

# Sales growth and improved gross margin

Q2 2022

## BOKUSGRUPPEN'S INTERIM REPORT FOR JANUARY–JUNE 2022

### Q2 2022

- Net sales increased 2.1% to MSEK 341.5 (334.4)
- The gross margin was 41.3% (37.7)
- EBITA increased to MSEK 4.9 (-16.7)
- EBITA excl. items affecting comparability decreased by MSEK 4.4 to MSEK -21.6 (-17.2)
- EBITA LTM was MSEK 147.7 (87.2)
- The Group's net profit/loss improved by MSEK 18.4 to MSEK -7.4 (-25.8)
- Earnings per share amounted to SEK -0.46 (-1.69)

### January–June 2022

- Net sales decreased 1.8% to MSEK 782.2 (796.3)
- The gross margin was 38.6% (34.7)
- EBITA increased to MSEK 4.5 (-19.0)
- EBITA excl. items affecting comparability decreased by MSEK 1.3 to MSEK -23.8 (-22.5)
- The Group's net profit/loss improved by MSEK 23.1 to MSEK -17.9 (-41.0)
- Earnings per share amounted to SEK -1.11 (-2.86)

### Significant events in the second quarter

- The strategic move of e-commerce logistics to our new partner Almroths was successful.
- Pension refunds totalling MSEK 26.3 were received from Folksam and Pensionsvalet.
- Ola Maalsnes was appointed new CFO of Bokusgruppen AB (publ). Ola will assume the position in October from Jane Jangefeldt, who has chosen to leave her role as CFO. Ola will be joining the Group from his most recent position as CFO of Ework Group AB.

**2.1%**

SALES GROWTH IN THE QUARTER

**16.0%**

SALES GROWTH IN AKADEMIBOKHANDELN STORES IN THE QUARTER

**12.0%**

GROSS PROFIT GROWTH IN THE QUARTER

MSEK	2022 Apr–Jun	2021 Apr–Jun	2022 Jan–Jun	2021 Jan–Jun	LTM	Full-year 2021
Net sales	341.5	334.4	782.2	796.3	1,852.1	1,866.1
Net sales growth, %	2.1%	12.0%	-1.8%	7.2%	1.3%	5.1%
Gross margin, %	41.3%	37.7%	38.6%	34.7%	40.1%	38.4%
EBITDA	36.2	13.2	66.4	41.1	271.4	246.0
EBITA	4.9	-16.7	4.5	-19.0	147.7	124.1
EBITA excl. items affecting comparability	-21.6	-17.2	-23.8	-22.5	107.2	108.5
EBIT	-6.0	-27.2	-16.3	-39.9	104.6	81.1
Net profit/loss	-7.4	-25.8	-17.9	-41.0	73.6	50.5
Earnings per share, SEK <sup>1)</sup>	-0.46	-1.69	-1.11	-2.86	4.55	3.31
Equity per share	38.1	38.6	38.1	41.1	38.1	44.6
Operating cash flow	-14.6	-44.3	-117.8	-96.2	195.7	217.2
Share of sales in online channels, %	40.8%	47.8%	44.5%	51.4%	41.6%	44.5%

1) Earnings per share before and after dilution

**ABOUT BOKUSGRUPPEN**

# Sweden's leading book retailer

Bokusgruppen AB (publ) is Sweden's market-leading book retailer which, with strong and complementary brands, reaches a very large share of Sweden's population. In addition to books in all channels and formats, a large and inspirational range of other products is also offered. Based on its vision – "Everyone should experience the joy of reading, every day" – Bokusgruppen aims to satisfy the customers' varying requirements and be the preferred choice for as many as possible.



- Sales of approximately SEK 1.9 billion
- 45% of sales in online channels and 55% in stores
- Average of 403 employees



- 39 million online visits
- 13 million in-store visits



- Strong brand awareness:**
- 95% for Akademibokhandeln
  - 81% for Bokus



- 0.9 million active Bokus customers
- 2.1 million members of the Akademibokhandeln Vänner loyalty club, of which 1.3 million active\*

\*At least one purchase in the last 12 months

The above figures refer to 2021 unless otherwise stated.

## bokus

Online shopping with over ten million physical and digital book titles, a seamless customer experience and low prices.

Part of the segment **Bokus Online**

## bokus play

Subscription service for audio books and e-books with more than 60,000 book titles.

Part of the segment **Bokus Online**



**AKADEMIBOKHANDELN**

A network of approx. 100 stores and a growing online shopping business. Product range of books, board games, toys, art supplies and gift wrapping.

Part of the segments **Akademibokhandeln Stores & Akademibokhandeln Online**



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It is gratifying that customers have found their way back to our stores

## COMMENTS FROM THE CEO

# Sales growth and improved gross margin

Sales increased 2.1% during the quarter, driven by strong sales in stores. The return to stores from online shopping continued and, generally speaking, consumer behaviour is back to what it was before the pandemic. Gross margins improved in all segments and also benefited from the recovery in stores. Adjusted for items affecting comparability, however, EBITA was still lower than the previous year. During the quarter, the planned move to a new logistics partner for e-commerce was completed and an important piece of the puzzle for Bokusgruppen's customer offering has now fallen into place.

We are pleased to note that the second quarter posted year-on-year sales growth of 2.1%. This was driven by the Akademibokhandeln Stores segment, where sales are now approaching pre-pandemic levels despite a smaller number of stores. Sales in stores increased 16.0% during the quarter and a cumulative 12.2% this year.

The gross margin improved in all segments, but especially in online channels. A larger share of sales in stores was also a contributing factor. This is a sign of strength in a time when the purchase prices for many items are rising, which means that we need to offset these by selectively increasing consumer prices.

Brand initiatives for Bokus and Bokus Play as well as other initiatives to strengthen our e-commerce offering continued during the quarter. Our personnel costs for stores also increased in order to meet growing customer streams. Adjusted for items affecting comparability, primarily in the form of pension refunds of approximately MSEK 26.3, EBITA amounted to MSEK -21.6, a year-on-year decrease MSEK 4.3.

Earnings for the year's second, and smallest, quarter are usually negative due to our normal seasonal variations, with lower profitability during the first quarter and improving towards the end of the year.

The adjusted operating cash flow improved by MSEK 33.2 over the previous year, largely attributable to the pension refunds. The adjusted operating cash flow amounted to MSEK -42.8. The negative cash flow is in line with our seasonal variations.

### New logistics partner – an important milestone

The most important event during the quarter was the planned move to Almroths, our new e-commerce logistics partner. The actual relocation of stock was carried out during the end of the quarter and was overall successful. Eventually, it will entail an even better level of service and the opportunity for us to meet customers' new needs and increased expectations.

### Upswing for stores and general slowdown online

It is very gratifying that customers have now found their way back to our stores and that they remain a relevant meeting place. During the quarter, there was a great deal of focus on presents for all of the springtime events and holidays that could be held without restrictions this year. Author meet and greets are once again underway, with around 150 such events held during the quarter.

Swedish e-commerce saw a clear decline in the spring, after the pandemic. Bokusgruppen is no exception, but we can note that the downturn in our online channels appears to have slowed compared with the preceding quarter. Online sales are actually at a significantly higher level than before the pandemic, approximately 17% higher than the second quarter of 2019.

### **Successful investments in stores**

Stores have worked to tie their offerings with Bokus Play in a unique and successful way in an effective summer campaign. Our customers were previously more loyal in terms of their channel for purchasing and consuming books, while today we can see that more of them are moving freely between buying in stores and online, and consuming digital books through subscriptions. As a part of developing our store offering, we have now rolled out self-checkouts in seven stores. This allows customers to choose whether they want personal service or a fast payment solution they can carry out themselves.

### **Sustainability – an investment in the future**

We have continued our sustainability work on a broad front, including in the area of reading promotion.

Akademibokhandeln's stores participated in an industry-wide reading promotion initiative called Världsbokveckan (World Book Week), where school classes were invited to visit stores. We also had book exchange days in a select number of stores, a circular and sustainable initiative that will be expanded further in the autumn.

Together with our new logistics partner Almroths, we intend to gradually achieve more sustainable e-commerce deliveries.

### **Continued investments in marketing and brands**

During the quarter, we continued to strengthen the Bokus brand with the "För livets alla bokstunder" initiative, which included Bokus and Bokus Play. In a partnership with TikTok, Bokus also introduced an initiative to promote reading among young people. The hashtag #Bokstället has, in only a few weeks, already reached 5.9 million views.

### **Outlook**

We find ourselves in an uncertain global situation, not least with a terrible war that is continuing to wreak havoc on Ukraine and create turbulence in the rest of Europe. We can note that higher prices for energy and raw materials are

affecting us and that higher interest rates and inflation are reducing our customers' disposable income. This situation will continue to affect our operations to a certain degree. Most notably in the form of higher energy costs in stores, more expensive logistics and higher purchase prices. A strong focus in the coming quarter will be to offset these cost increases in various ways. Today, we see no signs that demand for books will be significantly affected by increased prices or decreased disposable income. Historically speaking, people who enjoy reading will continue to purchase books during difficult economic times.

The large swings we have seen in major channels in the last two years is a result of the pandemic waves that swept society, so we are preparing ourselves for what an eventual increase in the spread of the virus in autumn 2022 might entail. However, these drastic shifts make it clear that Bokusgruppen is well equipped to handle an uncertain and constantly changing operating environment, since we can offer the joy of reading to everyone regardless of how they choose to purchase and consume books.

Despite the clouds on the horizon, we look forward to the strong sales and earnings of the autumn months. We are pleased that we can now meet our customers without any limitations, even in stores, and provide personal service and guidance towards pleasant reading experiences. And with our new logistics solution in place, we can provide an even better and smoother customer experience to those who choose to shop online.

After a well-deserved vacation for our employees, a bookish autumn is approaching with exciting news, a variety of author meet and greets in our stores, and – of course – the return to schools and universities, where our "Skriva Spela Skapa" product range and course literature will take centre stage.

**Maria Edsman, CEO**

## OVERVIEW

## Consolidated financial trend

## Quarter

**Net sales**

Net sales for the Group amounted to MSEK 341.5 (334.4), up 2.1% year on year, driven primarily by increased store sales. The return to stores from online shopping meant that net sales for Akademibokhandeln Stores increased 16.0%, while net sales for Akademibokhandeln Online and Bokus Online decreased 9.7% and 13.3%, respectively, compared with the previous year, which is in line with the trend for Swedish e-commerce. Sales in online channels accounted for 40.8% of the Group's total sales in the quarter, compared with 47.3% in the first quarter and 47.8% in the year-earlier quarter.

The Akademibokhandeln Stores segment benefited from the lifting of pandemic restrictions in February. This has led to gradually increasing customer streams and the number of visits to stores increased 38% compared to the previous year. All segments posted stronger gross margins, especially in online channels. A shift in channel mix, with an increased portion of sales in stores, also helped improve the gross margin.

Online channels faced strong comparative figures from 2021. In total, net sales decreased 13.0%, though this is a recovery compared with the first quarter and 17% higher than before the pandemic. As expected, the change in e-commerce logistics provider at the end of the quarter entailed some delays in deliveries, which affected net sales somewhat in June.

Sales of digital books (single sales and through subscriptions) increased by 2.4% over the year-earlier period. Subscription

sales continued to display high growth, while single sales decreased due to restrictive rules for advertising on Google.

For trends in each segment, refer to pages 8–11.

**Earnings**

EBITA for the Group amounted to MSEK 4.9 (-16.7). Pension refunds of MSEK 26.3 from Folksam and Pensionsvalet had a positive impact on earnings. EBITA excluding items affecting comparability was MSEK -21.6 (-17.2). For more information about items affecting comparability, see Note 13.

The gross margin increased by 3.6 percentage points to 41.3%, compared to 37.7% in the year-earlier period, due to stronger margins in all segments and a larger share of store sales. Gross profit increased 12.0%.

Fixed operating expenses, including depreciation of right-of-use assets and property, plant and equipment and adjusted for items affecting comparability, were MSEK 19.4 higher than in the year-earlier period. The increase was primarily due to higher marketing expenses and initiatives to strengthen our e-commerce offering as well as increased personnel expenses due to the return to more typical staffing in stores to manage increased customer flows.

The negative EBITA excluding items affecting comparability for the quarter follows the pattern of normal seasonal variations. Read more under "Other information" on page 11.

The Group's amortisation of intangible assets was on a par with the year-earlier quarter.

Net profit/loss amounted to MSEK -7.4 (-25.8) and adjusted for items affecting comparability, net profit/loss amounted to MSEK -33.9 (-26.4).

**Report presentation Q2 2022**

- Maria Edsman and Jane Jangefeldt will present the interim report on 15 July at 10:00 a.m.
- <https://tv.streamfabriken.com/bokusgruppen-q2-2022>
- The presentation will be published afterwards on the company's website.

**Financial calendar 2022**

- 25 October 2022: Bokusgruppen publishes the Q3 2022 interim report
- 18 November: Second dividend payment.



## Period

### Net sales

Net sales for the Group amounted to MSEK 782.2 (796.3), down 1.8% year on year but on a par with the more typical year of 2019. The downturn is due to lower sales in online channels, which were not fully offset by increased sales in stores during the first quarter.

Sales growth for Akademibokhandeln Stores was 12.2%, while sales in online channels decreased 15.0%. Sales in online channels accounted for 44.5% of the Group's total sales, compared with 51.4% in the year-earlier period.

Sales in the Bokus Online and Akademibokhandeln Online segments decreased 14.8% and 16.8%, respectively, due to the return to stores after pandemic restrictions were lifted. The increased share of sales in stores contributed to improved gross margins.

For trends in each segment, refer to pages 8–11.

### Earnings

EBITA for the period amounted to MSEK 4.5 (-19.0). Pension refunds of MSEK 26.3 from Folksam and Pensionsvalet had a positive impact on earnings. EBITA excluding items affecting comparability was MSEK -23.8 (-22.5), which is in line with typical seasonal variations. For more information about items affecting comparability, see Note 13.

The gross margin amounted to 38.6%, up 3.9 percentage points from the year-earlier period, primarily due to improved gross margins in all segments and the shift from the online channel to stores. Gross profit grew 9.2%.

Fixed operating expenses, including depreciation of right-of-use assets and property, plant and equipment and adjusted for items affecting comparability, were MSEK 26.8 higher than in the year-earlier period. The increase was primarily due to planned costs for marketing and improved e-commerce logistics as well as increased staffing in stores to keep up with increased store visits.

The EBITA margin was 0.6%, or -3.0% adjusted for items affecting comparability. The EBITA margin LTM was 5.8%, which is in line with the financial target of 6%.

During the period, government grants related to the pandemic amounted to MSEK 2.0 (5.3). Refer to Note 6.

The Group's amortisation of intangible assets was on a par with the first half of the previous year.

Net profit/loss amounted to MSEK -17.9 (-41.0) and adjusted for items affecting comparability, net profit/loss amounted to MSEK -46.2 (-44.5).

Net sales growth in the quarter

**+2.1%**

Adjusted EBITA margin LTM

**+5.8%**

# Cash flow and financial position

## Cash flow and investments

Operating cash flow for the quarter improved MSEK 29.7 and amounted to MSEK -14.6 (-44.3). This is because during the quarter, the Group received pension refunds of MSEK 26.3. The negative cash flow follows the normal seasonal pattern.

Investments for the second quarter were on par with last year at MSEK -11.1 (-11.0). Most of the development for the quarter pertains to the new logistics solution for e-commerce.

Cash flow from financing activities amounted to MSEK 14.0 (-59.1), an improvement of MSEK 73.1, which is largely attributable to the amortisation of the company's long-term liabilities ahead of the listing last year.

Half of the dividends were distributed during the quarter and utilisation of the overdraft facility was lower than expected due to the pension refunds received.

The adjusted operating cash flow amounted to MSEK -42.8 (-76.0), which as an improvement of MSEK 33.2 and is largely attributable to the pension refunds and somewhat improved working capital.

Operating cash flow for first half of the year amounted to MSEK -117.9 (-96.2), a decrease of MSEK -21.6.

The negative cash flow follows the normal seasonal pattern. The change from last year is primarily due to changes in tied-up working capital and the positive accrual effect that arose in

the fourth quarter of 2021, which had a negative effect on the first half of 2022.

Investments for the first half of the year were on par with last year at MSEK -20.3 (-21.5).

Cash flow from financing activities amounted to MSEK -13.1 (-68.8), up MSEK 55.7 attributable to the above for the quarter.

The adjusted operating cash flow amounted to MSEK -173.1, down MSEK 35.6 year on year. This is due to a decrease in working capital resulting from very positive working capital of the fourth quarter in 2021, although this was partly offset by the pension refunds received in the second quarter of 2022.

## Financing

During the second quarter of 2021, Bokusgruppen entered into a one-year agreement with Nordea for an overdraft facility of MSEK 200.0 at a market interest rate subject to customary financial obligations. The overdraft facility has been extended by an additional year beginning in April 2022.

As of 30 June 2022, MSEK 66.4 of the overdraft facility had been utilised. The equity/assets ratio at the end of the period was 48% (45). Net debt/adjusted EBITDA LTM was 0.6x, compared with 1.4x on 30 June 2021.

Improved adjusted  
operating cash flow  
**MSEK +33.2**



SEGMENTS

# Bokus Online

Bokus.com is an online shopping service with over ten million physical and digital book titles. Bokus Play is a subscription service for audio books and e-books with over 60,000 book titles.

Net sales for Bokus Online amounted to MSEK 126.7 (146.2), a year-on-year decrease of 13.3% but an increase of 11.9% compared with 2019, which was a more typical year. Sales for the period decreased 14.8%, which is largely in line with the overall downturn in Swedish e-commerce. This downturn slowed somewhat during the second quarter. In the end of June, the move to the new e-commerce logistics supplier was successfully completed, though with minor delivery delays in the last few days. Marketing investments to strengthen the

brand have continued and a unique partnership was launched with TikTok to promote reading.

Digital sales (subscriptions and single sales) increased by 2.4% during the quarter. Single digital sales continued to be negatively impacted by the change to Google advertising, while subscription sales experienced a continued high rate of growth.

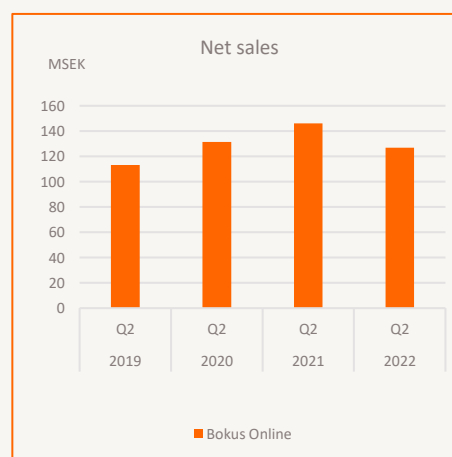
EBITA amounted to MSEK -1.9 for the quarter, compared with MSEK 4.9 in the preceding year, primarily due to costs from marketing investments and initiatives to improve the e-commerce offering. Lower sales were offset by a stronger gross margin because of price optimisation and increased shipping revenue. EBITA for the period amounted to MSEK 12.3 (19.2) and the EBITA margin was 4.0%.

NPS remained high at 64.

	Apr-Jun		Jan-Jun		Full-year
	2022	2021	2022	2021	2021
Net sales, MSEK	126.7	146.2	311.3	365.4	747.2
EBITA, MSEK	-1.9	4.9	12.3	19.2	43.2
No. of active customers (thousands), LTM			857	960	918
NPS	64	53	64	53	59

NPS (how likely customers are to recommend us)

64





# Akademibokhandeln Online

Akademibokhandeln.se is a growing online store with over ten million physical book titles. Together with Akademibokhandeln Stores, the segment provides a competitive omnichannel offering.

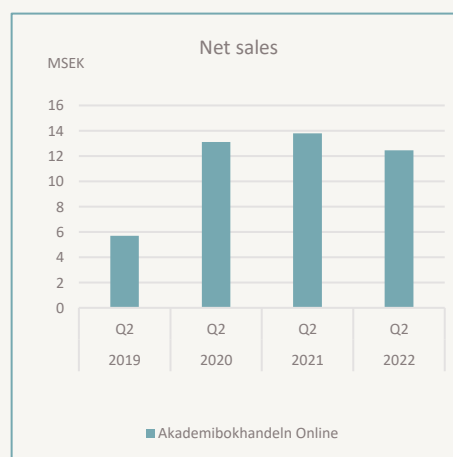
Net sales for Akademibokhandeln Online amounted to MSEK 12.5 (13.8) for the quarter, equivalent to a decrease of 9.7%. The drop in sales has slowed somewhat compared with the first quarter. Sales remain significantly higher than the pre-pandemic year of 2019 and are in line with 2020. Net sales for the period amounted to MSEK 36.5 (43.9), a year-on-year decrease of 16.8%.

The “Skriva Spela Skapa” range of other products, which was introduced in summer 2021, accounted for 6% of net sales, both cumulative and during the quarter. Sales of other products contributed to an increased gross margin for the quarter as well as the period. The annual national book sale also helped improve the margin for the period.

The online share of total sales for Akademibokhandeln (Stores and Online) was 5.8% (7.3) for the quarter. The figure for the period was 7.8%, compared to 10.2% for 2021.

EBITA for the quarter amounted to MSEK -1.2, MSEK 2.2 lower than in the year-earlier quarter. EBITA for the period amounted to MSEK 0.1 (4.8), which was attributable to the lower net sales and a higher share of distributed costs.

	Apr–Jun		Jan–Jun		Full-year
	2022	2021	2022	2021	2021
Net sales, MSEK	12.5	13.8	36.5	43.9	84.0
EBITA, MSEK	-1.2	1.0	0.1	4.8	9.9
Share of online sales, %	5.8%	7.3%	7.8%	10.2%	7.5%



# Akademibokhandeln Stores

Akademibokhandeln consists of 95 stores throughout Sweden, of which 70 are centrally owned and 25 are franchises. The stores offer a wide range of books and “Skriva Spela Skapa.” Together with Akademibokhandeln Online, the segment provides a competitive omnichannel offering.

Net sales for Akademibokhandeln Stores amounted to MSEK 202.3 (174.4) for the quarter, equivalent to strong growth of 16.0%. Net sales are almost in line with the normal year of 2019, even though there are now six fewer stores. Growth for the period amounted to 12.2% due to a gradual return to stores after pandemic restrictions were eased in February. It is also positive that the number of active customers increased 8.4% over the previous year.

The number of stores under own management was unchanged from the previous quarter, but two franchise stores left Akademibokhandeln during the quarter.

Net sales of the range of other products increased 15.8% for the quarter due to the positive overall sales trend in stores. A successful summer campaign to connect the store offering with Bokus Play in a unique and attractive way was launched in June. The roll-out of the self-checkouts in stores continued with seven stores this quarter, which is another step in adapting our store concept to new customer behaviour.

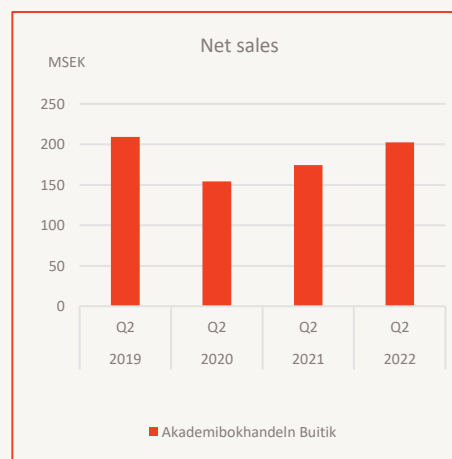
The increase in sales, higher share of other products, price optimisation and a successful national book sale contributed to an improved margin for the period. As sales increased and as a result of successful lease negotiations, the cost of premises as a share of sales decreased.

EBITA amounted to MSEK -13.3 for the quarter, a year-on-year improvement of MSEK 5.0. The improvement is a result of higher sales and stronger gross margins, though somewhat offset by higher personnel costs in stores to adapt to the growing number of visits. A negative earnings figure is in line with normal seasonal variations. A total of 95.7% of stores posted a positive contribution to operations, which is a year-on-year improvement.

	Apr–Jun		Jan–Jun		Full-year
	2022	2021	2022	2021	2021
Net sales, MSEK	202.3	174.4	434.4	387.0	1,035.0
EBITA, MSEK	-13.3	-18.3	-22.1	-36.9	76.1
No. of stores under own management	70	71	70	71	73
Share of stores posting a positive contribution to operations LTM, %			95.7%	91.5%	94.4%
Growth in other products	15.8%	14.1%	12.7%	-2.2%	5.5%
Share of private label in other products, %	16.0%	16.9%	16.5%	17.4%	17.5%
Cost of store premises, as a % of Akademibokhandeln sales LTM, %			14.1%	15.9%	14.5%
No. of active customers (thousands), LTM			1,349	1,245	1,311
NPS			63	62	63

Sales growth in the quarter

**16.0%**



# Central Functions

Consists of the Parent Company and Group management. EBITA for Central Functions amounted to MSEK 21.3 (-4.3) for the quarter. The positive performance is due to the pension refunds of MSEK 26.3. For more information about items affecting comparability, see Note 13. EBITA for the period amounted to MSEK 14.1 (-6.2). The difference is attributable to the aforementioned pension refunds and increased costs related to being a listed company.

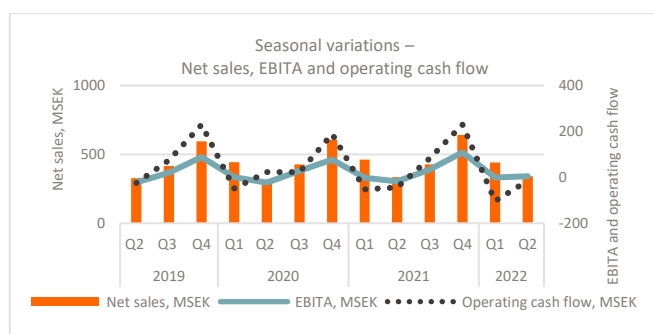


# Other information

## Seasonal variations

Bokusgruppen’s sales are affected by seasonal variations, primarily due to very strong Christmas sales in December and the start of the school year in the autumn. As a result, Bokusgruppen usually posts stronger earnings during the fourth quarter every fiscal year. The Akademibokhandeln Stores segment displays the largest seasonal variations. This affects sales as well as EBITA, which is usually low or even negative during the first two quarters and then gradually increases during the third quarter, with the majority of annual earnings posted in the fourth quarter.

The second quarter followed normal seasonal variations.



## Organisation and employees

The average number of employees during the second quarter was 397 (357). Of these, 295 (258) were employees in physical stores and the rest were employed in HR, finance, sales, purchasing and assortment, supply chain, marketing and communications, and IT.

## Sustainability

Bokusgruppen’s sustainability management is based on four sustainability strategies: the joy of reading, product range, environment and climate, and employees. Based on these four strategies, Bokusgruppen addresses sustainability issues in

seven sustainability areas for each of which an overall target and a number of sub-targets are formulated. These targets are linked to several of the UN Sustainable Development Goals. Cross-functional teams develop the sub-targets, with the aim of integrating sustainability throughout the organisation. The cross-functional teams build strong commitment and spread knowledge throughout the business. Bokusgruppen’s two overall sustainability targets are to achieve 90% of all sub-targets and lower carbon emissions by 25% within five years. During the second quarter of 2022, the work to integrate the sub-targets adopted in 2021 into the operations continued. Akademibokhandeln’s stores participated in an industry-wide reading promotion initiative called Världsbokveckan (World Book Week), where school classes were invited to visit stores. Akademibokhandeln also had book exchange days in a select number of stores, a circular and sustainable initiative that will be expanded further in the autumn.

Read more about Bokusgruppen’s sustainability agenda in the 2021 Annual and Sustainability Report:

<https://www.bokusgruppen.com/en/investors/reports/>.

## The share and owners

Bokusgruppen AB (publ) was listed on Nasdaq First North Premier Growth Market on 4 June 2021.

For more information, visit <https://www.bokusgruppen.com/en/investors/the-share/>.

During the quarter, Bokusgruppen held its first AGM as a listed company. The meeting was held in our store on Mäster Samuelsgatan in Stockholm.

**Bokusgruppen share, price/share, SEK**


Source: Nasdaq OMX Nordic

The total number of shares outstanding is 16,151,226. On 30 June 2022, the share price was SEK 41.95, and the total market value was MSEK 677.5. Refer to the table below for the principal owners. The Board and senior executives own approximately 10% of Bokusgruppen.

Senior Bokusgruppen executives subscribed for 550,585 warrants in 2021. Bokusgruppen's CEO Maria Edsman subscribed for 117,647 warrants, and other senior executives in Bokusgruppen subscribed for a total of 432,938 warrants. If all the subscribed warrants are exercised for shares, this entails a dilution effect of 3.3% in Bokusgruppen. The subscription price for the warrants in the 2021/2024 series is based, as per the AGM's resolution, on the average volume-weighted price paid for Bokusgruppen's shares on Nasdaq First North Premier Growth Market during the period 7–11 June 2021. The average volume-weighted price was SEK 42.90. The subscription price for the warrants thus amounts to SEK 1.30 per warrant and the future exercise price for the share based on the warrant amounts to SEK 55.80 per share. The subscription price was set at market price and calculated using the Black & Scholes model.

**Principal owners 30 Jun 2022**

#	Ten largest shareholders at 30 Jun 2022	No. of shares	Holding, %
1	Karl Perlhagen	6 891 700	42,67
2	Patrik Wahlén Gunnarsson	3 871 255	23,97
3	The Fourth Swedish National Pension Fund	1 137 593	7,04
4	Mattias Björk	874 060	5,41
5	Försäkringsaktiefbolaget Avanza Pension	726 404	4,50
6	Mårten Einar Andersson	502 306	3,11
7	Nordnet Pensionsförsäkring AB	330 722	2,05
8	Aktiefbolag 1909 Gruppen	248 730	1,54
9	Maria Edsman	100 800	0,62
10	Swedbank Försäkring AB	71 322	0,44
	<b>Total</b>	<b>14 754 892</b>	<b>91,35</b>
	Other shareholders	1 396 334	8,65
	<b>Total number of shares</b>	<b>16 151 226</b>	<b>100,00</b>

**Financial targets**

Bokusgruppen has three medium-term financial targets for the next three to five years, specified below. These were established in conjunction with the listing during the first half of 2021, so it is still too early to evaluate the outcomes in respect to these targets. Additionally, the short-term changes in consumer behaviour with respect to choice of channel during the pandemic had a strong impact growth figures in the short term.

Growth in online channels has been negative for the last twelve months, which is not line with the target of an average of 10% annual growth. Looking two years back, the average growth from the second quarter of 2020 to the second quarter of 2022 is 11%.

The growth for stores in the last twelve months was a full 11.5%, which far exceeds the target. Comparing the second quarter of 2022 to the second quarter of 2020, the average growth is -1.0%.

The EBITA margin exceeded Bokusgruppen's defined target for three to five years, with an LTM outcome of 8.0%. Adjusted for items affecting comparability, the EBITA margin is 5.8% and close to the long-term target.

	Medium-term target (3–5 years)	LTM	2021 Jan–Dec	2020 Jan–Dec
Net sales growth in online channels	Average 10% annual growth	-10,3%	7,3%	25,5%
Net sales growth in physical stores	Growth in line with general economy	11,5%	3,4%	-14,9%
EBITA	EBITA margin of approx. 6%	8,0%	6,7%	4,7%

**Dividends**

Bokusgruppen strives to provide a stable and gradually increasing dividend while maintaining an efficient capital structure over the long term. When operating cash flow exceeds the need for investments in profitable expansion on a long-term basis and the stipulated targets for the company's capital structure have been met, the surplus can be distributed to the shareholders. Given Bokusgruppen's strong financial position and the robust cash flow in 2021, the AGM resolved on a dividend of SEK 3.00 (1.46) per share, totalling MSEK 48.5, or a dividend yield of approximately 7%. The dividend will be paid in two instalments of SEK 1.50 per share each. The first payment was made on 19 May and the second payment will be made on 18 November.

**Parent Company**

The Parent Company, Bokusgruppen AB (publ), consists of four employees and manages real property and movables in addition to providing administrative intra-Group services. The income statement and balance sheet for the Parent Company are presented on pages 19–20.

**Events after the balance sheet date**

No significant events took place after the balance sheet date.

**Outlook**

In 2022, Bokusgruppen will accelerate its investment in its online channels to create higher growth over the long term. This investment pertains to system platforms, consumer logistics and increased marketing. Investments during the latter part of the year are planned to increase compared with 2021. These investments are being conducted after several years of strong performance and will be financed by robust cash flows. In the short term, the investments may impact earnings and cash flows. In the long term, they will build growth in line with our objectives.

There is a great deal of concern in the world since Russia's invasion of Ukraine. Meanwhile, a degree of uncertainty

associated with the pandemic remains in terms of both the risk of additional pandemic waves and disruptions to supply chains. Energy and raw material prices are increasing, inflation is high and interest rates increased during spring 2022. Indirect consequences of the pandemic have not affected Bokusgruppen to a serious extent thus far. However, higher raw material and production prices due to the invasion and an uncertain world situation are likely to have an increasing effect on the company, primarily in the form of higher purchase prices, electricity prices and transport costs. The focus in the coming quarters will be to offset these increased costs.

**Review**

This interim report has not been reviewed by the company's auditor.

# The Board's assurance

The Board of Directors and the CEO hereby certify that this interim report for January to June 2022 provides a fair view of the Parent Company's and the Group's operations, position and performance, and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Bokusgruppen AB (publ), Corp. Reg. No. 559025–8637

Stockholm, 15 July 2022

**Mårten Andersson**  
*Chairman of the Board*

**Mattias Björk**  
*Director*

**Cecilia Marlow**  
*Director*

**Anna Wallenberg**  
*Director*

**Jeanette Söderberg**  
*Director*

## Contacts

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**Jane Jangefeldt, CFO**  
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## Financial calendar

- 25 October 2022                      Q3 2022 interim report

## Presentation of the report

The Q2 interim report will be presented in a webcast.

Time: 15 July, 10:00 a.m.

- Use the following link to connect to the webcast: <https://tv.streamfabriken.com/bokusgruppen-q2-2022>

## Certified Adviser

The company is listed on Nasdaq First North Growth Market. The company's Certified Adviser is Erik Penser Bank AB, +46 8 463 83 00, [certifiedadviser@penser.se](mailto:certifiedadviser@penser.se).

This is a translation from the Swedish interim report.

# Financial statements

## Consolidated statement of comprehensive income

Amounts in MSEK	Note	Accounting period					
		2022 Apr–Jun	2021 Apr–Jun	2022 Jan–Jun	2021 Jan–Jun	LTM	2021 Jan–Dec
Net sales	5	341.5	334.4	782.2	796.3	1,852.1	1,866.1
<b>Total revenue</b>		<b>341.5</b>	<b>334.4</b>	<b>782.2</b>	<b>796.3</b>	<b>1,852.1</b>	<b>1,866.1</b>
<b>Operating expenses</b>							
Goods for resale		-200.3	-208.4	-480.6	-520.1	-1,109.5	-1,149.0
Other external costs		-53.8	-41.6	-107.4	-90.1	-208.4	-191.0
Personnel expenses	6, 10	-51.0	-71.0	-127.3	-144.7	-262.7	-280.0
Other operating expenses		-0.3	-0.2	-0.5	-0.4	-0.1	0.0
<b>EBITDA</b>		<b>36.2</b>	<b>13.2</b>	<b>66.4</b>	<b>41.1</b>	<b>271.4</b>	<b>246.0</b>
Depreciation of right-of-use assets	6	-28.5	-27.2	-56.7	-54.7	-113.4	-111.4
Depreciation of property, plant and equipment		-2.7	-2.7	-5.2	-5.4	-10.3	-10.5
<b>EBITA</b>		<b>4.9</b>	<b>-16.7</b>	<b>4.5</b>	<b>-19.0</b>	<b>147.7</b>	<b>124.1</b>
Amortisation of intangible assets		-5.1	-4.6	-9.0	-9.0	-19.4	-19.4
Amortisation of acquisition-related intangible assets		-5.9	-5.9	-11.8	-11.8	-23.6	-23.6
<b>EBIT</b>		<b>-6.0</b>	<b>-27.2</b>	<b>-16.3</b>	<b>-39.9</b>	<b>104.6</b>	<b>81.1</b>
Financial income		0.0	0.0	0.0	0.0	0.0	0.0
Financial expenses		-3.1	-5.2	-6.2	-11.6	-13.1	-18.4
<b>Net financial items</b>		<b>-3.1</b>	<b>-5.2</b>	<b>-6.2</b>	<b>-11.6</b>	<b>-13.1</b>	<b>-18.4</b>
<b>Profit/loss after financial items</b>		<b>-9.1</b>	<b>-32.4</b>	<b>-22.5</b>	<b>-51.5</b>	<b>91.6</b>	<b>62.6</b>
Income tax		1.7	6.6	4.6	10.4	-18.0	-12.2
<b>Net profit/loss</b>		<b>-7.4</b>	<b>-25.8</b>	<b>-17.9</b>	<b>-41.0</b>	<b>73.6</b>	<b>50.5</b>
<b>Other comprehensive income:</b>							
<b>Other comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>-7.4</b>	<b>-25.8</b>	<b>-17.9</b>	<b>-41.0</b>	<b>73.6</b>	<b>50.5</b>
Earnings per share before and after dilution, SEK	8	-0.46	-1.69	-1.11	-2.86	4.55	3.31
Average no. of shares before and after dilution		16,151,226	15,287,209	16,151,226	14,368,707	16,151,226	15,267,292

Net profit/loss and total comprehensive income for the period are attributable in their entirety to the owners of the Parent.

**Consolidated balance sheet**

Amounts in MSEK	Note	30 Jun 2022	30 Jun 2021	31 Dec 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
<i>Intangible assets and goodwill</i>				
Goodwill		410.1	410.1	410.1
Brands		240.1	240.1	240.1
Customer relationships		75.0	94.7	84.8
Capitalised expenditure for development work		79.7	69.1	73.9
<b>Total intangible assets and goodwill</b>		<b>805.0</b>	<b>814.0</b>	<b>809.0</b>
<i>Property, plant and equipment</i>				
Equipment, fixtures and fittings		23.9	23.2	25.8
<b>Total property, plant and equipment</b>		<b>23.9</b>	<b>23.2</b>	<b>25.8</b>
Right-of-use assets		230.5	249.5	256.8
Deferred tax asset		2.2	2.2	2.0
<b>Total non-current assets</b>		<b>1,061.5</b>	<b>1,088.9</b>	<b>1,093.5</b>
<b>Current assets</b>				
Inventories		151.1	148.3	195.7
Trade receivables		20.9	16.7	18.5
Other receivables		16.0	14.6	22.8
Current tax asset		-	3.2	-
Prepaid expenses and accrued income		28.6	37.1	26.0
Cash and cash equivalents		1.6	2.2	132.5
<b>Total current assets</b>		<b>218.2</b>	<b>222.1</b>	<b>395.6</b>
<b>TOTAL ASSETS</b>		<b>1,279.7</b>	<b>1,311.0</b>	<b>1,489.1</b>
<b>Amounts in MSEK</b>				
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share capital		0.6	0.6	0.6
Other paid-in capital		252.7	252.8	252.7
Retained earnings including net profit/loss		362.0	336.9	428.3
<b>Total equity attributable to owners of the Parent</b>		<b>615.3</b>	<b>590.3</b>	<b>681.6</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Lease liabilities		119.1	133.2	134.8
Deferred tax liabilities		94.0	93.0	93.0
<b>Total non-current liabilities</b>		<b>213.1</b>	<b>226.1</b>	<b>227.8</b>
<b>Current liabilities</b>				
Liabilities to Group companies	7	0.0	0.0	-
Overdraft facility	11	66.4	116.4	-
Lease liabilities		99.0	112.3	108.1
Current tax liabilities		-4.0	-	17.3
Trade payables		118.2	136.0	245.6
Advance payments from customers		0.9	1.0	1.0
Other current liabilities		63.5	41.2	59.5
Accrued expenses and deferred income		107.5	87.6	148.2
<b>Total current liabilities</b>		<b>451.4</b>	<b>494.6</b>	<b>579.6</b>
<b>Total liabilities</b>		<b>664.5</b>	<b>720.7</b>	<b>807.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,279.7</b>	<b>1,311.0</b>	<b>1,489.1</b>



**Consolidated statement of changes in equity**

Amounts in MSEK	Note	Attributable to owners of the Parent			Total equity
		Share capital	Other paid-in capital	Retained earnings including net profit/loss	
<b>Opening balance, 1 Jan 2021</b>		<b>0.1</b>	<b>87.5</b>	<b>390.0</b>	<b>477.5</b>
Net profit/loss plus comprehensive income				50.5	50.5
<b>Transactions with shareholders in their capacity as owners</b>					
Bonus issue		0.4		-0.4	-
New issue		0.1	164.9		165.0
Warrants			0.3		0.3
Dividend (SEK 1.4566/share)				-11.7	-11.7
<b>Closing balance, 31 Dec 2021</b>		<b>0.6</b>	<b>252.7</b>	<b>428.3</b>	<b>681.6</b>
<b>Opening balance, 1 Jan 2022</b>		<b>0.6</b>	<b>252.7</b>	<b>428.3</b>	<b>681.6</b>
Dividend (SEK 3/share)				-48.5	-48.5
Net profit/loss plus comprehensive income				-17.9	-17.9
<b>Closing balance, 30 Jun 2022</b>		<b>0.6</b>	<b>252.7</b>	<b>362.0</b>	<b>615.3</b>

**Consolidated statement of cash flow**

Amounts in MSEK	Note	Accounting period					
		2022 Apr–Jun	2021 Apr–Jun	2022 Jan–Jun	2021 Jan–Jun	LTM	2021 Jan–Dec
<b>Cash flow from operating activities</b>							
EBIT		-6.0	-27.2	-16.3	-39.9	104.6	81.1
<i>Adjustments for non-cash items:</i>							
– Depreciation, amortisation and impairment of assets		42.2	40.4	82.7	81.0	166.7	164.9
– Other items not affecting cash flow		0.1	-	0.1	0.0	0.2	0.1
Interest received		0.0	0.0	0.0	0.0	0.0	0.0
Interest paid		-3.1	-3.5	-6.2	-6.4	-13.1	-13.3
Tax paid		-3.6	-0.8	-15.8	-3.5	-17.7	-5.3
<b>Cash flow from operating activities before changes in working capital</b>		<b>29.6</b>	<b>8.9</b>	<b>44.5</b>	<b>31.2</b>	<b>240.8</b>	<b>227.5</b>
<b>Cash flow from changes in working capital</b>							
Increase (-)/decrease (+) in inventories		-8.9	-1.6	44.6	45.2	-2.8	-2.2
Increase (-)/decrease (+) in operating receivables		-2.4	5.6	1.8	-4.4	2.9	-3.3
Increase (+)/decrease (-) in operating liabilities		-21.8	-46.2	-188.4	-146.8	0.0	41.7
<b>Total change in working capital</b>		<b>-33.0</b>	<b>-42.2</b>	<b>-142.0</b>	<b>-105.9</b>	<b>0.0</b>	<b>36.1</b>
<b>Cash flow from operating activities</b>		<b>-3.4</b>	<b>-33.3</b>	<b>-97.5</b>	<b>-74.7</b>	<b>240.8</b>	<b>263.6</b>
<b>Cash flow from investing activities</b>							
Investments in intangible assets		-8.9	-10.0	-16.8	-18.3	-34.0	-35.5
Investments in property, plant and equipment		-2.3	-1.0	-3.5	-3.2	-11.2	-10.9
Sales of property, plant and equipment		-	-	0.0	-	0.0	-
<b>Cash flow from investing activities</b>		<b>-11.1</b>	<b>-11.0</b>	<b>-20.3</b>	<b>-21.5</b>	<b>-45.2</b>	<b>-46.4</b>
<b>Operating cash flow</b>		<b>-14.6</b>	<b>-44.3</b>	<b>-117.8</b>	<b>-96.2</b>	<b>195.7</b>	<b>217.2</b>
<b>Cash flow from financing activities</b>							
Repayment of interest-bearing liabilities		-	-154.8	-	-154.8	-	-154.8
Utilised overdraft facility	11	66.4	116.4	66.4	116.4	-50.0	-
Proceeds from warrants	10	-	0.5	-	0.5	-0.1	0.3
Group contributions received		-	22.1	-	22.1	-	22.1
Payments pertaining to repayment of lease liabilities		-28.1	-31.6	-55.2	-41.3	-121.8	-107.9
Dividends paid		-24.2	-11.7	-24.2	-11.7	-24.2	-11.7
<b>Cash flow from financing activities</b>		<b>14.0</b>	<b>-59.1</b>	<b>-13.1</b>	<b>-68.8</b>	<b>-196.2</b>	<b>-251.9</b>
<b>Decrease/increase in cash and cash equivalents</b>		<b>-0.6</b>	<b>-103.5</b>	<b>-130.9</b>	<b>-165.0</b>	<b>-0.6</b>	<b>-34.7</b>
Cash and cash equivalents at beginning of period		2.2	105.6	132.5	167.2	2.2	167.2
<b>Cash and cash equivalents at end of period</b>		<b>1.6</b>	<b>2.2</b>	<b>1.6</b>	<b>2.2</b>	<b>1.6</b>	<b>132.5</b>

**Parent Company income statement**

Amounts in MSEK	Accounting period					
	2022 Apr–Jun	2021 Apr–Jun	2022 Jan–Jun	2021 Jan–Jun	LTM	2021 Jan–Dec
Net sales	6.1	2.3	13.7	2.3	25.3	13.8
<b>Total revenue</b>	<b>6.1</b>	<b>2.3</b>	<b>13.7</b>	<b>2.3</b>	<b>25.3</b>	<b>13.8</b>
<b>Operating expenses</b>						
Other external costs	-1.7	-2.8	-3.6	-2.9	-7.3	-6.5
Personnel expenses	-3.3	-2.3	-8.6	-2.4	-14.7	-8.5
Amortisation of intangible assets	-3.0	-3.0	-6.0	-6.0	-12.0	-12.0
<b>Total operating expenses</b>	<b>-7.9</b>	<b>-8.1</b>	<b>-18.3</b>	<b>-11.3</b>	<b>-34.0</b>	<b>-27.0</b>
<b>Operating loss</b>	<b>-1.9</b>	<b>-5.9</b>	<b>-4.5</b>	<b>-9.0</b>	<b>-8.7</b>	<b>-13.2</b>
<b>Profit/loss from financial items</b>						
Profit from participations in Group companies	60.0	-	60.0	-	60.0	-
Other interest income and similar profit/loss items	1.7	2.7	3.3	7.1	6.6	10.5
Interest expenses and similar profit/loss items	-1.5	-3.6	-2.9	-8.8	-6.2	-12.1
<b>Total financial items</b>	<b>60.1</b>	<b>-0.8</b>	<b>60.4</b>	<b>-1.7</b>	<b>60.4</b>	<b>-1.7</b>
<b>Profit/loss after financial items</b>	<b>58.2</b>	<b>-6.7</b>	<b>55.9</b>	<b>-10.7</b>	<b>51.7</b>	<b>-14.9</b>
Appropriations	-	-	0.6	-	14.8	14.2
<b>Profit/loss before tax</b>	<b>58.2</b>	<b>-6.7</b>	<b>56.5</b>	<b>-10.7</b>	<b>66.5</b>	<b>-0.6</b>
Income tax	0.3	1.3	0.7	2.2	-1.4	-
<b>Net profit/loss</b>	<b>58.5</b>	<b>-5.4</b>	<b>57.2</b>	<b>-8.5</b>	<b>65.1</b>	<b>-0.6</b>

The Parent Company has no items recognised as other comprehensive income. Total comprehensive income is therefore the same as net profit/loss for the period.

**Parent Company balance sheet**

Amounts in MSEK	Note	30 Jun 2022	30 Jun 2021	31 Dec 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
<i>Intangible assets</i>				
Concessions, patents, licenses, brands and similar intellectual property		32.0	44.0	38.0
<b>Total intangible assets</b>		<b>32.0</b>	<b>44.0</b>	<b>38.0</b>
<i>Financial assets</i>				
Participations in Group companies	12	553.7	553.7	553.7
<b>Total financial assets</b>		<b>553.7</b>	<b>553.7</b>	<b>553.7</b>
<b>Total non-current assets</b>		<b>585.7</b>	<b>597.7</b>	<b>591.7</b>
<b>Current assets</b>				
<i>Current receivables</i>				
Receivables from Group companies		427.6	375.2	382.0
Current tax asset		1.4	2.3	0.5
Prepaid expenses and accrued income		2.1	2.1	0.9
Other receivables		0.1	0.5	0.1
<b>Total current receivables</b>		<b>431.2</b>	<b>380.2</b>	<b>383.5</b>
Cash and bank balances		-	-	130.4
<b>Total current assets</b>		<b>431.2</b>	<b>380.2</b>	<b>513.9</b>
<b>TOTAL ASSETS</b>		<b>1,016.9</b>	<b>977.9</b>	<b>1,105.5</b>

Amounts in MSEK	Note	30 Jun 2022	30 Jun 2021	31 Dec 2021
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
<i>Restricted equity</i>				
Share capital		0.6	0.6	0.6
<b>Total restricted equity</b>		<b>0.6</b>	<b>0.6</b>	<b>0.6</b>
<i>Non-restricted equity</i>				
Share premium reserve		165.2	165.4	165.2
Retained earnings		228.8	277.9	277.9
Net profit/loss		57.2	-8.5	-0.6
<b>Total non-restricted equity</b>		<b>451.2</b>	<b>434.7</b>	<b>442.5</b>
<b>Total equity</b>		<b>451.8</b>	<b>435.3</b>	<b>443.1</b>
<b>Untaxed reserves</b>		<b>8.6</b>	<b>8.0</b>	<b>8.6</b>
<b>Non-current liabilities</b>				
Liabilities to Group companies		120.0	180.0	180.0
<b>Total non-current liabilities</b>		<b>120.0</b>	<b>180.0</b>	<b>180.0</b>
<b>Current liabilities</b>				
Overdraft facility		66.4	116.4	-
Trade payables		0.1	0.4	0.3
Liabilities to Group companies		342.3	234.5	471.1
Other current liabilities		24.7	0.4	0.5
Accrued expenses and deferred income		3.0	2.8	2.0
<b>Total current liabilities</b>		<b>436.4</b>	<b>354.5</b>	<b>473.8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,016.9</b>	<b>977.9</b>	<b>1,105.5</b>

# Note disclosures

## 1 GENERAL INFORMATION

Bokusgruppen AB (publ) ("Bokusgruppen"), Corp. Reg. No. 559025–8637 is a Parent Company registered in Sweden with its registered office in Stockholm at Lindhagensgatan 126, SE-112 51 Stockholm, Sweden. The Group conducts operations through the companies Akademibokhandeln Holding AB, Bokhandelsgruppen i Sverige AB and Bokus AB, Sweden's leading book retailer.

Amounts are stated in millions of SEK (MSEK) unless otherwise specified. Figures in parentheses refer to the comparative period.

## 2 SUMMARY OF KEY ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The Parent Company's interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.

The accounting policies applied are the same as those described in the 2021 Annual Report for Bokusgruppen AB (publ).

## 3 RISKS AND UNCERTAINTIES

The Group's key financial and business risks are presented in the Directors' Report and in Note 2 in the 2021 Annual Report and Sustainability Report. No additional risks have arisen during the quarter.

## 4 FINANCIAL INSTRUMENTS

The Group's financial instruments consist of trade receivables, accrued income, cash and cash equivalents, trade payables and interest-bearing liabilities. Financial assets and liabilities have short maturities. The fair value of all financial instruments is approximately equivalent to their carrying amount.

## 5 SEGMENT REPORTING

Group management, as the chief operating decision maker, has determined the operating segments based on the information used as the basis for allocating resources and evaluating performance. Group management primarily assesses operating segment performance based on EBITA. The segment distribution is the same as in the annual report.

Group management assesses the operations for Bokus Online, Akademibokhandeln Online and Akademibokhandeln Stores separately. Revenue comes from the sale of books, e-books, audio books, board games, jigsaw puzzles, toys and art supplies.

- The Bokus Online segment consists of physical books, e-books and a digital book subscription service.
- The Akademibokhandeln Online segment consists of physical books and other products such as board games, jigsaw puzzles, toys and art supplies.
- The Akademibokhandeln Stores segment consists of physical books and other products such as board games, jigsaw puzzles, toys and art supplies.
- The Central Functions segment consists of the Parent Company and Group management.

### Revenue

Revenue from external parties that is reported to the CEO is measured in the same manner as in the consolidated statement of comprehensive income.

	2022 Apr–Jun	2021 Apr–Jun	2022 Jan–Jun	2021 Jan–Jun	LTM	2021 Jan–Dec
External revenue						
Bokus Online total revenue	133.9	154.2	332.7	391.3	737.4	796.0
- less intra-Group sales 1)	-7.2	-8.0	-21.4	-25.9	-44.3	-48.8
Bokus Online	126.7	146.2	311.3	365.4	693.1	747.2
Akademibokhandeln Online	12.5	13.8	36.5	43.9	76.6	84.0
Akademibokhandeln Stores	202.3	174.4	434.4	387.0	1,082.4	1,035.0
Central Functions	-	-	-	-	-	-
<b>Total external revenue</b>	<b>341.5</b>	<b>334.4</b>	<b>782.2</b>	<b>796.3</b>	<b>1,852.1</b>	<b>1,866.1</b>

1) Relates to intra-Group sales to the Akademibokhandeln Online segment

**NOTE 5 Segment reporting, cont.**

EBITA	2022 Apr–Jun	2021 Apr–Jun	2022 Jan–Jun	2021 Jan–Jun	LTM	2021 Jan–Dec
Bokus Online	-1.9	4.9	12.3	19.2	36.3	43.2
Akademibokhandeln Online	-1.2	1.0	0.1	4.8	5.3	9.9
Akademibokhandeln Stores	-13.3	-18.3	-22.1	-36.9	91.0	76.1
Central Functions	21.3	-4.3	14.1	-6.2	15.1	-5.1
<b>Total EBITA</b>	<b>4.9</b>	<b>-16.7</b>	<b>4.5</b>	<b>-19.0</b>	<b>147.7</b>	<b>124.1</b>
Amortisation of intangible assets	-11.0	-10.5	-20.8	-20.8	-43.0	-43.0
<b>EBIT</b>	<b>-6.0</b>	<b>-27.2</b>	<b>-16.3</b>	<b>-39.9</b>	<b>104.6</b>	<b>81.1</b>
Net financial items	-3.1	-5.2	-6.2	-11.6	-13.1	-18.4
<b>Profit/loss after financial items</b>	<b>-9.1</b>	<b>-32.4</b>	<b>-22.5</b>	<b>-51.5</b>	<b>91.6</b>	<b>62.6</b>

Breakdown of revenue from external customers Apr–Jun 2022	Bokus Online	Akademibokhandeln Online	Akademibokhandeln Stores	Central Functions	Total
Physical books	111.2	11.2	126.1	-	248.4
Digital books	9.5	-	-	-	9.5
Other products	-	0.8	66.9	-	67.7
Other revenue	6.1	0.5	9.3	-	15.9
<b>Total</b>	<b>126.7</b>	<b>12.5</b>	<b>202.3</b>	<b>-</b>	<b>341.5</b>

Apr–Jun 2021	Bokus Online	Akademibokhandeln Online	Akademibokhandeln Stores	Central Functions	Total
Physical books	131.9	13.1	109.3	-	254.3
Digital books	9.3	-	-	-	9.3
Other products	-	0.1	57.8	-	57.8
Other revenue	5.0	0.6	7.3	-	13.0
<b>Total</b>	<b>146.2</b>	<b>13.8</b>	<b>174.4</b>	<b>-</b>	<b>334.4</b>

Jan–Jun 2022	Bokus Online	Akademibokhandeln Online	Akademibokhandeln Stores	Central Functions	Total
Physical books	277.8	33.0	269.0	-	579.8
Digital books	19.6	-	-	-	19.6
Other products	-	2.2	144.0	-	146.3
Other revenue	14.0	1.3	21.3	-	36.6
<b>Total</b>	<b>311.3</b>	<b>36.5</b>	<b>434.4</b>	<b>-</b>	<b>782.2</b>

Jan–Jun 2021	Bokus Online	Akademibokhandeln Online	Akademibokhandeln Stores	Central Functions	Total
Physical books	334.4	42.3	238.1	-	614.7
Digital books	20.4	-	-	-	20.4
Other products	-	0.1	127.8	-	127.9
Other revenue	10.6	1.6	21.1	-	33.3
<b>Total</b>	<b>365.4</b>	<b>43.9</b>	<b>387.0</b>	<b>-</b>	<b>796.3</b>

LTM	Bokus Online	Akademibokhandeln Online	Akademibokhandeln Stores	Central Functions	Total
Physical books	626.1	68.0	648.2	-	1,342.3
Digital books	40.4	-	-	-	40.4
Other products	-	5.4	394.6	-	400.1
Other revenue	26.6	3.2	39.6	-	69.3
<b>Total</b>	<b>693.1</b>	<b>76.6</b>	<b>1,082.4</b>	<b>-</b>	<b>1,852.1</b>

Full-year 2021	Bokus Online	Akademibokhandeln Online	Akademibokhandeln Stores	Central Functions	Total
Physical books	682.7	77.2	617.3	-	1,377.2
Digital books	41.2	-	-	-	41.2
Other products	-	3.3	378.4	-	381.7
Other revenue	23.2	3.4	39.3	-	66.0
<b>Total</b>	<b>747.2</b>	<b>84.0</b>	<b>1,035.0</b>	-	<b>1,866.1</b>

Revenue, in all material aspects, is recognised at a point in time and all sales are conducted in Sweden.

## 6 SUBSIDIES AND GOVERNMENT GRANTS

Subsidies and government grants were received in the form of compensation for sick pay costs.

	2022 Apr–Jun	2021 Apr–Jun	2022 Jan–Jun	2021 Jan–Jun	LTM	2021 Jan–Dec
Short-time work allowance (recognised in the income statement item “Personnel expenses”)	-	-	-	-	-	-
Reduction of social security contributions (recognised in the income statement item “Personnel expenses”)	-	-	-	-	-	-
Compensation for sick pay costs (recognised in the income statement item “Personnel expenses”)	0.2	0.3	2.0	1.1	2.1	1.1
Rental discounts (recognised in the income statement item “Depreciation of right-of-use assets”)	-	2.1	-	4.2	2.1	6.3
<b>Total</b>	<b>0.2</b>	<b>2.4</b>	<b>2.0</b>	<b>5.3</b>	<b>4.2</b>	<b>7.4</b>

There are no unfulfilled terms or contingent liabilities connected to these grants. The Group has not received any other forms of government grants.

## 7 RELATED-PARTY TRANSACTIONS

Related-party transactions are described in Note 27 of the Annual Report and Sustainability Report for 2021. The scope and focus of these transactions have not changed significantly during the quarter.

## 8 EARNINGS PER SHARE

	2022 Apr–Jun	2021 Apr–Jun	2022 Jan–Jun	2021 Jan–Jun	LTM	2021 Jan–Dec
<i>SEK</i>						
Earnings per share before and after dilution	-0.46	-1.69	-1.11	-2.86	4.55	3.31
<b>Earnings measures used in the calculation of earnings per share</b>						
Earnings attributable to owners of the Parent used for earnings per share before and after dilution, MSEK	-7.4	-25.8	-17.9	-41.0	73.6	50.5
<i>No.</i>						
Weighted average no. of ordinary shares for calculating earnings per share before and after dilution	16,151,226	15,287,209	16,151,226	14,368,707	16,151,226	15,267,292
Equity per weighted average number of ordinary shares, SEK	38.1	38.6	38.1	41.1	38.1	44.6

## 9 SHARE CAPITAL AND OTHER PAID-IN CAPITAL

At the end of the period, the share capital amounted to SEK 600,864 (600,864) divided between 16,151,226 shares (16,151,226). The quotient value is SEK 0.0372 per share.

### Share capital development

	No. of shares, thousands	Share capital, MSEK	Other paid-in capital	Total
<b>Opening balance, 1 Jan 2021</b>	<b>8,000</b>	<b>0.1</b>	<b>87.5</b>	<b>87.6</b>
Bonus issue, March 2021 <sup>1)</sup>	0	0.4	-	0.4
Reverse split 1:25, April 2021	-7,680	-	-	-
New issue, April 2021 <sup>2)</sup>	65	0.1	164.9	165.0
Split 42:1, April 2021	15,766	-	-	-
Warrants <sup>3)</sup>	0	-	0.3	0.3
<b>Closing balance, 31 Dec 2021</b>	<b>16,151</b>	<b>0.6</b>	<b>252.7</b>	<b>253.3</b>
<b>Opening balance, 1 Jan 2022</b>	<b>16,151</b>	<b>0.6</b>	<b>252.7</b>	<b>253.3</b>
<b>Closing balance, 30 Jun 2022</b>	<b>16,151</b>	<b>0.6</b>	<b>252.7</b>	<b>253.3</b>

1) In March 2021, a bonus issue was carried out amounting to MSEK 0.4, which impacted retained earnings in a corresponding amount.

2) A new issue amounting to MSEK 165.0 was carried out in April 2021 through an offset of liabilities to Group companies in a corresponding amount.

3) Comprises premiums paid of MSEK 0.7 and external costs of MSEK 0.4 related to the introduction of the programme. See Note 10 for more information.

## 10 WARRANTS TO SENIOR EXECUTIVES

Senior Bokusgruppen executives subscribed for 550,585 warrants in 2021. Bokusgruppen's CEO Maria Edsman subscribed for 117,647 warrants, and other senior executives in Bokusgruppen subscribed for a total of 432,938 warrants. If all the subscribed warrants are exercised for shares, this entails a dilution effect of 3.3% in Bokusgruppen. The subscription price for the warrants in the 2021/2024 series is based, as per the AGM's resolution, on the average volume-weighted price paid for Bokusgruppen's shares on Nasdaq First North Premier Growth Market during the period 7–11 June 2021. The average volume-weighted price was SEK 42.90. The subscription price for the warrants thus amounts to SEK 1.30 per warrant and the future exercise price for the share based on the warrant amounts to SEK 55.80 per share. The subscription price was set at market price and calculated using the Black & Scholes model.

## 11 OVERDRAFT FACILITY

Bokusgruppen has had an overdraft facility of MSEK 200.0 since April 2021. The agreement has been extended by one year beginning in April 2022.

According to the terms of the loan, certain financial covenants must be fulfilled with respect to the Group's debt/equity ratio and equity/assets ratio. The covenants are evaluated quarterly, and the Group meets the terms.



**12 PARTICIPATIONS IN GROUP COMPANIES**

The Parent Company holds participations in the following subsidiaries:

Name	Corp. Reg. No.	Registered office	No. of shares	Carrying amount 30 Jun 2022	Carrying amount 30 Jun 2021	Carrying amount 31 Dec 2021
Akademibokhandeln Holding AB	559101-0938	Stockholm	8,000,000	433.7	433.7	433.7
Bokus AB	556493-0492	Stockholm	100	120.0	120.0	120.0
				<b>553.7</b>	<b>553.7</b>	<b>553.7</b>

MSEK	30 Jun 2022	30 Jun 2021	31 Dec 2021
Opening cost	553.7	433.7	433.7
Shareholders' contributions provided	-	120.0	120.0
<b>Closing accumulated cost</b>	<b>553.7</b>	<b>553.7</b>	<b>553.7</b>
<b>Closing carrying amount</b>	<b>553.7</b>	<b>553.7</b>	<b>553.7</b>

**13 ALTERNATIVE PERFORMANCE MEASURES AND EARNINGS MEASURES**

The financial reports published by Bokusgruppen include alternative performance measures (APMs), which supplement the performance measures defined or specified in the applicable rules for financial reporting.

APMs are specified when they, in their context, provide clearer or more in-depth information than those performance measures defined in the applicable rules for financial reporting.

The basis for APMs is that they are used by management to assess the company's financial performance and can thus be considered to give analysts and other stakeholders valuable information.

Bokusgruppen regularly uses APMs as a complement to the performance measures defined in IFRS.

	2022 Apr–Jun	2021 Apr–Jun	2022 Jan–Jun	2021 Jan–Jun	LTM	2021 Jan–Dec
<b>Calculation of gross margin, %</b>						
Net sales	341.5	334.4	782.2	796.3	1,852.1	1,866.1
Goods for resale	-200.3	-208.4	-480.6	-520.1	-1,109.5	-1,149.0
Gross margin, %	141.2	126.0	301.7	276.2	742.5	717.1
<b>Gross margin, SEK/Net sales</b>	<b>41.3%</b>	<b>37.7%</b>	<b>38.6%</b>	<b>34.7%</b>	<b>40.1%</b>	<b>38.4%</b>
<b>Adjusted EBITDA LTM</b>						
EBITDA LTM					271.4	246.0
Reversal of IFRS 16 effect					-122.3	-125.0
Items affecting comparability*					-36.3	-8.2
<b>Adjusted EBITDA LTM</b>					<b>112.8</b>	<b>112.8</b>
<i>*Items affecting comparability refers to listing costs and pension refunds</i>						
<b>Calculation of net debt (excl. lease liabilities)/adjusted EBITDA LTM, x</b>						
Financial liabilities					0.8	0.8
Interest-bearing liabilities					66.4	-
Cash and cash equivalents					-1.6	-132.5
<b>Net debt</b>					<b>65.5</b>	<b>-131.7</b>
Adjusted EBITDA LTM					112.8	112.8
<b>Net debt/adjusted EBITDA, x</b>					<b>0.6</b>	<b>-1.2</b>
<b>EBITA excluding items affecting comparability</b>						
EBITA	4.9	-16.7	4.5	-19.0	147.7	124.1
Subsidies and government grants	-0.2	-2.4	-2.0	-5.3	-4.2	-7.4
Pension refunds	-26.3	-	-26.3	-	-36.3	-10.0
Listing costs	-	1.8	-	1.8	-	1.8
<b>EBITA excluding items affecting comparability</b>	<b>-21.6</b>	<b>-17.2</b>	<b>-23.8</b>	<b>-22.5</b>	<b>107.2</b>	<b>108.5</b>
<b>Calculation of adjusted operating cash flow</b>						
Operating cash flow	-14.6	-44.3	-117.8	-96.2	195.7	217.2
Payments pertaining to repayment of lease liabilities	-28.1	-31.6	-55.2	-41.3	-121.8	-107.9
<b>Adjusted operating cash flow</b>	<b>-42.7</b>	<b>-76.0</b>	<b>-173.1</b>	<b>-137.6</b>	<b>73.8</b>	<b>109.3</b>
<b>Adjusted cost of store premises as a % of total sales in Akademibokhandeln, LTM</b>						
Cost of premises					-47.4	-42.7
Reversal of costs unrelated to stores					6.0	5.5
Reversal of IFRS 16 effect					-122.3	-125.0
Adjusted cost of store premises					-163.7	-162.2
Sales in Akademibokhandeln (Online and Stores)					1,159.0	1,119.0
<b>Adjusted cost of store premises as a % of total sales in Akademibokhandeln, LTM</b>					<b>14.1%</b>	<b>14.5%</b>

The following table sets out definitions for Bokusgruppen's performance measures.

PERFORMANCE MEASURES	DESCRIPTION	REASON FOR USE
<b>EBITDA</b>	Earnings before interest, tax, depreciation, amortisation and impairment.	Together with EBITA, EBITDA provides an overview of the profit generated by operating activities by highlighting earnings before the effects of depreciation and impairment as well as amortisation of acquisition-related intangible assets.
<b>Adjusted EBITDA</b>	Calculated as EBITDA LTM as of the reporting date, excluding IFRS 16 adjustments and adjusted for other revenue and expenses considered to be items affecting comparability.	Adjusted EBITDA provides Group management and investors with an overview of the size of the operations included in the Group as of the reporting date, since this is adjusted for items that do not directly pertain to operating activities. Also used when calculating covenants with banks.
<b>Net debt/adjusted EBITDA</b>	Interest-bearing liabilities and cash and cash equivalents, excluding IFRS 16, in relation to adjusted EBITDA for the period.	Used to assess the Group's financial risk and in calculations of covenants with banks.
<b>EBITA</b>	Earnings before amortisation of intangible assets generated and acquisition-related intangible assets.	Together with EBITDA, EBITA provides an overview of the profit generated by operating activities.
<b>EBITA margin</b>	Earnings before amortisation of intangible assets generated and acquisition-related intangible assets as a percentage of total revenue.	The EBITA margin shows profit generated by operating activities as a percentage of total revenue.
<b>EBITA excluding items affecting comparability</b>	Calculated as EBITA adjusted for items affecting comparability.	Used by Group management to monitor the underlying earnings growth for the Group.
<b>Items affecting comparability</b>	The Group's earnings may be impacted by certain items which affect comparability between years. Items affecting comparability are defined as non-recurring items not directly related to the ordinary course of business, such as government grants, listing costs and pension refunds.	Recognising items affecting comparability provides a better understanding of the Group's operating activities.
<b>EBIT</b>	Earnings before net financial items and tax.	EBIT provides an overview of the profit generated by operating activities and its financing.
<b>Operating cash flow</b>	Calculated as the total of cash flow from operating activities and cash flow from investing activities.	Operating cash flow is used by Group management to monitor the cash flow generated by operating activities, including investments, before the repayment of lease liabilities.
<b>Adjusted operating cash flow</b>	Calculated as the difference between operating cash flow and payments relating to the repayment of lease liabilities.	Adjusted operating cash flow gives Group management a clear overview of the development of cash flow directly attributable to the operations.

<b>Gross margin</b>	Calculated as net sales less goods for resale as a percentage of net sales.	Gives Group management a clear overview of the profitability of products sold.
<b>Gross margin growth</b>	Calculated as net sales less goods for resale as a percentage of net sales compared with the year-earlier period.	Gives Group management a clear overview of how the gross margin develops over time.
<b>Gross profit</b>	Calculated as sales less goods for resale.	Gives Group management a clear overview of the profitability of products sold.
<b>Gross profit growth</b>	Calculated as sales less goods for resale compared with the year-earlier period (percentage).	Gives Group management a clear overview of how gross profit develops over time.
<b>Equity/assets ratio</b>	Equity as a percentage of the balance sheet total.	Used to assess financial risk.
<b>Net sales growth</b>	Calculated as total sales during the period compared with sales in the year-earlier period.	Gives Group management a clear overview of how total sales develop over time.
<b>Growth in digital books</b>	Calculated as sales of digital books (individual items in digital formats and subscriptions) during the period compared with sales in the year-earlier period.	Digital books are an important growth area.
<b>Growth in online channels</b>	Sales in online channels during the period compared with sales in the year-earlier period.	Online growth is an important growth area.
<b>Share of online sales</b>	The share of online sales in relation to total sales.	Gives Group management a clear overview of changes in the share of total sales attributable to digital sales.
<b>Share of Akademibokhandeln Online</b>	The share of Akademibokhandeln Online sales in relation to total Akademibokhandeln sales.	Gives Group management a clear overview of changes in the share of Akademibokhandeln's total sales attributable to digital sales.
<b>Growth in physical stores</b>	Sales in physical stores during the period compared with sales in the year-earlier period.	Stores is the largest business area, with healthy gross margins. This performance measure is used by Group management to monitor financial performance.
<b>Growth in "Skriva Spela Skapa" range of other products</b>	Sales of the "Skriva Spela Skapa" range of other products during the period compared with sales in the year-earlier period.	The range of other products is an important growth area.
<b>Share of private label in other products</b>	The share of private label products in relation to other products.	Private label products have favourable gross margins. This performance measure is used by Group management to monitor the share of other products attributable to private label products.
<b>Store contributions to operations LTM</b>	Store contributions to operations refers to direct revenue and expenses generated in individual stores.	Provides guidance about individual stores' profitability and contributions to EBITA.
<b>Cost of premises (excl. IFRS 16) as a % of sales in Akademibokhandeln Online and Stores</b>	Calculated as total cost of store premises for the period, excluding IFRS 16 adjustments, in relation to sales in Akademibokhandeln Online and Stores for the last 12 months and the full year.	Provides guidance about how the key item of cost of premises developed in relation to Akademibokhandeln's total sales. The share of cost of premises attributable to rent is a key factor for profitability and shows how effective renegotiations with landlords have been.

<b>Number of active customers</b>	Number of customers who have made at least one purchase in the last 12 months. For Akademibokhandeln, this refers to members of the loyalty club. For Bokus, this refers to all customers.	Provides an overview of how the customer bases are developing, how many customers have been active in the last year and how many customers have been dormant.
<b>NPS (Net Promoter Score)</b>	Based on accumulated data for the last 12 months. NPS data is collected through e-mail questionnaires from customers.	Used to monitor overall customer satisfaction and loyalty over time as well as whether they are likely to recommend the company.