
Equity/asset ratio, %	31.7%	33.7%

* Please note that LTM Adjusted EBITDA includes proforma numbers from Schultz acquisition in 2024 which has an impact on leverage ratio for 2024. See more information regarding acquisitions in section 3.

6.2 FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks: market risks (currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance due to financial risks. The Group does not use derivative financial instruments to hedge certain risk exposures. The main portion of the text in this note describes financial risks at Group level.

Market risk

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily in respect of Euro (EUR), Danish kroner (DKK) and Norwegian kroner (NOK). Foreign exchange risk arises primarily from recognised liabilities (borrowings) and net investments in foreign operations. Exposure to currency fluctuations is usually specified according to two main categories: transaction exposure and translation exposure.

Transaction exposure

Transaction exposure refers both to the exposure attributable to commercial flows, that is, sales and purchases across international borders, and the exposure from financial flows. The Group's operations are, from a currency risk point of view, characterised by sales and purchases being solely performed in local currency in the respective countries, which imply that the transaction exposures from the Group's commercial flows are very small. The financial policy states, therefore, that currency hedging of commercial flows does not need to be applied. The Group primarily has borrowings denominated in EUR and DKK. As regards financial flows, the financial policy states that nominal loan amounts shall not be hedged.

Translation exposure

The foreign subsidiaries' assets, less liabilities, comprise a net investment in foreign currencies which, at consolidation, gives rise to a translation difference. Such translation differences are directly transferred to other comprehensive income. The financial policy states that net investments in foreign currencies shall not be hedged with financial derivatives, among other reasons, to avoid possible unwanted liquidity effects when such derivatives are extended. On December 31, 2024, the total translation differences recognised in other comprehensive income amounted to SEK 60.4 (-26.6) m.

Currency exposure

The exchange rates SEK/DKK used for consolidation purposes are:
Closing rate December 31, 2024: 1.5398 (1.4889)
Average rate January-December 2024: 1.5325 (1.5395)

The exchange rates SEK/EUR used for consolidation purposes are:
Closing rate December 31, 2024: 11.4865 (11.0960)
Average rate January-December 2024: 11.4307 (11.4707)

The exchange rates SEK/NOK used for consolidation purposes are:
Closing rate December 31, 2024: 0.9697 (0.9871)
Average rate January-December 2024: 0.9833 (1.0049)

The Group has the following assets in the balance sheet in the currencies SEK, DKK, NOK and EUR:

MSEK	SEK	DKK	NOK	EUR
2024				
Trade receivables	41.5	79.4	7.4	322.4
Cash and cash equivalents	219.0	148.8	53.2	-18.2
Total	**260.5**	**228.2**	**60.6**	**304.2**

MSEK	SEK	DKK	NOK	EUR
2023				
Trade receivables	16.3	85.8	6.3	303.5
Cash and cash equivalents	185.0	130.0	40.9	94.7
Total	**201.3**	**215.8**	**47.2**	**398.2**

The Group has the following liabilities in the balance sheet in the currencies SEK, DKK, NOK and EUR:

MSEK	SEK	DKK	NOK	EUR
2024				
Borrowing from credit institutions	-	486.6	-	2,199.2
Trade payables	13.8	12.6	0.6	84.9
Total	**13.8**	**499.2**	**0.6**	**2,284.1**

MSEK	SEK	DKK	NOK	EUR
2023				
Borrowing from credit institutions	-	-	-	2,206.2
Trade payables	9.8	4.2	2.1	95.2
Total	**9.8**	**4.2**	**2.1**	**2,301.4**

The sensitivity analysis shows that a 5% change in the exchange rates would affect the assets by SEK 29.7 (33.1) m and the liabilities by SEK 139.2 (115.4) m.

Cash flow and fair value interest rate risks

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest rate risk primarily arises from long-term borrowings. Borrowings issued at floating rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings have floating interest rates. If interest rates on currency-denominated borrowings, on December 31, 2024, had been 10 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been SEK 2.1 (1.6) m lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings. See section 6 for disclosure of the significant terms of borrowings.

6.2 FINANCIAL RISK FACTORS CONT.

Credit risk

Credit risk or counter party risk is the risk that the counter party in a financial transaction will not fulfil his obligations on maturity date. Credit risk is managed on Group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of its new customers before standard payment and delivery terms and conditions are negotiated. Credit risk for the Group arises from cash and cash equivalents and outstanding trade receivables. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If customers are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with internal limits. The utilisation of credit limits is regularly monitored. No credit limits were exceeded materially during the reporting period, and Management does not expect any losses from non-performance by these counterparties. No concentration of credit risks is deemed to exist. The maximum exposure to credit risks is equivalent to the carrying amount of the financial assets.

Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and is aggregated by Group Finance. Group Finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while always maintaining sufficient headroom on its undrawn committed borrowing facilities so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements. On December 31, 2024, the Group had accessible liquidity of SEK 402.8 m (450.6). The group has in addition to immediate accessible liquidity on hand committed unused credit facilities of EUR 28.0 m (70.0) equal to SEK 321.6 m (776.7). The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date or to the judgement of Management.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is insignificant. Amounts in foreign currencies and amounts which are to be paid based on a floating interest rate have been estimated using the exchange and interest rates applicable at the balance sheet date.

MSEK	< 1 year	Between 1 - 5 years	> 5 years
2024			
Borrowing from credit institutions	114.9	2,570.9	-
Trade payables	111.9	-	-
Other liabilities	737.9	158.6	13.5
Total	**964.7**	**2,729.5**	**13.5**

MSEK	< 1 year	Between 1 - 5 years	> 5 years
2023			
Borrowing from credit institutions	83.2	2,123.0	-
Trade payables	111.3	-	-
Other liabilities	703.9	207.2	24.4
Total	**898.4**	**2,330.2**	**24.4**

6.3 SHARE CAPITAL

General

As per December 31, 2024, the share capital in Karnov Group AB (publ) was SEK 1,663,150, divided between 107,876,145 ordinary shares and 225,902 shares of series C, both with a nominal value of SEK 0.015385. Each ordinary share entitles the holder to one (1) vote at general meetings, while each share of series C entitles the holder to one-tenth (1/10) vote at general meetings. Ordinary shares are entitled to dividend, while shares of series C are not entitled to dividend. The number of ordinary shares and shares of series C has remained unchanged through 2024. In June 2023 was 29,474 shares converted from C shares to ordinary shares to settle the LTIP 2020 program.

Accounting policy

Ordinary and preference shares are classified as equity.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders. The Board of directors of Karnov proposes that the Group's income statement and balance sheet be presented for adoption to the annual general meeting to be held on May 15, 2025. Karnov Group intends to maintain the leverage below the financial target of 3.0x EBITDA LTM and invest further in the newly acquired businesses in Region South to harvest synergies. The Board of Directors proposes no dividend for the AGM on 15 May 2025.

Share capital and shares	2024 Shares (thousands)	2023 Shares (thousands)	2024 MSEK	2023 MSEK
Ordinary shares				
Ordinary shares	107,876.1	107,876.1	1.7	1.7
Total ordinary shares	**107,876.1**	**107,876.1**	**1.7**	**1.7**
Shares of series C	225.9	225.9	-	-
Total number of shares / share capital	**108,102.0**	**108,102.0**	**1.7**	**1.7**
Transaction with shareholders in their capacity as owners				
Conversion and distribution of own shares	-	29.5	-	-
Total transaction with shareholders	**-**	**29.5**	**-**	**-**

Movements in ordinary shares	Shares (Thousands)	Par value MSEK	Share premium MSEK	Total MSEK
Opening balance January 1, 2024	107,876.1	1.7	2,654.0	2,655.7
Balance December 31, 2024	**107,876.1**	**1.7**	**2,654.0**	**2,655.7**

Earnings per share	2024	2023
Earnings attributable to shareholders, MSEK	-33.1	36.9
Weighted average number of ordinary shares	107,876,145	107,861,529
Effect of performance shares	225,902	240,518
Weighted average number of ordinary shares adjusted for the effect of dilution	108,102,047	108,102,047
Earnings per share, basic, SEK	-0.31	0.34
Earnings per share, after dilution, SEK	-0.31	0.34

6.4 BORROWINGS

General

Fair value

Fair value of borrowings from credit institutions is the same as the carrying value, with the only difference that the carrying value of the loans also includes transaction expenses (arrangement fees) that remain to be allocated as part of the effective interest rate of the bank loans. Fair value is calculated based on discounted cash flows by using the group's marginal borrowing rate. The following covenants follow borrowings from credit institutions.

Covenants

Borrowings from credit institutions includes the following covenants:

Net debt versus EBITDA

Net Leverage Ratio calculated on a quarterly basis shall not exceed 3.75:1 per end of December 2024. "Net Leverage Ratio" means the ratio of Consolidated Total Net Debt to Consolidated adjusted EBITDA for a twelve-month period. If relevant the Consolidated adjusted EBITDA is adjusted for prepaid income exceeding recognised income, as well as adjusted EBITDA is proforma consolidating any adjusted EBITDA from acquired businesses prior to the acquisition in order to calculate a proper twelve-month number. Adjusted EBITDA is calculated in accordance with the definition in the facility agreement. The net leverage ratio on 31 December 2024 was 3.59:1 (3.21:1). Total net debt for covenant calculation includes lease liabilities and total borrowings adjusted for amortised loan costs less cash and cash equivalents. The covenant calculation is calculated in EUR

Default and breaches of covenants

There have been no covenant defaults or breaches during the year.

Accounting policy

Borrowings (including borrowing from credit institutions and borrowing from related parties in the balance sheet) are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently carried at acquisition cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings, using the effective interest method.

Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the end of the reporting period.

All borrowing costs (interest expenses, transaction costs and the changes in fair value of the options) are recognised within "finance costs" in the income statement in the period to which they refer.

The fair value of borrowings for disclosure purposes is estimated by discounting the future contractual cash flows at current market interest rates available to the Group for similar financial liabilities.

	Type of borrowing	Interest rate*	Currency	Nominal value in currency	Carrying amount, current	Carrying amount, non-current	Total, carrying amount
Borrowings from credit institutions December 31, 2024							
Facility Agreement, Facility A	Loan	2,3% + EURIBOR	EUR	170.0	-	1,952.7	1,952.7
Facility Agreement, Facility B	Loan	2,3% + EURIBOR	EUR	22.5	114.9	143.5	258.4
Facility agreement, Roling Facility	Loan	2,3% + CIBOR	DKK	316.0	-	486.6	486.6
Other	Loan	N/A	EUR	0.2	-	2.4	2.4
Amortised loan costs					-	-14.3	-14.3
Total, carrying amount					**114.9**	**2,570.9**	**2,685.8**

	Type of borrowing	Interest rate*	Currency	Nominal value in currency	Carrying amount, current	Carrying amount, non-current	Total, carrying amount
Borrowings from credit institutions December 31, 2023							
Facility Agreement, Facility A	Loan	2,3% + EURIBOR	EUR	170.0	-	1,886.3	1,886.3
Facility Agreement, Facility B	Loan	2,3% + EURIBOR	EUR	30.0	83.2	249.7	332.9
Other	Loan	N/A	EUR	0.3	-	2.9	2.9
Amortised loan costs					-	-15.9	-15.9
Total, carrying amount					**83.2**	**2,123.0**	**2,206.2**

* at December 31

6.5 RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

			Non-cash changes						
MSEK	2023	Cash flow	Charged to the income statement	Currence exchange differences	Capitalized loan cost	Net additions - disposals	Other reclassifications	Additions related to business combinations	2024
Long-term borrowings from credit insitutions	2,123.0	491.4	27.6	42.5	-	-	-113.6	-	2,570.9
Short-term borrowings from credit insitutions	83.2	-83.2	1.3	-	-	-	113.6	-	114.9
Lease liabilities	231.8	-64.1	3.1	4.7	-	32.0	-23.1	-	184.4
Contingent considerations	7.3	-108.3	1.7	-	-	-	-	110.6	11.3
Total liabilities from financing activities	**2,445.3**	**235.8**	**33.7**	**47.2**	**-**	**32.0**	**-23.1**	**110.6**	**2,881.5**

			Non-cash changes						
MSEK	2022	Cash flow	Charged to the income statement	Currence exchange differences	Capitalized loan cost	Net additions - disposals	Other reclassifications	Additions related to business combinations	2023
Long-term borrowings from credit insitutions	2,483.2	-345.7	13.5	-10.1	-17.9	-	-	-	2,123.0
Short-term borrowings from credit insitutions	-	88.4	-	-5.2	-	-	-	-	83.2
Lease liabilities	267.0	-63.4	5.1	-1.1	-	2.2	22.0	-	231.8
Contingent considerations	29.9	-17.1	-5.5	-	-	-	-	-	7.3
Total liabilities from financing activities	**2,780.1**	**-337.8**	**13.1**	**-16.4**	**-17.9**	**2.2**	**22.0**	**-**	**2,445.3**

6.6 FINANCIAL INSTRUMENTS

Accounting policy

Financial instruments recognized in the balance sheet include assets such as cash and cash equivalents, financial investments, loans and trade receivable. The liability side includes trade payables, borrowings, accrued expenses and contingent considerations. A financial asset or financial liability is recognized in the balance sheet when the Group becomes a contracting party in accordance with the instrument's contractual conditions. A receivable is recognized when Karnov Group has performed, and a contractual obligation exists for the counterparty to pay. A liability is recognized when the counterparty has performed and a contractual obligation exists for Karnov Group to pay, even if an invoice has not yet been received. A financial asset is derecognized from the balance sheet when the contractual rights are realized, expire or the Group loses control of them. A financial liability is derecognized from the balance sheet when the contractual obligation is met or extinguished in another manner.

A financial asset and a financial liability are offset and recognized at a net amount in the balance sheet only when a legal right exists to offset the amounts and there is an intent to settle the items in a net amount or simultaneously realize the asset and settle the liability.

The acquisition or disposal of financial assets is recognized when the transaction is completed (cash settlement approach).

Classification and measurement

Financial instruments are initially recognized at cost corresponding to the instrument's fair value plus transaction costs for all financial instruments except those categorised at Fair Value Through Profit or Loss (FVTPL), which are measured at fair value excluding transaction costs. The classification determines how the financial instrument is measured after initial recognition as described below.

The classification of financial assets that are debt instruments is determined by the business model and the nature of the contractual cash flows. The Group's business model for all debt instrument financial assets aims to collect the principal amount and any interest accrued on the principal. The contractual cash flows from these assets consist solely of principal amounts and interest, and accordingly are classified as financial assets measured at amortized cost. All financial liabilities are classified under amortized cost except contingent considerations, which are classified as FVTPL.

Financial assets and liabilities at fair value through profit or loss (FVTPL)

Assets and liabilities in this category are continuously measured at fair value with value changes recognized through profit or loss. This category comprises on the asset side investments in equity instruments in associated or similar companies which the Group has initially decided to place in this category. The fair value of equity instruments is estimated using the equity method (Level 3)

On the liability side is the category comprising contingent considerations originating from business acquisitions. The fair value of contingent considerations is estimated calculating the present value of expected future cash flows (Level 3).

Gains and losses arising from changes in fair value through profit or loss are presented in the income statement within finance income or Financial income or Financial expenses.

Financial assets and liabilities at amortized cost

This category includes on the asset side loan receivables, trade receivables, other receivables and cash and cash equivalents. Cash and cash equivalents comprise cash and immediately available funds at banks and similar institutions. Trade receivables are recognized after deduction of expected credit losses. Discounting is not applied because of the short-term nature, why the amortized cost corresponds to the nominal value.

On the liability side is the category comprising borrowings from credit institutions, lease liabilities, trade payables, accrued expenses and other liabilities which are not contingent considerations. The mentioned liabilities are initially recognized at fair value and thereafter at amortized cost applying the effective-interest method. Borrowings from credit institutions are at variable interest rates and carrying value thus considered equal to fair value.

Fair value hierarchy for assets and liabilities at fair value through profit or loss (FVTPL)

The following three-level hierarchy is used to determine fair value:

- Level 1: according to prices quoted in an active market for the identical instrument.
- Level 2: from either direct or indirect observable market information not included in Level 1.
- Level 3: from inputs unobservable in the market.

6.6 FINANCIAL INSTRUMENTS CONT.

	2024						2023					
	At amortised cost	Fair value through profit or loss	Reported value	Level 1	Level 2	Level 3	At amortised cost	Fair value through profit or loss	Reported value	Level 1	Level 2	Level 3
MSEK												
FINANCIAL ASSETS												
Investments in associated companies		38.3	38.3			38.3		48.8	48.8			48.8
Other financial investments		13.0	13.0			13.0		13.0	13.0			13.0
Loans to associated companies	26.0		26.0				25.2		25.2			
Deposits	13.1		13.1				7.7		7.7			
Trade receivables	450.7		450.7				411.9		411.9			
Other receivables	72.7		72.7				10.6		10.6			
Cash and cash equivalents	402.8		402.8				450.6		450.6			
Total financial assets	**965.3**	**51.3**	**1,016.6**	**-**	-	**51.3**	**906.0**	**61.8**	**967.8**	**-**	-	**61.8**
FINANCIAL LIABILITIES												
Borrowing from credit institutions	2,685.8		2,685.8				2,206.2		2,206.2			
Lease liabilities	184.4		184.4				231.9		231.9			
Other non-current liabilites	38.4	1.8	40.2			1.8	52.5	-	52.5			-
Trade payables	111.9		111.9				111.3		111.3			
Accrued expenses	451.1		451.1				479.5		479.5			
Other current liabilities	188.8	9.5	198.3			9.5	134.3	7.3	141.6			7.3
Total financial liabilities	**3,660.4**	**11.3**	**3,671.7**	**-**	-	**11.3**	**3,215.7**	**7.3**	**3,223.0**	**-**	-	**7.3**
Balance at January 1,						54.5						24.4
Fair value through profit or loss						-10.5						0.1
Additions related to business combinations						-110.6						13.0
Payments						108.3						17.1
Currency exchange differences						-1.7						-0.1
Closing balance at December 31,						**40.0**						**54.5**

6.7 FINANCIAL ITEMS

Accounting policy

Financial items mainly consist of interest income and interest expenses, bank fees and interest on lease liabilities. Further are realised and unrealised foreign exchange gains and losses included in the financial items. Interest income and interest expenses are accrued based on the principal amount and the effective interest rate.

Adjustments of contingent considerations related to business acquisitions are also included in financial items.

MSEK	2024	2023
Financial income:		
Interest income	14.6	8.3
Net exchange rate gains	-	18.6
Adjustment of contingent considerations	-	5.5
Other financial income	0.2	3.1
Total financial income	**14.8**	**35.5**
Financial expenses:		
Interest expenses	-162.1	-146.2
Net exchange rate losses	-32.3	-
Other financial expenses	-1.3	-5.7
Total financial expenses	**-195.7**	**-151.9**
Net financial items	**-180.9**	**-116.4**

7. Other notes

7.1 RELATED PARTIES
The Group's related parties with significant influence include the Board, the Senior Executives and their close family. Related parties also include companies in which the aforementioned persons have control or significant influence. Karnov did not enter any significant transactions with related parties in 2024 nor in 2023 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 or shareholdings in Karnov Group AB (publ). For more information see section 2.

7.2 EVENTS AFTER THE BALANCE SHEET DATE
No significant events after balance sheet date.

7.3 AUDIT FEE
Audit services refer to examination of the consolidated financial statements, the accounts and the administration of the Board of Directors and the President & CEO of the Company; other tasks incumbent on the Company's auditor; and advice or other assistance prompted by observations from such audits or the performance of other such tasks. Of the total fee for audit services of SEK 6.7 (7.5) m, SEK 6.4 m (7.1) are invoiced by PwC for the statutory audit. Of total other fees of SEK 0.8 m (0.8), SEK 0.6 m (0.7) are invoiced by PwC (the statutory auditors of Karnov Group AB (publ).

	Assigned auditor		Other auditors	
MSEK	**2024**	**2023**	**2024**	**2023**
Audit services	6.4	7.1	0.3	0.4
Audit-related services	0.5	0.4	0.2	0.1
Tax services	0.1	0.2	-	-
Non-audit services	-	0.1	-	-
Total	**7.0**	**7.8**	**0.5**	**0.5**

Parent company statement of comprehensive income

MSEK	Note	2024	2023
Employee benefit expenses	8.2	-9.2	-5.3
Depreciations and amortisations		-0.1	-0.1
Other operating income and expenses	8.8	-17.1	-15.4
Operating profit (EBIT)		**-26.4**	**-20.8**
Financial income	8.7	145.8	185.7
Financial expenses	8.7	-89.6	-37.3
Dividend received		-	45.0
Net financial items		**56.2**	**193.4**
Group contributions		30.0	42.7
Profit before tax		**59.8**	**215.3**
Tax on profit for the year	8.5	2.6	-
Profit for the year		**62.4**	**215.3**
Total comprehensive income for the year		**62.4**	**215.3**

Parent company balance sheet

MSEK	Note	31 Dec 2024	31 Dec 2023
ASSETS:			
Borrowing from group companies		2,940.8	2,522.5
Investments in group companies	8.3	1,169.2	1,161.8
Right-of-use assets		0.5	-
Deferred tax assets		2.5	-
Total non-current assets		**4,113.0**	**3,684.3**
Borrowing from group companies		91.8	70.0
Prepaid expenses		1.0	0.9
Other receivables		0.2	0.7
Tax receivables		2.3	2.3
Cash and cash equivalents	8.6	336.2	16.4
Total current assets		**431.5**	**90.3**
TOTAL ASSETS		**4,544.5**	**3,774.6**

Parent company balance sheet cont.

MSEK	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES:			
Restricted equity			
Share capital		1.7	1.7
Non-restricted equity			
Share premium		2,654.0	2,654.0
Retained earnings including net profit for the year		111.2	41.3
Total equity		**2,766.9**	**2,697.0**
Lease liabilities		0.3	-
Borrowing from group companies	8.6	26.5	55.4
Borrowing from credit institutions	8.6	1,304.9	899.5
Total non-current liabilities		**1,331.7**	**954.9**
Borrowing from credit institutions	8.6	114.9	83.2
Trade payables		2.3	1.2
Borrowing from group companies		323.0	34.1
Accrued expenses		4.2	4.1
Leasing liabilities		0.2	-
Other current liabilities		1.3	0.1
Total current liabilities		**445.9**	**122.7**
TOTAL EQUITY AND LIABILITIES		**4,544.5**	**3,774.6**

Parent company statement of changes in equity

MSEK	Share capital	Share premium	Treasury shares	Retained earnings	Total equity
Balance at January 1, 2024	**1.7**	**2,654.0**	**-**	**41.3**	**2,697.0**
Comprehensive income:					
Profit for the year	-	-	-	62.4	62.4
Total comprehensive income/loss	**-**	**-**	**-**	**62.4**	**62.4**
Transactions with shareholders in their capacity as owners:					
Sharebased payments	-	-	-	7.5	7.5
Total transaction with shareholders	**-**	**-**	**-**	**7.5**	**7.5**
Closing balance at December 31, 2024	**1.7**	**2,654.0**	**-**	**111.2**	**2,766.9**

MSEK	Share capital	Share premium	Treasury shares	Retained earnings	Total equity
Balance at January 1, 2023	**1.7**	**2,654.0**	**-**	**-177.7**	**2,478.0**
Comprehensive income:					
Profit for the year	-	-	-	215.3	215.3
Total comprehensive income/loss	**-**	**-**	**-**	**215.3**	**215.3**
Transactions with shareholders in their capacity as owners:					
Sharebased payments	-	-	-	3.7	3.7
Total transaction with shareholders	**-**	**-**	**-**	**3.7**	**3.7**
Closing balance at December 31, 2023	**1.7**	**2,654.0**	**-**	**41.3**	**2,697.0**

Parent company cash flow statement

MSEK	Note	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES			
Operating profit		-26.4	-20.8
Non-cash items		0.2	0.1
Group contributions		30.0	42.7
Net effect of changes in working capital			
Change in receivables		0.3	-1.1
Change in trade payables and other payables		1.9	-10.5
Change in intercompany receivables		-21.8	-1,295.9
Change in intercompany payables		3.5	74.9
Interest paid		-79.8	-33.1
Interest received		3.8	168.6
Corporate tax paid		-	-3.3
Cash flow from operating activities		**-88.3**	**-1,078.4**
Cash flow from financing activities			
Repayment of lease liabilities		-0.1	-0.1
Dividend received		-	45.0
Repayment long-term debt		-83.2	-
Proceeds long-term debt		491.4	1,038.4
Cash flow from financing activities		408.1	1,083.3
Cash flow for the period		**319.8**	**4.9**
Cash and cash equivalents at the beginning of the year		16.4	11.5
Exchange-rate differences in cash and cash equivalents		-	-
Cash and cash equivalents at the end of the year	8.6	**336.2**	**16.4**

8. Parent company notes

8.1 ACCOUNTING POLICIES IN THE PARENT COMPANY

Basis of preparation and accounting policy

The Parent's financial statements have been prepared in accordance with RFR 2, Accounting for Legal Entities, and the Swedish Annual Accounts Act. This implies that the Parent applies different accounting principles compared to the Group in the following areas.

Format of income statement and balance sheet

The Parent uses the formats specified by the Swedish Annual Accounts Act. This entails that a different presentation compared to the Group is applied principally regarding finance income and costs, statement of total comprehensive income, provisions and statement of changes in equity.

Financial instruments

The Parent Company applies the exception specified in RFR 2, which implies that IFRS 9, Financial Instruments: Recognition and Measurement, needs not be applied to legal entities. Instead, a method based on acquisition cost is applied, in accordance with the Swedish Annual Accounts Act.

Shares in subsidiaries

Shares in subsidiaries are reported at acquisition cost less any impairment loss. Cost of shares in subsidiaries includes acquisition-related costs and any additional consideration. Dividends received are reported as a financial income in the income statement.

When there is an indication that shares and participations in subsidiaries are impaired, an estimate of the recoverable amount is made. If this is lower than the carrying amount, a write-down is performed. Impairment is recorded within "result from participations in Group companies" in the income statement.

8.2 EMPLOYEE BENEFITS AND INCENTIVE PROGRAM

Specification of:

Wages, bonus, benefits, social contributions and pensions

MSEK	Compensation for board work	Wages, bonus and other benefits	Social contributions	Pension benefits	Total
2024					
Board of directors	3.2	-	-	-	3.2
Other employees	-	0.9	1.3	0.1	2.3
Other personnel-related costs	-	-	-	-	3.7
Total	**3.2**	**0.9**	**1.3**	**0.1**	**9.2**

Wages, bonus, benefits, social contributions and pensions

MSEK	Compensation for board work	Wages, bonus and other benefits	Social contributions	Pension benefits	Total
2023					
Board of directors	2.7	-	-	-	2.7
Other employees	-	0.7	1.2	0.1	2.0
Other personnel-related costs	-	-	-	-	0.6
Total	**2.7**	**0.7**	**1.2**	**0.1**	**5.3**

Gender distribution of board members and other senior management	2024			2023		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Members of the Board of the Parent company	4	2	6	4	2	6
Excecutive directors and other senior management (Group management)	-	-	-	-	-	-
Total	**4**	**2**	**6**	**4**	**2**	**6**

CEO and other senior management (Group management team) are not employed in the parent company.

8.3 INVESTMENTS IN GROUP COMPANIES

Specification of:

MSEK	2024	2023
Cost at beginning of period	**1,161.8**	**1,158.1**
Capital increase/ Sharebased payment	7.4	3.7
Carrying amount at 31 December 2024	**1,169.2**	**1,161.8**

The increase relates only to sharebased payment.

8.4 CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES

The parent of the group is borrower and guarantor in the Facilities Agreement disclosed in note 6.4. As guarantor the Parent is jointly and severally guaranteeing the performance of all borrowers of the Facility Agreement. The Parent has SEK 1,420 m of the total SEK 2,686 m Facility Agreement debt on its own balance sheet and is thus additionally guaranteeing for SEK 1266 m of debt recognized on the balance sheets of other group entities

8.5 TAXES

Specification of:

MSEK	2024	2023
Current tax:		
Current tax for the year	-2.6	8.7
Total current tax	**-2.6**	**8.7**
Deferred income tax		
Change in deferred tax for the year	-	-8.7
Total deferred tax expense/income	**-**	**-8.7**
Tax on profit for the year	**-2.6**	**-**

Reconciliation of effective tax

MSEK	2024	2023
Profit before tax	59.8	215.3
Income tax calculated according to current tax rate	12.3	44.4
Non-taxable dividend	-	-9.3
Tax effect of interest netting	-15.0	-26.4
Expenses not deductible for tax purposes	0.1	-
Previously unrecognised tax losses and deferred tax assets	-	-8.7
Tax on profit for the year	**-2.6**	**-**

8.6 FINANCIAL RISKS

The Parent Company's financial risks are related to currency exposure on especially borrowings from credit institutions denominated in EUR and DKK. Additionally is the borrowings from credit institutions issued at floating interest rates.

Please refer to note 6.4 to the consolidated financial statement for more details of the significant terms of borrowings.

The Group has in 2024 established a group wide cash pool with the Parent Company as legal owner. This has increased the cash position and currency diversity of Cash and cash equivalents in the Parent Company as well as it has increased the borrowings from group companies.

MSEK	SEK	DKK	NOK	EUR
2024				
Borrowing from group companies	2,442.6	491.2	-	98.8
Cash and cash equivalents	216.9	148.8	53.2	-82.7
Borrowing from credit institutions	-	-486.6	-	-933.2
Borrowing from group companies	-245.8	-192.2	-53.1	141.6
Total	**2,413.7**	**-38.8**	**0.1**	**-775.5**

MSEK	SEK	DKK	NOK	EUR
2023				
Borrowing from group companies	2,513.0	-	-	79.5
Cash and cash equivalents	23.2	1.1	-	-7.9
Borrowing from credit institutions	-	-	-	-982.7
Borrowing from group companies	-56.7	-32.5	-	-0.3
Total	**2,479.5**	**-31.4**	**-**	**-911.4**

MSEK	< 1 year	Between 1 - 5 years	> 5 years
2024			
Borrowing from group companies	91.8	2,940.8	-
Borrowing from credit institutions	-114.9	-1,304.9	-
Borrowing from group companies	-323.0	-26.5	-
Total	**-346.1**	**1,609.4**	**-**

MSEK	< 1 year	Between 1 - 5 years	> 5 years
2023			
Borrowing from group companies	70.0	2,522.5	-
Borrowing from credit institutions	-83.2	-899.5	-
Borrowing from group companies	-34.1	-55.4	-
Total	**-47.3**	**1,567.6**	**-**

8.7 FINANCIAL ITEMS

Specification of:

MSEK	2024	2023
Financial income:		
Interest income external	3.7	1.0
Interest income group companies	142.1	162.4
Net exchange rate gains	-	15.9
Other financial income	-	6.4
Total financial income	**145.8**	**185.7**
Financial expenses:		
Interest expenses external	-65.0	-31.6
Interest expense group companies	-4.3	-0.3
Net exchange rate losses	-11.3	-
Other financial expenses	-9.0	-5.4
Total financial expenses	**-89.6**	**-37.3**
Net financial items	**56.2**	**148.4**

8.8 AUDIT FEE

Specification of:

	Assigned auditor		Other auditors	
MSEK	**2024**	**2023**	**2024**	**2023**
Audit services	1.8	1.9	-	-
Audit-related services	-	-	-	-
Tax services	-	0.1	-	-
Non-audit services	0.3	0.1	-	-
Total	**2.1**	**2.1**	**-**	**-**

Appropriation of profit and signatures

The Board of Directors of Karnov Group AB (publ) proposes that the Group's income statement and balance sheet be presented for adoption to the annual general meeting to be held on May 15, 2025. Karnov Group intends to improve the net debt /equity ratio to a level below the financial target of 3.0x EBITDA LTM and continue invest in the Region South integration and the Acceleration Initiative to harvest synergies and improve the Group's profitability. The Board of Directors proposes no dividend for the Annual General Meeting on May 15, 2025.

AT THE DISPOSAL OF THE ANNUAL GENERAL MEETING

SEK	2024
Share premium	2,654,034,291
Retained earnings including net profit for the year	48,825,687
Profit for the period	62,351,856
Total carried forward	**2,765,211,834**
The Board proposes that the profits be appropriated as follows:	
Proposed dividend	-
Amount carried forward	**2,765,211,834**

THE BOARD OF DIRECTORS' DECLARATION

The Board of Directors and the CEO certify that these consolidated financial statements and Annual report together with the Corporate Governance report on page 54-63 and the Sustainability report on pages 32-52 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.

The Directors' Report gives a fair overview of the development of the Group's and Parent company's operations, financial position and results of operations, and describes the significant risks and uncertainties facing the Parent company and the companies included in the Group. The undersigned hereby also submit Karnov Group's sustainability report for 2024.

Stockholm, March 31, 2025

Magnus Mandersson
Chairman of the Board

Ulf Bonnevier
Board member

Lone Møller Olsen
Board member

Salla Vainio
Board member

Loris Barisa
Board member

Ted Keith
Board member

Pontus Bodelsson
President and CEO

Our audit report was presented on March 31, 2025
PricewaterhouseCoopers AB

Martin Johansson
Authorized Public Accountant
Auditor in charge

Patrik Larsson
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Karnov Group AB (publ), corporate identity number 559016-9016

Report on the annual accounts and consolidated accounts

Opinions

We have performed an audit of the annual accounts and consolidated accounts of Karnov Group AB (publ) for year 2024 which are included on pages 65-124 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act.
The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the Statement of comprehensive statement and balance sheet for the parent company and group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of Directors in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor’s Responsibilities section. We are independent of the parent company and group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Focus and scope of the audit

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where the Board of Directors and the Managing Director made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of the Board of Directors and the Managing Director override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.
Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key audit matter	*How our audit considered the key audit matter*
Impairment testing of goodwill and other acquired intangible assets With reference to note 3.1, 3.5 and 3.6 in the annual report. As of 31 December 2024, goodwill and other acquired intangible assets amounted to 5,564 MSEK. According to IFRS Accounting standards, an annual impairment test is to be performed. This impairment text is based on judgements and assumptions which are complex and involve a high degree of significant assessments on behalf of management. Note 3.5 describes the manner in which management has undertaken their assessment. It is also seen that no impairment requirement has been identified based on the applied assumptions. Impairment testing takes place for the separate segments as cash generating units	In our audit, we have taken position on management's assumptions and estimates. This has taken place, for example, through an analysis of the degree to which previous years' assumptions have been achieved and has also considered possible adjustments of the assumptions from previous years due to the development of the operations and external factors. We have challenged management in regard to judgements concerning future cash flow and WACC. We have executed our own sensitivity analyses to test the safety margins. We have evaluated the accuracy with which management prepared its forecast in prior periods. We have tested the impact of changes in significant assumptions such as growth rate and WACC on safety margins and, based on these, we have assessed the risk of an impairment requirement arising. We have also assessed the correctness of the disclosures included in the financial statements.

Other information than the annual accounts and consolidated accounts

This document also contains information other than the annual report and consolidated financial statements and is found on pages 1-53 and 130-135. The sustainability report is included on pages 32-52. The other information also consists of the 2024 remuneration report that we obtained before the date of this auditor's report.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. and, as regards the consolidated accounts, according to IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determines is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company and group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, cease operations or has no realistic alternative to doing any of this

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other requirements according to laws and other constitutions

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, We have also audited the administration of the Board of Directors and the Managing Director of Karnov Group AB (publ) for year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent in relation of the parent company and group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company and group's type of operations, size and risks place on the size of the parent company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the management of the company's affairs. This includes among other things continuous assessment of the company and group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration can be found on the Auditor's Inspection's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the Esef report

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolodated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Karnov Group AB (publ) (publ) for the year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinions

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Karnov Group AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for thepurpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolodated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed as Karnov Group AB (publ)'s auditor by the general meeting on 8 May 2024 and has been the company's auditor since Annual General Meeting 2015.

Stockholm 31 March 2025

Öhrlings PricewaterhouseCoopers AB

Martin Johansson
Authorized Public Accountant
Responsible Auditor

Patrik Larsson
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Quarterly review

MSEK	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Income statement				
Net sales	690.5	647.7	622.8	631.7
EBITDA	144.8	122.7	117.9	146.1
EBITDA margin, %	21.0%	18.9%	18.9%	23.1%
EBITA	99.8	80.0	78.4	107.3
EBITA margin, %	14.5%	12.4%	12.6%	17.0%
Adjusted EBITA	162.4	143.1	131.6	143.5
Adjusted EBITA margin, %	23.5%	22.1%	21.1%	22.7%
Operating profit (EBIT)	43.6	23.1	24.4	54.9
EBIT, margin %	6.3%	3.6%	3.9%	8.7%
Net financial items	-48.9	-37.6	-24.8	-69.6
Profit for the period	-9.8	-12.3	0.8	-11.8
Balance sheet				
Non-current assets	6,455.6	6,366.1	6,468.0	6,082.2
Current assets	1,033.5	908.4	1,020.7	1,149.1
Cash and cash equivalents	402.8	370.7	494.3	523.7
Equity	2,373.5	2,346.2	2,376.7	2,399.4
Non-current liabilities	3,165.7	3,131.7	3,172.0	2,853.2
Borrowing from credit institutions, short term	1,949.9	1,796.6	1,940.0	1,978.7
TOTAL ASSETS	7,489.1	7,274.5	7,488.7	7,231.3

Quarterly review cont.

MSEK	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Cash flow				
Cash flow from operating activities	209.3	-42.4	17.4	131.2
Cash flow from investing activities	-55.6	-69.8	-430.5	-46.0
Cash flow from financing activities	-122.4	-15.3	393.7	-20.2
Cash flow for the period	31.2	-127.5	-19.4	65.0
Key ratios				
Net working capital	-916.4	-888.0	-919.3	-829.5
Equity/asset ratio, %	31.7%	32.3%	31.7%	33.2%
Adjusted free cashflow	210.4	-32.1	13.9	106.6
Net debt	2,283.0	2,270.6	2,163.1	1,769.5
Share data:				
Weighted average number of ordinary shares (thousands)	107,876	107,876	107,876	107,876
Earnings per share, basic, SEK	-0.09	-0.11	0.01	-0.11
Earnings per share, after dilution, SEK	-0.09	-0.11	0.01	-0.11

Reconciliation of 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.

	North		South		Group Functions		Total	
MSEK	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Organic business	1,161.3	1,042.9	1,382.8	118.3	-	-	2,544.1	1,161.2
Acquired business	54.3	7.1	3.7	1,268.1	-	-	58.0	1,275.2
Currency	-4.9	35.8	-4.5	2.4	-	-	-9.4	38.2
Net sales	**1,210.7**	**1,085.8**	**1,382.0**	**1,388.8**	**-**	**-**	**2,592.7**	**2,474.6**
Total net sales split, %								
Organic growth, %	7.0%	4.4%	-0.4%	3.8%	-	-	2.8%	4.3%
Acquired business, %	5.0%	0.7%	0.3%	1110.4%	-	-	2.3%	114.5%
Currency effect, %	-0.5%	3.6%	-0.4%	2.1%	-	-	-0.3%	3.4%
Total growth, %	**11.5%**	**8.7%**	**-0.5%**	**1116.3%**	**-**	**-**	**4.8%**	**122.2%**
EBITDA	**566.0**	**515.5**	**81.7**	**101.4**	**-116.2**	**-93.1**	**531.5**	**523.8**
EBITDA margin, %	46.7%	47.5%	5.9%	7.3%	-	-	20.5%	21.2%
Depreciations and amortisations	-85.0	-74.4	-80.6	-79.3	-0.4	-0.1	-166.0	-153.8
EBITA	**481.0**	**441.1**	**1.1**	**22.1**	**-116.6**	**-93.2**	**365.5**	**370.0**
EBITA margin, %	39.7%	40.6%	0.1%	1.6%	-	-	14.1%	15.0%
Items affecting comparability	-39.7	-3.1	-152.5	-107.0	-22.9	-10.3	-215.1	-120.4
Adjusted EBITDA	**605.7**	**511.3**	**234.2**	**208.4**	**-93.3**	**-82.8**	**746.6**	**636.9**
Adjusted EBITDA margin, %	50.0%	47.1%	16.9%	15.0%	-	-	28.8%	25.7%
Adjusted EBITA	**520.7**	**441.5**	**153.6**	**129.1**	**-93.7**	**-82.9**	**580.6**	**487.7**
Adjusted EBITA margin, %	43.0%	40.7%	11.1%	9.3%	-	-	22.4%	19.7%
Items affecting comparability								
Post-closing integration costs	-	-	-114.3	-93.1	-2.4	-6.1	-116.7	-99.2
Restructuring costs	-31.4	-3.1	-4.3	-	-9.9	-	-45.6	-3.1
Acquisition costs	-7.9	-	-3.3	-13.9	0.4	-4.2	-10.8	-18.1
Other extraordinary items	-0.4	-	-30.6	-	-11.0	-	-42.0	-
Total	**-39.7**	**-3.1**	**-152.5**	**-107.0**	**-22.9**	**-10.3**	**-215.1**	**-120.4**
Items affecting comparability classification								
Operating costs	-39.7	4.2	-152.5	-107.0	-22.9	-10.3	-215.1	-113.1
Depreciations and amortisations	-	-4.6	-	-	-	-	-	-4.6
Amortisations from acquisitions	-	-2.7	-	-	-	-	-	-2.7

Financial definitions

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

The measures are used by Karnov to help both investors and management to analyse its operations. The measures used in this 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 adjusted for the impact of 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 free cash flow	Cash flow from operating activities less capital expenditure and leasing liabilities and adjusted for cash effect of items affecting comparability	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
Average number of full-time employees (FTEs)	Average number of full-time employees during the reporting period.	Non-financial key ratio.
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.
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.

Key ratio	Definition	Reason for use
Leverage ratio (Net debt/adjusted EBITDA LTM excluding leasing liabilities	Net debt on the balance sheet date divided by adjusted EBITDA including proforma adjustments for business acquisitions and divestments for the last twelve months (LTM).	Relevant to analyse to ensure that Karnov has an appropriate financing structure.
Net debt	Total net borrowings including capitalised bank costs excluding leasing liabilities less cash and cash equivalents.	The measure is used since it allows for an assessment of whether Karnov has an appropriate financing structure.
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.
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.
Proforma	Organic financial results and financial results from acquired entities on consolidated basis.	The measure provides the reader a greater overview of Region South and the new Group's financial results.

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