

Stable sales and improved gross margins

Q2 2023

BOKUSGRUPPEN INTERIM REPORT FOR JANUARY–JUNE 2023

Q2 2023

- Net sales increased 0.2% to MSEK 342.1 (341.5)
- The gross margin increased to 42.6% (41.3)
- EBITA was MSEK -23.5 (4.9)
- EBITA excl. items affecting comparability decreased by MSEK 1.9 to MSEK -23.5 (-21.6)
- Net loss deteriorated to MSEK -31.4 (-7.4).
- Earnings per share before and after dilution decreased to SEK -1.94 (-0.46)

January–June 2023

- Net sales increased 0.9% to MSEK 789.0 (782.2)
- The gross margin increased to 40.2% (38.6)
- EBITA was MSEK -19.4 (4.5)
- EBITA excl. items affecting comparability improved by MSEK 4.4 to MSEK -19.4 (-23.8)
- Net loss deteriorated to MSEK -40.2 (-17.9).
- Earnings per share before and after dilution decreased to SEK -2.49 (-1.11)

Significant events in the quarter

- The AGM resolved on a dividend of SEK 3.00 (3.00) per share, to be paid in two instalments of SEK 1.50 each. The first instalment was paid in May.
- The store in Kista was closed due to insufficient profitability.
- The store in Borås was temporarily closed after a fire at the property. Customers are being directed to nearby stores. The store will open after decontamination and renovation, likely in September.
- The launch of Bokus Reader, an app for digitally purchasing individual audio books and e-books.

0.2%
NET SALES GROWTH IN THE QUARTER
3.3%
GROSS PROFIT GROWTH IN THE QUARTER
MSEK -1.9
CHANGE IN EBITA IN THE QUARTER (excl. items affecting comparability)

Performance measures

MSEK	2023 Apr–Jun	2022 Apr–Jun	2023 Jan–Jun	2022 Jan–Jun	LTM	Full-year 2022
Net sales	342.1	341.5	789.0	782.2	1,828.7	1,822.0
Net sales growth, %	0.2%	2.1%	0.9%	-1.8%	-1.3%	-2.4%
Gross margin, %	42.6%	41.3%	40.2%	38.6%	41.2%	40.5%
EBITDA	12.3	36.2	49.8	66.4	202.5	219.1
EBITA	-23.5	4.9	-19.4	4.5	70.4	94.4
EBITA excl. items affecting comparability	-23.5	-21.6	-19.4	-23.8	77.1	72.8
EBIT	-34.6	-6.0	-42.2	-16.3	25.8	51.6
Net profit/loss	-31.4	-7.4	-40.2	-17.9	7.6	29.8
Earnings per share, SEK 1)	-1.94	-0.46	-2.49	-1.11	0.47	1.85
Equity per share	35.6	38.1	35.6	38.1	35.6	41.1
Operating cash flow	3.1	-14.6	-83.6	-117.8	133.4	99.1
Share of sales in online channels, %	38.9%	40.8%	41.6%	44.5%	39.7%	41.0%

1) Earnings per share before and after dilution

Performance measures in the table are presented in the income statement on page 15 or in alternative performance measures on pages 25–27.

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 1.8 billion
- 41% of sales in online channels and 59% in stores
- Average of 428 employees



- 34 million online visits
- 15 million in-store visits



- Strong brand awareness:**
- 94% for Akademibokhandeln
 - 80% for Bokus



- 0.8 million active Bokus customers
 - 2.1 million members of the Akademibokhandeln Vänner loyalty club, of which 1.4 million active*
- *At least one purchase in the last 12

The above figures refer to 2022 unless otherwise stated.



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

Part of the segment **Bokus Online**



Subscription service for audio books and e-books.

Part of the segment **Bokus Online**



AKADEMIBOKHANDELN

A network of 94 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**



“
Evidence of the
appeal of our
offering.”

COMMENTS FROM THE CEO

Stable sales and improved gross margins

Bokusgruppen successfully delivered stable sales and improved gross margins in the second quarter as well, despite a continued challenging operating environment.

Bokusgruppen's sales increased 0.2% in the second quarter compared to the year-earlier quarter. Our customers continue to shop with us, despite the reduced purchasing power among consumers overall, which is clear evidence of the appeal of our offering.

It is also clear that our ability to adjust and adapt in difficult times is good. The trend of customers returning to physical stores continues. The number of active customers at Akademibokhandeln increased in the quarter in parallel with a fall-off in active customers at Bokus. This indicates the strength of our channel breadth – customers can choose a channel according to their varying needs and preferences.

Akademibokhandeln's strong performance in the first quarter continued through the second, both in physical stores and online. The positive trend was evident in the number of active customers as well as sales and customer satisfaction (NPS). Sales increased by a full 18.7% online and 3.4% in physical stores. Given that we permanently closed one store and temporarily closed another during the quarter, this in-store increase is a very positive signal.

Bokus continued to have a negative performance during the quarter, reporting a 6.7% decrease in sales. This is due to the drop in number of active customers, where the student segment in particular declined. We also saw some level of restraint in other customer segments. By the latter portion of the quarter, however, the trend was more positive. The digital formats at Bokus posted positive growth, primarily the subscription service Bokus Play. Bokus Reader, an app for

purchasing individual audio books and e-books, was launched during the quarter. Bokus Reader simplifies and improves the customer experience for individually purchasing books which can be downloaded, and functions as a complement to the subscription format, which does not suit all customers. We have high expectations that Bokus Reader will have a positive effect on digital sales of individual books.

Cost savings and price increases offset inflation-driven cost increases

We have offset inflation-driven cost increases well, with selective price increases for consumers that led to an increased gross margin and with a large cost-savings programme.

Fixed costs* increased MSEK 6.6 during the quarter, adjusted for items affecting comparability. The increases primarily derived from costs for premises and personnel expenses. Costs for premises increased due to indexation based on CPI from October 2022. Salary cost increased 4% in salary reviews according to agreements, but this increase was offset by the decrease in personnel from the first quarter that had an impact in the second quarter.

However, the aforementioned measures did not fully compensate for cost increases during the quarter. Adjusted EBITA for the quarter was MSEK -23.5, which is MSEK 1.9 lower than the year-earlier quarter. A negative EBITA for the second quarter is nonetheless normal and in line with our seasonal variations. After the first half of the year, adjusted EBITA was still MSEK 4.4 higher than the year-earlier period. Adjustments to EBITA are due to the large pension refunds of MSEK 26.3 we

*Refers to fixed operating expenses, including depreciation of right-of-use assets and property, plant and equipment and adjusted for items affecting comparability.

received during the second quarter last year, which affects comparability.

Challenging situation for our e-commerce logistics

Well-functioning logistics are essential for competitive e-commerce. In order to offer an even better customer experience, in 2022 we changed our logistics solution for e-commerce. The implementation suffered several delays due to the component shortage in the wake of the pandemic, which occasionally resulted in longer lead times, lower delivery reliability and suboptimal operation. During the quarter, our logistics partner moved to better facilities and the final element of automation was in place after a year's delay. Now continuous adjustments and development are under way in order to offer an improved customer experience.

Unfortunately, these challenges in combination with high inflation were costly for our logistics partner. Together, we are reviewing how we can support them in creating the right conditions for continued stable shipping during the autumn, which is an important period for our business, and also to support continued development and improvement.

Continued digital transformation

During the quarter we continued to focus on preparations for procuring the new e-commerce system, which is the next step in our digital transformation. The procurement process is now under way and during the coming quarters we expect to choose suppliers and set a plan for execution.

Long-term focus on sustainability

Our sustainability efforts during the quarter were focused on target follow-up and initiatives for the years ahead.

During the quarter, we closed applications for the Bokus Scholarship after having received over 200 applications. The scholarship will be announced and SEK 50,000 will be presented to the winner at the award ceremony on 20 September. The Bokus Scholarship focuses on students and

prioritises projects that spread the joy of reading. An estimated 2,000 children participated in Världsbokveckan (World Book Week) hosted at Akademibokhandeln's stores. I and all of my colleagues at the company are incredibly proud of these activities, which are all part of Bokusgruppen's important initiatives to promote reading.

During the quarter, Akademibokhandeln entered a partnership with the non-profit organisation Erikshjälpen to sell Bokusgruppen's products that would have otherwise been disposed of. Akademibokhandeln also held a Book Exchange Party. These are examples of circular and waste-reduction initiatives. Work within the Book Industry Climate Initiatives, which Bokusgruppen participates in, also continued with a focus on measures in the areas of transportation and production.

Outlook

We live in an uncertain and challenging world. The war continues in Ukraine and general instability in the region makes it difficult to predict what will happen in the autumn. The Riksbank once again raised the policy rate in June, which will put additional pressure on our customers' purchasing power and their ability to spend money with us or with others. We are following demand and cost trends carefully and are prepared to take additional steps if necessary.

Our experience thus far, however, indicates that books as well as our creative range are considered prioritised and affordable entertainment. This, and our ability to serve customers in our various channels, makes me optimistic as we enter the time of year for vacations. After that, we'll be in autumn, with the start of the school year and many exciting new book launches that can light up customers' lives during the darker and colder months of the year.

Maria Edsman, CEO

Report presentation Q2 2023

- Maria Edsman, CEO, and Ola Maalsnes, CFO, presented the interim report on 14 July 2023 at 10:00 a.m.
- <https://ir.financialhearings.com/bokusgruppen-q2-2023>
- The presentation is in Swedish and is also published on [bokusgruppen.com](https://www.bokusgruppen.com).



OVERVIEW

Consolidated financial trend

Quarter**Net sales**

Net sales for the Group increased 0.2% to MSEK 342.1 (341.5) for the quarter. The increase is primarily due to increased sales in stores.

For the Akademibokhandeln Stores segment, sales increased 3.4%. The increase was due to price adjustments. The store in Kista Galleria closed during the quarter.

For the Akademibokhandeln Online segment, sales growth amounted to 18.7%, which is a significantly better performance than overall e-commerce. This can be considered evidence that customers appreciate Akademibokhandeln's omnichannel offering. The share of other products increased to 7.4% (6.3).

The share of other products totalled 30.9% of net sales for Akademibokhandeln Stores and Online.

Net sales in the Bokus Online segment decreased 6.7% due to lower sales of course literature and reduced purchasing power among customers. This was partially offset by selected increases in customer prices.

Altogether, online channels posted a 4.4% reduction in net sales for the quarter. Sales in online channels accounted for 38.9% of the Group's total net sales, compared with 40.8% in the year-earlier quarter.

Sales of the "Skriva Spela Skapa" range of other products increased compared with the previous year and represented 20.2% (19.8) of the Group's total sales.

Sales of digital books (single sales and through subscriptions) increased 19.1%. Subscription sales continued to display high growth after successfully promoting the subscription service in stores, while single sales decreased.

For more information about each segment, refer to pages 8–11.

Earnings

The gross margin for the Group amounted to 42.6% for the quarter, up 1.3 percentage points from the year-earlier period primarily due to deliberate price adjustments and a larger share of in-store sales.

Fixed operating expenses, including depreciation of right-of-use assets and property, plant and equipment and adjusted for items affecting comparability, were MSEK 6.6 or 4.0% higher than in the year-earlier period. The restructuring programme started to have an impact as of this quarter. The increase is due to the agreed annual adjustments of rents and salaries, partially offset by lower marketing costs.

EBITA for the Group amounted to MSEK -23.5 (4.9). EBITA excluding items affecting comparability was MSEK -23.5 (-21.6), since pension refunds of MSEK 26.3 were received in the second quarter of 2022. For more information about items affecting comparability, see Note 13.

The Group's amortisation of intangible assets was MSEK 0.1 higher than in the second quarter of the preceding year.

The Group's net loss for the period excluding items affecting comparability amounted to MSEK -31.4 (-33.9), an improvement of MSEK 2.5.

Period

Net sales

Net sales for the Group amounted to MSEK 789.0 (782.2), up 0.9% compared with the first six months of 2022, driven primarily by increased sales in stores.

Sales growth for Akademibokhandeln Stores was 6.0%, while sales in online channels decreased 5.6%. Sales in online channels accounted for 41.6% of the Group’s total sales, compared with 44.5% in the year-earlier period.

Sales in the Bokus Online segment decreased 7.6%, while in the Akademibokhandeln Online segment they increased 11.5%. 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 -19.4 (4.5). Pension refunds of MSEK 26.3 from Folksam and Pensionsvalet and government grants of MSEK 2.0 for sick pay costs had a positive impact on earnings in the previous year. EBITA excluding items affecting comparability increased MSEK 4.4 to MSEK -19.4 (-23.8), which is in line with typical seasonal variations. For more information about items affecting comparability, see Note 13.

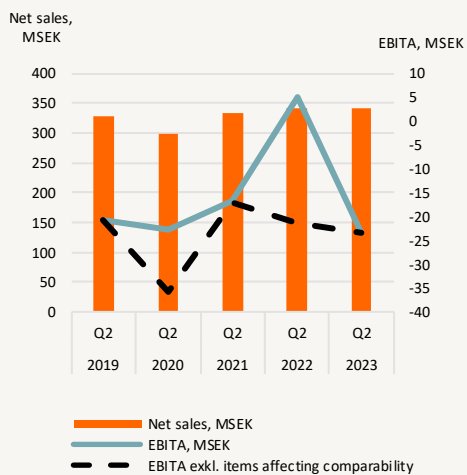
The gross margin amounted to 40.2%, up 1.7 percentage points from the year-earlier period, primarily due to improved gross margins in both channels and the larger share of in-store sales. Gross profit grew 5.2%.

Fixed operating expenses, including depreciation of right-of-use assets and property, plant and equipment and adjusted for items affecting comparability, were MSEK 11.4 higher than in the year-earlier period. The restructuring programme started to have an impact during the period. This increase was largely due to forward-looking investments in the IT transformation and higher depreciation of right-of-use assets, which were partially offset by lower marketing costs.

The EBITA margin for the period amounted to -2.5%. The adjusted EBITA margin LTM was 4.2%, which is lower than the financial target of 6%.

The Group’s amortisation of intangible assets was MSEK 1.9 higher than in the first half of the preceding year due to the IT investments made over the last few years.

The Group’s net loss for the period excluding items affecting comparability amounted to MSEK -40.2 (-46.2), an improvement of MSEK 6.0.



Cash flow and financial position

Cash flow and investments

Operating cash flow for the quarter improved MSEK 17.8 and amounted to MSEK 3.1 (-14.6). This was despite the fact that the Group received pension refunds of MSEK 26.3 in the previous year.

Investments for the second quarter were lower than last year, MSEK -6.9 (-11.1). The majority of development in the quarter pertained to the planned IT transformation and Bokus Reader, an app for purchasing individual audio books and e-books.

Cash flow from financing activities amounted to MSEK -3.2 (14.0). Half of the dividends were distributed during the quarter and utilisation of the overdraft facility was higher than in the year-earlier period.

The adjusted operating cash flow amounted to MSEK -29.0 (-42.7), which was an improvement of MSEK 13.7 and is largely attributable to better working capital.

Operating cash flow for first half of the year amounted to MSEK -83.6 (-117.9), an increase of MSEK 34.3.

The negative cash flow follows the normal seasonal pattern. The change compared with the year-earlier period was mainly due to changes in tied-up working capital.

Investments for the first half of the year were somewhat lower than last year at MSEK -17.7 (-20.3).

Cash flow from financing activities amounted to MSEK 15.6 (-13.1), an improvement of MSEK 28.6. The adjusted operating cash flow amounted to MSEK -147.1, up MSEK 26.0 year on year. The improvement was primarily due to decreased tied-up working capital.

Financing

During the second quarter of 2021, Bokusgruppen entered into an agreement with Nordea for an overdraft facility of MSEK 200.0. The overdraft facility applies for one year at a time and is extended annually. The overdraft facility has a market interest rate and is subject to customary financial covenants. The overdraft facility has been extended by an additional year beginning in May 2023.

As of 30 June 2023, MSEK 103.2 (66.4) of the overdraft facility had been utilised. The equity/assets ratio at the end of the period was 43% (48). Net debt/adjusted EBITDA LTM was 1.3x, compared with 0.6x on 30 June 2022.

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.

Net sales for Bokus Online amounted to MSEK 118.2 (126.7) for the quarter, a decrease of 6.7% compared with the year-earlier quarter. The decrease is due to the continued return of customers to physical stores, students' reduced purchase of course literature and an overall caution among our customers as a result of reduced disposable incomes. The smaller volume of books sold was offset in part by adjusted prices and increased sales in digital formats, primarily subscriptions. The end of the quarter demonstrated a smaller drop compared with the preceding year.

Sales for the quarter were somewhat higher than in the second quarter of 2019. The positive effect on sales from the pandemic has gradually slowed down.

Digital book sales (subscriptions and single sales) increased 19.1% during the quarter after a successful marketing campaign for the subscription service in stores.

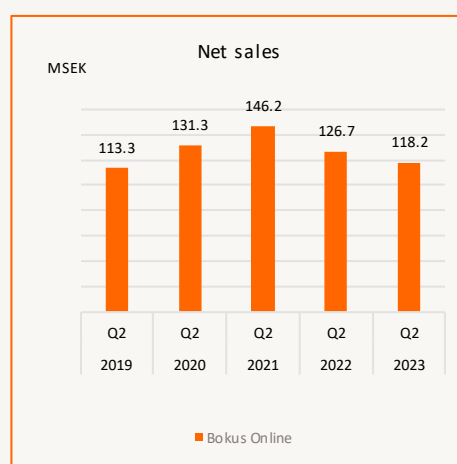
The number of active customers decreased. NPS, which measures customer satisfaction, was at a good level and above our goal of 55, though lower than the previous year.

EBITA amounted to MSEK -7.4 for the quarter, compared with MSEK -1.9 in year-earlier quarter, primarily due to lower sales and higher costs for initiatives to improve the e-commerce offering. The second quarter usually posts negative earnings.

Sales for the period amounted to MSEK 287.6 (311.3), a decrease of 7.6%.

EBITA for the period was MSEK 0.0 (12.3). The same explanation applies as for the decrease during the quarter.

	Apr-Jun		Jan-Jun		Full-year	
	2023	2022	2023	2022	LTM	2022
Net sales, MSEK	118.2	126.7	287.6	311.3	641.7	665.4
EBITA, MSEK	-7.4	-1.9	0.0	12.3	8.8	21.2
No. of active customers (thousands), LTM	769	857	769	857	769	815
NPS - LTM	57	64	57	64	57	57



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 14.8 (12.5) for the quarter, equivalent to an increase of 18.7%, due to increased sales of books as well as other products. Sales were also positively affected by price adjustments and a successful sales campaign.

Strong growth in Akademibokhandeln Online bucks the generally negative e-commerce trend in the market and indicates the strength of the Akademibokhandeln brand as well as the omnichannel offering of in-store and online. Net sales for the quarter were even higher than in the pandemic years.

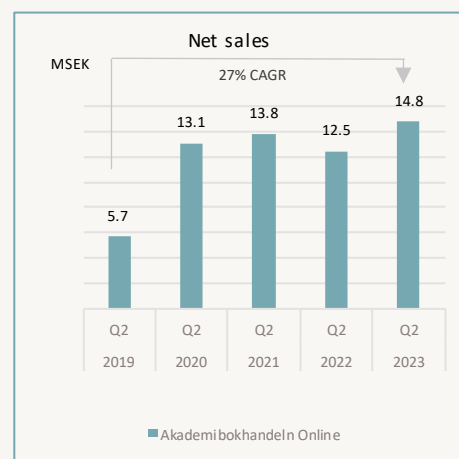
The share of other products (“Skriva Spela Skapa”) increased, accounting for 7.4% (6.3) of net sales in the quarter.

The launch of a new design partnership with Carl and Karin Larsson (Carl Larsson-gården) and high sales of board games and jigsaw puzzles contributed to robust sales.

The online share of total sales for Akademibokhandeln (Stores and Online) was 6.6% (5.8) for the quarter.

EBITA amounted to MSEK -0.6 (-1.2). The improvement in profitability is primarily due to increased sales. EBITA is normally negative during the second quarter. Sales increased 11.5% for the period, 8.1% (7.8) of which was online. EBITA improved MSEK 1.1 year-on-year.

	Apr–Jun		Jan–Jun		Full-year	
	2023	2022	2023	2022	LTM	2022
Net sales, MSEK	14.8	12.5	40.7	36.5	85.2	81.0
EBITA, MSEK	-0.6	-1.2	1.2	0.1	2.4	1.4
Share of online sales, %	6.6%	5.8%	8.1%	7.8%	7.2%	7.0%



Akademibokhandeln Stores

Akademibokhandeln consists of 94 stores throughout Sweden, of which 69 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 209.1 (202.3) for the quarter, an increase of 3.4%. This is the first quarter where sales returned to pre-pandemic levels, even though there are now seven fewer stores. The temporary closure of our store in Borås due to a fire at the property had a negative effect on sales for the quarter. The store in Kista also closed during the quarter, so the number of stores decreased compared with the year-earlier quarter. In other words, comparable sales increased significantly.

Books as well as the range of other products posted growth. Within other products, private label products performed especially well, driven by the successful launch of a design partnership with Carl and Karin Larsson (Carl Larsson-gården). EBITA improved MSEK 3.2 over the year-earlier quarter. The improvement is due to increased sales and strengthened gross margins.

Sales increased 6.0% for the period and EBITA improved by a full MSEK 11.2. The earnings improvement was due to increased sales and stronger margins, which offset costs driven by inflation.

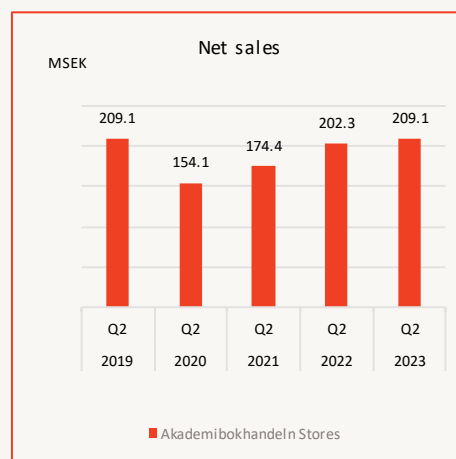
It is a sign of strength that 98.6% of all stores posted positive contributions to operations LTM, even though inflation had a negative impact on personnel expenses and cost of premises.

NPS improved to a strong 66 from 63 in the previous year. It is also gratifying that the number of active customers is showing a positive trend.

	Apr–Jun		Jan–Jun		Full-year	
	2023	2022	2023	2022	LTM	2022
Net sales, MSEK	209.1	202.3	460.6	434.4	1,101.8	1,075.6
EBITA, MSEK	-10.1	-13.3	-10.9	-22.1	84.4	73.2
No. of stores under own management	69	70	69	70	69	71
Share of stores posting a positive contribution to operations LTM, %	98.6%	95.7%	98.6%	95.7%	98.6%	97.1%
Growth in other products	1.9%	15.8%	5.2%	12.7%	1.1%	3.4%
Share of private label in other products, %	17.2%	16.0%	17.4%	16.5%	17.7%	17.3%
%	14.7%	14.1%	14.7%	14.1%	14.7%	14.4%
No. of active customers (thousands), LTM	1,437	1,349	1,437	1,349	1,437	1,393
NPS - LTM	66	63	66	63	66	66

Net sales growth

3.4%



Central Functions

Consists of the Parent Company and Group management. EBITA for Central Functions amounted to MSEK -5.3 (21.3) for the quarter. The Group received pension refunds of MSEK 26.3 in the previous year.

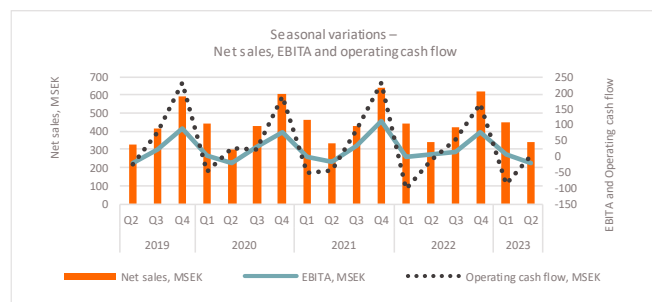


Other information

Seasonal variations

Bokusgruppen’s sales are affected by seasonal variations, primarily due to 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 second half of the year. The majority of the annual earnings are posted in the fourth quarter.

The second quarter largely followed normal seasonal variations.



Organisation and employees

The average number of employees during the second quarter was 382 (397). Of these, 286 (295) were employees in physical stores and the rest were employed in HR, finance, sales, purchasing and assortment, supply chain, marketing and communications, and IT. A restructuring programme to reduce the number of employees by ten roles at the company’s office was carried out during the first quarter. The full effect was achieved during the latter part of the second quarter.

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. This builds strong commitment and spreads knowledge throughout the business. Bokusgruppen’s two overall sustainability targets are to achieve 90% of all sub-targets and lower carbon emissions by 25% by 2026.

During the quarter, sustainability work continued with a focus on target follow-up and designing new initiatives and activities for 2024. Knowledge-gathering and preparations regarding the European Green Deal and the new EU directive (CSDR) have begun. Work to adapt sustainability reporting to the new European Sustainability Reporting Standards will escalate in the second half of 2023 and into 2024.

During the quarter, we closed applications for the Bokus Scholarship after having received over 200 applications. During the third quarter, the scholarship will be announced and SEK 50,000 will be presented to the winner at the award ceremony. The Bokus Scholarship focuses on students and prioritises projects that spread the joy of reading.

An estimated 2,000 children participated in Världsbokveckan (World Book Week) hosted at Akademibokhandeln’s stores. This is one of the many initiatives to promote reading that Bokusgruppen carries out.

Akademibokhandeln held a Book Exchange Party (bokbytarkalas), where approximately 500 books changed owners over the course of four days. Akademibokhandeln also entered a partnership with the non-profit organisation

Erikshjälpen to sell Bokusgruppen's products that would have otherwise been disposed of. These two initiatives are examples of circular initiatives and waste reduction.

Work within the Book Industry Climate Initiatives, which Bokusgruppen participates in, continued during the quarter with proposals regarding efficiency as well as transportation and production measures to reduce CO2e emissions within the book industry.

Bokusgruppen's new logistics solution, which was fully implemented during the quarter, is expected to lead to lower CO2e emissions and reduced use of packaging.

Read more about Bokusgruppen's sustainability agenda in the 2022 Annual and Sustainability Report available on the company's website.

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/investerare/aktien-och-agare/>

Bokusgruppen share, price/share, SEK



Source: Nasdaq OMX Nordic

The total number of shares outstanding was 16,151,226. On 30 June 2023, the share price was SEK 32.00 and the total market value was MSEK 516.8. Refer to the table below for the principal owners. The Board and senior executives own approximately 35% of the shares in Bokusgruppen.

Bokusgruppen has two (2) active warrant programmes. During the second quarter, the AGM of Bokusgruppen resolved to introduce a second warrant programme, series 2023/2026, for select key personnel. The last day to subscribe was 10 May 2023. A total of 260,000 warrants have been subscribed for, of which Bokusgruppen's CEO Maria Edsman subscribed for 50,000 and other participants subscribed for a total of 210,000. The dilution effect, if all the subscribed warrants are exercised for shares, will amount to 1.6% in Bokusgruppen. The subscription price for the warrants in the 2023/2026 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 2–8 May 2023. The average volume-weighted price was SEK 36.19. The subscription price for the warrants thus amounts to SEK 1.02 per warrant and the future exercise price for the share based on the warrant amounts to SEK 47.00 per share. The first warrant programme was introduced in 2021, series 2021/2024, according to the AGM's decision. A total of 550,585 warrants were subscribed for, of which Bokusgruppen's CEO Maria Edsman subscribed for 117,647 and other senior executives in Bokusgruppen subscribed for a total of 432,938. If all the subscribed warrants in this programme are exercised for shares, this would entail a dilution effect of 3.3% in Bokusgruppen. The exercise price for subscribing for shares based on the issued warrants in the 2021/2024 series is SEK 55.80 per share. The subscription prices in both programmes were set at market price and calculated using the Black & Scholes model.

Principal owners 30 Jun 2023

# Ten largest shareholders at 30 Jun 2023	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 Fun	1,137,593	7.04
4 Mattias Björk	1,006,591	6.23
5 Försäkringsaktiebolaget Avanza Pension	712,631	4.41
6 Mårten Andersson	502,306	3.11
7 Aktiebolag 1909 Gruppen	248,730	1.54
8 Nordnet Pensionsförsäkring AB	139,343	0.86
9 Maria Edsman	100,800	0.62
10 Håkan Karlström	100,000	0.62
Total	14,710,949	91.08
Other shareholders	1,440,277	8.92
Total number of shares	16,151,226	100.00

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.

Online channels posted negative growth for the last 12 months, which is not in line with the target of an average of 10% annual growth. The average over the last three years is also below target. The challenging economic situation has hit online channels harder than physical stores and the boost from the pandemic makes the previous years a difficult comparison.

The growth for stores in the last 12 months was 1.8%, which is roughly in line with the target of growth in line with the general economy.

The LTM EBITA margin of 3.9% did not meet Bokusgruppen's defined target for three to five years, which is 6%. The outcome was affected by non-recurring costs for the restructuring programme in the fourth quarter of 2022.

Adjusted for items affecting comparability, the EBITA margin is 4.2%.

Medium-term target (3–5 years)		2022		2021
		LTM	Jan–Dec	Jan–Dec
Net sales growth in online channels	Average 10% annual growth	-5.6%	-10.2%	7.3%
Net sales growth in physical stores	Growth in line with general economy	1.8%	3.9%	3.4%
EBITA	EBITA margin of approx. 6%	3.9%	5.2%	6.7%

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, the AGM resolved on a dividend of SEK 3.00 (3.00) per share, totalling MSEK 48.5, or a dividend yield of approximately 8%. As in the previous year, the dividend is being paid in two instalments of SEK 1.50 each. The first payment was made on 15 May 2023 and the second payment will be made on 15 November 2023.

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 page 20.

Events after the balance sheet date

No significant events took place after the balance sheet date.

Outlook

A great deal of turbulence still prevails in the world. The war in Ukraine has had unfathomable consequences for human life and also affected the global economy. The prevailing uncertainty regarding the political and economic situation is likely to remain for the foreseeable future.

In Sweden, we still have high inflation that is affecting costs, a weak krona and rising interest rates, which is creating a great deal of uncertainty going forward and is significantly affecting our customers' purchasing power. Despite this, we are cautiously optimistic. Historically speaking, the book industry has remained stable even in difficult times and we are seeing that our customers are continuing to shop with us, albeit with a certain level of restraint.

As previously announced, the forward-looking investments will continue in 2023, although more selectively and at a slower rate than planned. The investments are primarily focused on a new e-commerce platform. In the short term, the investments may have a negative impact on earnings and cash flows. In the long term, they will strengthen the company's competitiveness and build growth in line with our objectives.

As before, the focus in the coming quarters will be to offset these increased costs through intelligent pricing and to lower the cost level. We are following demand and cost trends carefully and are prepared to take additional steps if necessary.

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 2023 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, 14 July 2023

Mårten Andersson
Chairman of the Board

Mattias Björk
Director

Cecilia Marlow
Director

Anna Wallenberg
Director

Jeanette Söderberg
Director

Patrik Wahlén
Director

Contacts

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Ola Maalsnes, CFO

Tel: +46 73 868 22 90

E-mail: ola.maalsnes@bokusgruppen.com

Financial calendar

- 27 October 2023 Q3 2023 interim report

Presentation of the report

The Q1 interim report will be presented in a webcast.

Date and time: 14 July, 10:00 a.m.

Use the following link to connect to the webcast: <https://ir.financialhearings.com/bokusgruppen-q2-2023>

Certified Adviser

The company is listed on Nasdaq First North Growth Market. The company's Certified Adviser is Erik Penser Bank

Financial statements

Consolidated statement of comprehensive income

Amounts in MSEK	Note	Accounting period					
		2023 Apr–Jun	2022 Apr–Jun	2023 Jan–Jun	2022 Jan–Jun	LTM	2022 Jan–Dec
Net sales	5	342.1	341.5	789.0	782.2	1,828.7	1,822.0
Total revenue		342.1	341.5	789.0	782.2	1,828.7	1,822.0
Operating expenses							
Goods for resale		-196.3	-200.3	-471.7	-480.6	-1,075.4	-1,084.3
Other external costs		-53.8	-53.8	-109.9	-107.4	-228.0	-225.5
Personnel expenses	6, 10	-79.5	-51.0	-157.3	-127.3	-322.8	-292.9
Other operating expenses		-0.2	-0.3	-0.4	-0.5	0.0	-0.1
EBITDA		12.3	36.2	49.8	66.4	202.5	219.1
Depreciation of right-of-use assets	6	-31.9	-28.5	-63.0	-56.7	-120.4	-114.0
Depreciation of property, plant and equipment		-3.9	-2.7	-6.2	-5.2	-11.7	-10.7
EBITA		-23.5	4.9	-19.4	4.5	70.4	94.4
Amortisation of intangible assets		-6.2	-5.1	-12.9	-9.0	-25.0	-21.1
Amortisation of acquisition-related intangible assets		-4.9	-5.9	-9.8	-11.8	-19.6	-21.6
EBIT		-34.6	-6.0	-42.2	-16.3	25.8	51.6
Financial income		0.0	0.0	0.1	0.0	0.1	0.0
Financial expenses		-4.9	-3.1	-8.5	-6.2	-15.5	-13.2
Net financial items		-4.9	-3.1	-8.4	-6.2	-15.3	-13.1
Profit/loss after financial items		-39.5	-9.1	-50.6	-22.5	10.5	38.5
Income tax		8.1	1.7	10.4	4.6	-2.9	-8.7
Net profit/loss		-31.4	-7.4	-40.2	-17.9	7.6	29.8
Other comprehensive income:							
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-31.4	-7.4	-40.2	-17.9	7.6	29.8
Earnings per share before and after dilution, SEK	8	-1.94	-0.46	-2.49	-1.11	0.47	1.85
Average no. of shares before and after dilution		16,151,226	16,151,226	16,151,226	16,151,226	16,151,226	16,151,226

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	30/06/2023	30/06/2022	31/12/2022
ASSETS				
Non-current assets				
<i>Intangible assets and goodwill</i>				
Goodwill		410.1	410.1	410.1
Brands		240.1	240.1	240.1
Customer relationships		55.4	75.0	65.2
Capitalised expenditure for development work		93.7	79.7	93.1
Total intangible assets and goodwill		799.4	805.0	808.6
<i>Property, plant and equipment</i>				
Equipment, fixtures and fittings		23.2	23.9	23.5
Total property, plant and equipment		23.2	23.9	23.5
<i>Financial assets</i>				
Other financial assets		0.6	0.0	0.6
Total financial assets		0.6	0.0	0.6
Right-of-use assets		291.9	230.5	258.8
Deferred tax asset		2.3	2.2	2.2
Total non-current assets		1,117.3	1,061.5	1,093.6
Current assets				
Inventories		160.4	151.1	204.9
Trade receivables		18.0	20.9	23.3
Other receivables		19.0	16.0	29.0
Current tax asset		15.1	-	-
Prepaid expenses and accrued income		30.8	28.6	33.8
Cash and cash equivalents		1.4	1.6	69.4
Total current assets		244.6	218.2	360.5
TOTAL ASSETS		1,362.0	1,279.7	1,454.1
Amounts in MSEK				
EQUITY AND LIABILITIES				
EQUITY				
Share capital		0.6	0.6	0.6
Other paid-in capital		252.8	252.7	252.7
Retained earnings including net profit/loss		321.1	362.0	409.7
Total equity attributable to owners of the Parent		574.4	615.3	663.0
LIABILITIES				
Non-current liabilities				
Other provisions		0.6	-	0.6
Lease liabilities		162.7	119.1	151.2
Deferred tax liabilities		91.8	94.0	92.5
Total non-current liabilities		255.1	213.1	244.3
Current liabilities				
Overdraft facility	11	103.2	66.4	-
Lease liabilities		115.0	99.0	93.9
Current tax liabilities		-	-4.0	4.9
Trade payables		141.0	118.2	238.9
Advance payments from customers		1.2	0.9	1.1
Other current liabilities		63.3	63.5	63.6
Accrued expenses and deferred income		108.7	107.5	144.3
Total current liabilities		532.4	451.4	546.7
Total liabilities		787.5	664.5	791.0
TOTAL EQUITY AND LIABILITIES		1,362.0	1,279.7	1,454.1

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	
Opening balance, 1 Jan 2022		0.6	252.7	428.3	681.6
Dividend (SEK 3/share)				-48.5	-48.5
Net loss plus comprehensive income				29.8	29.8
Closing balance, 31 Dec 2022		0.6	252.7	409.7	663.0
Opening balance, 1 Jan 2023		0.6	252.7	409.7	663.0
Warrants			0.1	0.0	0.1
Dividend (SEK 3/share)				-48.5	-48.5
Net profit plus comprehensive income				-40.2	-40.2
Closing balance, 30 Jun 2023		0.6	252.8	321.1	574.4

Consolidated statement of cash flow

Amounts in MSEK	Note	Accounting period					
		2023 Apr–Jun	2022 Apr–Jun	2023 Jan–Jun	2022 Jan–Jun	LTM	2022 Jan–Dec
Cash flow from operating activities							
EBIT		-34.6	-6.0	-42.2	-16.3	25.8	51.6
<i>Adjustments for non-cash items:</i>							
– Depreciation, amortisation and impairment of assets		46.9	42.2	91.9	82.7	176.7	167.5
– Other items not affecting cash flow		0.0	0.1	0.0	0.1	0.0	0.1
Interest received		0.0	0.0	0.0	0.0	0.1	0.0
Interest paid		-4.9	-3.1	-8.5	-6.2	-15.5	-13.2
Tax paid		-0.3	-3.6	-10.4	-15.8	-16.3	-21.7
Cash flow from operating activities before changes in working capital		7.1	29.6	30.9	44.5	170.7	184.4
Cash flow from changes in working capital							
Increase (-)/decrease (+) in inventories		-4.6	-8.9	44.5	44.6	-9.3	-9.2
Increase (-)/decrease (+) in operating receivables		6.4	-2.4	16.8	1.8	-3.9	-18.9
Increase (+)/decrease (-) in operating liabilities		1.2	-21.8	-158.0	-188.4	24.2	-6.3
Total change in working capital		3.0	-33.0	-96.7	-142.0	10.9	-34.4
Cash flow from operating activities		10.1	-3.4	-65.9	-97.5	181.7	150.0
Cash flow from investing activities							
Investments in intangible assets		-6.2	-8.9	-13.5	-16.8	-39.1	-42.3
Investments in property, plant and equipment		-0.8	-2.3	-4.2	-3.5	-9.2	-8.6
Sales of property, plant and equipment		-	-	-	0.0	0.0	0.0
Cash flow from investing activities		-6.9	-11.1	-17.7	-20.3	-48.3	-50.9
Operating cash flow		3.1	-14.6	-83.6	-117.8	133.4	99.1
Cash flow from financing activities							
Utilised overdraft facility	11	53.1	66.4	103.2	66.4	36.9	-
Proceeds from warrants	10	0.1	-	0.1	-	0.1	-
Payments pertaining to repayment of lease liabilities		-32.2	-28.1	-63.5	-55.2	-122.1	-113.9
Dividends paid		-24.2	-24.2	-24.2	-24.2	-48.5	-48.5
Cash flow from financing activities		-3.2	14.0	15.6	-13.1	-133.7	-162.3
Decrease/increase in cash and cash equivalents		-0.1	-0.6	-68.0	-130.9	-0.3	-63.2
Cash and cash equivalents at beginning of period		1.4	2.2	69.4	132.5	1.6	132.5
Cash and cash equivalents at end of period		1.4	1.6	1.4	1.6	1.4	69.4

Parent Company income statement

Amounts in MSEK	Accounting period					
	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	LTM	2022 Jan-Dec
Net sales	4.6	6.1	12.0	13.7	21.5	23.2
Total revenue	4.6	6.1	12.0	13.7	21.5	23.2
Operating expenses						
Other external costs	-2.1	-1.7	-3.3	-3.6	-7.0	-7.3
Personnel expenses	-3.2	-3.3	-6.4	-8.6	-15.2	-17.5
Amortisation of intangible assets	-3.0	-3.0	-6.0	-6.0	-12.0	-12.0
Total operating expenses	-8.3	-7.9	-15.7	-18.3	-34.2	-36.8
Operating loss	-3.7	-1.9	-3.7	-4.5	-12.7	-13.5
Profit from financial items						
Profit from participations in Group companies	20.0	60.0	20.0	60.0	20.0	60.0
Other interest income and similar profit/loss items	5.6	1.7	10.6	3.3	17.7	10.4
Interest expenses and similar profit/loss items	-5.7	-1.5	-10.2	-2.9	-15.8	-8.5
Total financial items	19.9	60.1	20.4	60.4	21.9	61.9
Profit after financial items	16.2	58.2	16.7	55.9	9.2	48.3
Appropriations	-	-	-	0.6	12.5	13.1
Profit before tax	16.2	58.2	16.7	56.5	21.7	61.5
Income tax	0.8	0.3	0.6	0.7	-0.1	-
Net profit	17.0	58.5	17.4	57.2	21.6	61.5

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	30/06/2023	30/06/2022	31/12/2022
ASSETS				
Non-current assets				
<i>Intangible assets</i>				
Concessions, patents, licenses, brands and similar intellectual property		20.0	32.0	26.0
Total intangible assets		20.0	32.0	26.0
<i>Financial assets</i>				
Participations in Group companies	12	553.7	553.7	553.7
Total financial assets		553.7	553.7	553.7
Total non-current assets		573.7	585.7	579.7
Current assets				
<i>Current receivables</i>				
Receivables from Group companies		379.6	427.6	436.3
Current tax asset		1.4	1.4	0.5
Other receivables		0.2	0.1	0.6
Prepaid expenses and accrued income		2.3	2.1	0.8
Total current receivables		383.4	431.2	438.2
Cash and bank balances		-	-	67.8
Total current assets		383.4	431.2	506.0
TOTAL ASSETS		957.1	1,016.9	1,085.7
EQUITY AND LIABILITIES				
Equity				
<i>Restricted equity</i>				
Share capital		0.6	0.6	0.6
Total restricted equity		0.6	0.6	0.6
<i>Non-restricted equity</i>				
Share premium reserve		165.3	165.2	165.2
Retained earnings		241.8	228.8	228.8
Net profit/loss		17.4	57.2	61.5
Total non-restricted equity		424.5	451.2	455.5
Total equity		425.1	451.8	456.1
Untaxed reserves		5.4	8.6	5.4
Non-current liabilities				
Liabilities to Group companies		120.0	120.0	120.0
Total non-current liabilities		120.0	120.0	120.0
Current liabilities				
Overdraft facility		103.2	66.4	-
Trade payables		0.2	0.1	0.3
Liabilities to Group companies		273.4	342.3	496.8
Other current liabilities		24.9	24.7	0.6
Accrued expenses and deferred income		4.8	3.0	6.4
Total current liabilities		406.6	436.4	504.1
TOTAL EQUITY AND LIABILITIES		957.1	1,016.9	1,085.7

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 is Sweden's leading book retailer and conducts operations through the companies Bokus AB and Akademibokhandeln Holding AB, with the subsidiary Bokhandelsgruppen i Sverige AB.

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 2022 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 of the 2022 Annual Report and Sustainability Report. The war in Ukraine has led to general disruptions in the global economy. Rising inflation and continued high interest rates are creating uncertainty in the market and affecting customer purchasing power. This could impact Bokusgruppen's operations.

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.

	2023	2022	2023	2022		2022
External revenue	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	LTM	Jan-Dec
Bokus Online total revenue	123.7	133.9	311.8	332.7	693.4	714.3
less intra-Group sales 1)	-5.5	-7.2	-24.2	-21.4	-51.7	-48.9
Bokus Online	118.2	126.7	287.6	311.3	641.7	665.4
Akademibokhandeln Online	14.8	12.5	40.7	36.5	85.2	81.0
Akademibokhandeln Stores	209.1	202.3	460.6	434.4	1,101.8	1,075.6
Central Functions	-	-	-	-	-	-
Total external revenue	342.1	341.5	789.0	782.2	1,828.7	1,822.0

1) In Bokus Online, MSEK 5.5 (7.2) was eliminated in Q2 2023 as it relates to intra-Group sales to the Akademibokhandeln Online segment.

NOTE 5 Segment reporting, cont.

	2023	2022	2023	2022		2022
EBITA	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	LTM	Jan-Dec
Bokus Online	-7.4	-1.9	0.0	12.3	8.8	21.2
Akademibokhandeln Online	-0.6	-1.2	1.2	0.1	2.4	1.4
Akademibokhandeln Stores	-10.1	-13.3	-10.9	-22.1	84.4	73.2
Central Functions	-5.3	21.3	-9.7	14.1	-25.2	-1.4
Total EBITA	-23.5	4.9	-19.4	4.5	70.4	94.4
Amortisation of intangible assets	-11.1	-11.0	-22.8	-20.8	-44.6	-42.7
EBIT	-34.6	-6.0	-42.2	-16.3	25.8	51.6
Net financial items	-4.9	-3.1	-8.4	-6.2	-15.3	-13.1
Profit/loss after financial items	-39.5	-9.1	-50.6	-22.5	10.5	38.5

Breakdown of revenue from external customers

Apr-Jun 2023	Akademibokhandeln		Akademibokhandel		Total
	Bokus Online	Online	n Stores	Central Functions	
Physical books	100.6	13.0	131.2	-	244.7
Digital books	11.3	-	-	-	11.3
Other products	-	1.1	68.1	-	69.2
Other revenue	6.3	0.7	9.8	-	16.9
Total	118.2	14.8	209.1	-	342.1
Apr-Jun 2022	Akademibokhandeln		Akademibokhandel		Total
	Bokus Online	Online	n Stores	Central Functions	
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
Total	126.7	12.5	202.3	-	341.5
Jan-Jun 2023	Akademibokhandeln		Akademibokhandel		Total
	Bokus Online	Online	n Stores	Central Functions	
Physical books	251.0	36.3	286.5	-	573.8
Digital books	23.0	-	-	-	23.0
Other products	-	2.7	151.5	-	154.2
Other revenue	13.6	1.7	22.6	-	37.9
Total	287.6	40.7	460.6	-	789.0
Jan-Jun 2022	Akademibokhandeln		Akademibokhandel		Total
	Bokus Online	Online	n Stores	Central Functions	
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
Total	311.3	36.5	434.4	-	782.2
LTM	Akademibokhandeln		Akademibokhandel		Total
	Bokus Online	Online	n Stores	Central Functions	
Physical books	565.8	73.5	661.7	-	1,301.0
Digital books	47.1	-	-	-	47.1
Other products	-	7.7	399.0	-	406.7
Other revenue	28.9	4.0	41.2	-	74.0
Total	641.7	85.2	1,101.8	-	1,828.7
Full-year 2022	Akademibokhandeln		Akademibokhandel		Total
	Bokus Online	Online	n Stores	Central Functions	
Physical books	592.5	70.2	644.2	-	1,306.9
Digital books	43.7	-	-	-	43.7
Other products	-	7.2	391.5	-	398.7
Other revenue	29.2	3.6	39.9	-	72.7
Total	665.4	81.0	1,075.6	-	1,822.0

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.

	2023 Apr–Jun	2022 Apr–Jun	2023 Jan–Jun	2022 Jan–Jun	LTM	2022 Jan–Dec
Compensation for sick pay costs (recognised in the income statement item "Personnel expenses")	-	0.2	-	2.0	0.0	2.0
Total	-	0.2	-	2.0	0.0	2.0

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 26 of the Annual Report and Sustainability Report for 2022. The scope and focus of these transactions have not changed significantly during the quarter.

8 EARNINGS PER SHARE

	2023 Apr–Jun	2022 Apr–Jun	2023 Jan–Jun	2022 Jan–Jun	LTM	2022 Jan–Dec
<i>SEK</i>						
Earnings per share before and after dilution	-1.94	-0.46	-2.49	-1.11	0.47	1.85
Earnings measures used in the calculation of earnings per share						
Earnings attributable to owners of the Parent used for earnings per share before and after dilution, MSEK	-31.4	-7.4	-40.2	-17.9	7.6	29.8
<i>No.</i>						
Weighted average no. of ordinary shares for calculating earnings per share before and after dilution	16,151,226	16,151,226	16,151,226	16,151,226	16,151,226	16,151,226
Equity per weighted average number of ordinary shares, SEK	35.6	38.1	35.6	38.1	35.6	41.1

9 SHARE CAPITAL AND OTHER PAID-IN CAPITAL

At the end of the year, 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
Opening balance, 1 Jan 2022	16,151	0.6	252.7	253.3
Utgående balans per 31 december 2022	16,151	0.6	252.7	253.3
Ingående balans per 1 januari 2023	16,151	0.6	252.7	253.3
Teckningsoptioner*			0.1	0.1
Closing balance, 30 Jun 2023	16,151	0.6	252.8	253.4

*Comprises premiums paid of MSEK 0.3 and external costs of MSEK 0.2 related to the introduction of the programme.

10 WARRANTS TO SENIOR EXECUTIVES

Senior Bokusgruppen executives subscribed for 550,585 warrants in the 2021/2024 series 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 in this series 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.

A second warrant programme was resolved on by the 2023 AGM, directed at senior Bokusgruppen executives. A total of 260,000 warrants in the 2023/2026 series were subscribed for. Bokusgruppen's CEO Maria Edsman subscribed for 50,000 warrants, and other senior executives subscribed for 210,000 warrants. If all the subscribed warrants in this series are exercised for shares, this entails a dilution effect of 1.6% in Bokusgruppen. The subscription price for the warrants in the 2023/2026 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 2–8 May 2023. The average volume-weighted price was SEK 36.19. The subscription price for the warrants thus amounts to SEK 1.02 per warrant and the future exercise price for the share based on the warrant amounts to SEK 47.00 per share. The subscription prices in both programmes were 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 overdraft facility has been extended by an additional year beginning in May 2023. 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 2023	Carrying amount 31 Dec 2022
Akademibokhandeln Holding AB	559101-0938	Stockholm	8 000 000	433.7	433.7
Bokus AB	556493-0492	Stockholm	100	120.0	120.0
				553.7	553.7

MSEK	30/06/2023	31/12/2022
Opening cost	553.7	553.7
Closing accumulated cost	553.7	553.7
Closing carrying amount	553.7	553.7

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.

	2023 Apr–Jun	2022 Apr–Jun	2023 Jan–Jun	2022 Jan–Jun	LTM	2022 Jan–Dec
Adjusted EBITDA LTM						
EBITDA LTM	202.5	271.4	202.5	271.4	202.5	219.1
Reversal of IFRS 16 effect	-130.1	-122.3	-130.1	-122.3	-130.1	-121.8
Items affecting comparability*	6.7	-36.3	6.7	-36.3	6.7	-19.6
Adjusted EBITDA LTM	79.0	112.8	79.0	112.8	79.0	77.7
<i>*Items affecting comparability refers to listing costs, restructuring costs and pension refunds</i>						
Net debt (excl. lease liabilities)/adjusted EBITDA LTM, x						
Financial liabilities	1.1	0.8	1.1	0.8	1.1	1.5
Interest-bearing liabilities	103.2	66.4	103.2	66.4	103.2	0.0
Cash and cash equivalents	-1.4	-1.6	-1.4	-1.6	-1.4	-69.4
Net debt	103.0	65.5	103.0	65.5	103.0	-67.9
Adjusted EBITDA LTM	79.0	112.8	79.0	112.8	79.0	77.7
Net debt/adjusted EBITDA, x	1.3	0.6	1.3	0.6	1.3	-0.9
EBITA excluding items affecting comparability						
EBITA	-23.5	4.9	-19.4	4.5	70.4	94.4
Subsidies and government grants	-	-0.2	-	-2.0	0.0	-2.0
Pension refunds	-	-26.3	-	-26.3	-1.5	-27.8
Restructuring costs	-	-	-	-	8.2	8.2
EBITA excluding items affecting comparability	-23.5	-21.6	-19.4	-23.8	77.1	72.8
Fixed operating expenses excluding items affecting comparability						
Other external costs	-53.8	-53.8	-109.9	-107.4	-228.0	-225.5
Personnel expenses	-79.5	-51.0	-157.3	-127.3	-322.8	-292.9
Other operating expenses	-0.2	-0.3	-0.4	-0.5	0.0	-0.1
Fixed operating expenses	-133.5	-105.0	-267.5	-235.3	-550.8	-518.5
Depreciation of right-of-use assets	-31.9	-28.5	-63.0	-56.7	-120.4	-114.0
Depreciation of property, plant and equipment	-3.9	-2.7	-6.2	-5.2	-11.7	-10.7
Fixed operating expenses including depreciation of right-of-use assets and property, plant and equipment	-169.3	-136.2	-336.7	-297.2	-682.8	-643.3
Subsidies and government grants	-	-0.2	-	-2.0	0.0	-2.0
Pension refunds	-	-26.3	-	-26.3	-1.5	-27.8
Restructuring costs	-	-	-	-	8.2	8.2
Fixed operating expenses excluding items affecting comparability	-169.3	-162.7	-336.7	-325.5	-676.1	-664.9
Adjusted operating cash flow						
Operating cash flow	3.1	-14.6	-83.6	-117.8	133.4	99.1
Payments pertaining to repayment of lease liabilities	-32.2	-28.1	-63.5	-55.2	-122.1	-113.9
Adjusted operating cash flow	-29.0	-42.7	-147.1	-173.1	11.3	-14.7
Adjusted cost of store premises as a % of total sales in Akademibokhandeln, LTM						
Cost of premises	-50.5	-47.4	-50.5	-47.4	-50.5	-50.8
Reversal of costs unrelated to stores	5.9	6.0	5.9	6.0	5.9	6.0
Reversal of IFRS 16 effect	-130.1	-122.3	-130.1	-122.3	-130.1	-121.8
Adjusted cost of store premises	-174.7	-163.7	-174.7	-163.7	-174.7	-166.6
Sales in Akademibokhandeln (Online and Stores)	1,187.0	1,159.0	1,187.0	1,159.0	1,187.0	1,156.6
Adjusted cost of store premises as a % of total sales in Akademibokhandeln, LTM	14.7%	14.1%	14.7%	14.1%	14.7%	14.4%

MULTI-YEAR REVIEW

MSEK	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2
Net sales	461.9	334.4	428.4	641.4	440.8	341.5	421.0	618.7	446.9	342.1
Net sales growth, %	4.0%	12.0%	0.4%	5.9%	-4.6%	2.1%	-1.7%	-3.5%	1.4%	0.2%
Gross margin, %	32.5%	37.7%	39.2%	42.6%	36.4%	41.3%	39.5%	43.6%	38.4%	42.6%
EBITDA	27.8	13.2	64.1	140.8	30.2	36.2	46.1	106.6	37.5	12.3
EBITA	-2.4	-16.7	34.4	108.8	-0.4	4.9	14.9	75.0	4.1	-23.5
EBITA excl. items affecting comparability	-5.2	-17.2	32.2	98.8	-2.2	-21.6	14.9	81.7	4.1	-23.5
EBIT	-12.7	-27.2	23.7	97.3	-10.3	-6.0	4.3	63.7	-7.5	-34.6
Net profit	-15.2	-25.8	15.9	75.6	-10.6	-7.4	0.6	47.2	-8.8	-31.4
Earnings per share, SEK 1)	-1.1	-1.7	1.0	4.7	-0.7	-0.5	0.0	2.9	-0.5	-1.9
Equity per share	34.4	38.6	37.5	42.2	41.6	38.1	38.1	41.1	40.5	35.6
Operating cash flow	-51.9	-44.3	83.5	230.0	-103.2	-14.6	50.8	166.2	-86.7	3.1
Share of sales in online channels, %	54.0%	47.8%	45.2%	35.6%	47.3%	40.8%	43.6%	34.8%	43.7%	38.9%

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

PERFORMANCE MEASURES	DESCRIPTION	REASON FOR USE
EBITDA	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.
Adjusted EBITDA	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.
Net debt/adjusted EBITDA	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.
EBITA	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.
EBITA margin	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.
EBITA excluding items affecting comparability	Calculated as EBITA adjusted for items affecting comparability.	Used by Group management to monitor the underlying earnings growth for the Group.
Items affecting comparability	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.

EBIT	Earnings before net financial items and tax.	EBIT provides an overview of the profit generated by operating activities and its financing.
Fixed operating expenses excluding items affecting comparability	Calculated as fixed costs less items affecting comparability.	Gives Group management a clear overview of how underlying costs for the operations develop over time.
Operating cash flow	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.
Adjusted operating cash flow	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.
Net sales growth	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.
Gross margin	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.
Gross margin growth	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.
Gross profit	Calculated as sales less goods for resale.	Gives Group management a clear overview of the profitability of products sold.
Gross profit growth	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.
Equity per share	Calculated as total assets less total liabilities divided by the number of shares	Used by Group management to assess the company's net worth per share.
Equity/assets ratio	Equity as a percentage of the balance sheet total.	Used to assess financial risk.
Growth in digital books	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.
Growth in online channels	Sales in online channels during the period compared with sales in the year-earlier period.	Online growth is an important growth area.
Share of sales in online channels	The share of sales in online channels (Akademibokhandeln Online and Bokus Online) in relation to total sales.	Gives Group management a clear overview of changes in the share of total sales attributable to digital sales.
Share of Akademibokhandeln Online	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.
Growth in physical stores	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.

Growth in “Skriva Spela Skapa” range of other products	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.
Share of private label in other products	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.
Store contributions to operations LTM	Store contributions to operations refers to direct revenue and expenses generated in individual stores.	Provides guidance about individual stores’ profitability and contributions to EBITA.
Cost of premises (excl. IFRS 16) as a % of sales in Akademibokhandeln Online and Stores	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.
Number of active customers	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.
Brand awareness	Share of population aged 15 to 65 who have purchased at least one book in the past year who answered YES to the question “Have you heard of Akademibokhandeln or Bokus?”. Based on 100 interviews per week since 2015.	Measures the share of customers who are aware of our brands.
NPS (Net Promoter Score)	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.
“Skriva Spela Skapa”	“Skriva Spela Skapa” and Other products are names for the same product category.	Both terms refer to the same product category.