Press Release – 12 November 2025

Karnov Group reports third quarter 2025

Stronger margins, steady growth and new AI solutions

FINANCIAL HIGHLIGHTS THIRD QUARTER

- The Group's net sales amounted to SEK 654 m (648). Organic growth (constant currency) was 3.9%. Currency effect was -2.4%. Acquired growth was -0.5%.
- The Group's adjusted EBITA amounted to SEK 172 m (143) with adjusted EBITA margin of 26.3% (22.1).
- The Group's EBIT amounted to SEK 89 m (23).
- Profit for the period amounted to SEK 43 m (-12).
- Earnings per share before and after dilution amounted to SEK 0.40 (-0.11).
- Adjusted free cash flow amounted to SEK -36 m (-32).

COMMENT FROM CEO PONTUS BODELSSON

In the third quarter, the adjusted EBITA margin improved by 4 percentage points to 26% and the organic growth was 4%. We progressed with our decisive steps to reshape Region South, resulting in strong margins improvement in the quarter. We had continued AI sales traction and launched the next generation of AI solutions, including an AI solution for municipal caseworkers. We are preparing to launch our AI legal research solution KAILA in Region South in the first half of 2026.

AI SALES PROGRESSION AND MARGIN IMPROVEMENTS

The Group's net sales amounted to SEK 654 m in the third quarter, with organic growth reaching 4% mainly relating to solid online sales growth in Region North. The online sales growth is driven by customer uplifts as well as stable user growth, especially in the public sector. KAILA has been adopted by leading law firms and public authorities, and customers are upscaling as they confirm material productivity gains.

The Group's adjusted EBITA margin reached 26% in the third quarter, an improvement of more than 4 percentage points compared to the third quarter last year. The improvement is mainly driven by Region South, where our decisive steps to reshape the business are coming through. The Spanish legal training business was divested at the end of July, and the divestment is a material driver of the improved margin. We are progressing with the rationalisation of unprofitable products. Operational leverage in Region North is also contributing positively to margins thanks to higher net sales. Our progress with the Group's cost-efficiency initiatives have resulted in annual run-rate synergies of SEK 217 m by the end of the third quarter, ahead of plan.

NEXT GENERATION OF KAILA LAUNCHED

We are close to our customers and have launched the next generation of KAILA, integrating customers' own legal documents for analysis, reviews, risk identification and improvements. Further, we launched a new AI-based solution specifically targeting municipal caseworkers in Denmark and Sweden. The new solution integrates local regulations and Karnov's expert-authored content in a unified solution, making it an efficient and reliable tool for local caseworkers without legal training in critical decisions. It is a great example of how AI expands the addressable user markets for content plus workflow.

LAUNCHING AI-BASED WORKFLOW TOOLS IN 2026

Thanks to our long-lasting local customer relationships and trusted legal databases, we are well-positioned to expand into the market for AI-based legal workflow tools. The tools will have Karnov's trusted content seamlessly integrated in all phases of legal work. This broadens the scope of legal work we support and generates more value for our customers, while also creating new revenue streams on an expanding market. Our ambition is to have a suite of AI-based workflow tools launched on all markets during 2026.

BUILDING FOR THE FUTURE

Our EHS businesses have developed and performed well under Karnov's leadership and serve the EHS market with high-quality, market-leading offers and a strong technology basis. We have entered an agreement to divest the EHS businesses to Infopro Digital Group for approx. SEK 1 billion. The transaction generates high multiples on invested capital. The divestment sharpens our focus on our core businesses. The allocation of net proceeds will be determined using our capital allocation framework.

CONFERENCE CALL ON 12 NOVEMBER 2025

A webcasted telephone conference will be held at 09.00 a.m. CET today, where CEO Pontus Bodelsson and CFO Magnus Hansson will present the report and answer questions.

You can follow the presentation via webcast and ask questions in written form on the following page: https://karnov-group.events.inderes.com/q3-report-2025

If you wish to participate via telephone, and thereby be able to ask questions verbally, please register on the link below. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference: https://events.inderes.com/karnov-group/q3-report-2025/dial-in

The presentation material and the report will be available before the conference starts at www.karnovgroup.com. An on-demand version will also be available after the presentation. The presentation will also be available on www.financialhearings.com.

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