

Interim Report January–March 2021

# Increased sales and strong growth in online channels

## Q1 2021

- Net sales rose 4% to MSEK 462 (444)
- EBITA was MSEK -2.4 (0.8)
- EBITA LTM was MSEK 81.1 (84.3)
- The company reported a loss after tax of MSEK -15.2 (-13.4)

## Significant events

- The second wave of the pandemic had a negative effect on sales in brick and mortar stores
- More than half of sales were online
- Extensive preparations ahead of the principal owner Volati's decision to spin off and list Bokusgruppen

**37%**

**NET SALES GROWTH  
DIGITAL CHANNELS**

**4%**

**TOTAL NET SALES GROWTH**

**4.5%**

**EBITA MARGIN (LTM)**

## Performance measures, overview

MSEK	2021	2020	LTM	Full-year 2020
	Jan–Mar	Jan–Mar		
Net sales	462	444	1 793	1 775
Net sales growth, %	4%	-2%	1%	-1%
EBITDA	28	36	214	222
EBITA	-2	1	81	84
EBIT	-13	-9	39	43
Profit/loss after tax	-15	-13	2	4
Operating cash flow	-52	-48	184	189
Share of sales in digital channels, %	54%	41%	46%	44%

Refer to page 24 for definitions.

# 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 – “Joy of reading for everyone, every day” – Bokusgruppen aims to satisfy the customers' varying requirements and be the preferred choice for as many as possible.



- Sales of about SEK 1.8 billion (2020)
- 44% of sales in online channels and 56% in stores (2020)
- Approximately 410 employees



- 44 million online visits (2020)
- 17 million in-store visits (average 2016-2020)



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



- 2.1 million members of the Akademibokhandeln's Vänner loyalty club
- 0.5 million registered Bokus customers



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 with over 50,000 book titles.

Part of the segment  
Bokus Online



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

Part of the segments  
Akademibokhandeln Stores &  
Akademibokhandeln Online

**bokusgruppen**



## COMMENTS FROM THE CEO

## Increased sales and strong growth in online channels

Sales grew by 4% during the first quarter. The drastic shift in channels from stores to online due to the pandemic led to a 37% increase in sales in our online channels, which accounted for 54% of our total sales. EBITA amounted to MSEK -2.4 (0.8). In a time of reduced in-store visits, our broad range of channels and customer offerings demonstrated that we can respond quickly and effectively to major changes in our operating environment.

Online sales continue to display strong growth, which is very encouraging. During the first quarter, sales in our online channels increased a full 37% and accounted for 54% (41) of total sales. Total in-store sales declined 19% year-on-year. An important reason for this is that the operations were not affected by the pandemic at the beginning of last year, so the important first-quarter sales season, which is a key sales period for Swedish bookstores due to an annual national book sale, could proceed as usual.

Online sales growth compensated for the loss in in-store sales during the quarter, and overall sales increased 4%. The drastic shift in channels had an effect on earnings, however, especially during the important first-quarter sales season, since margins for online sales are lower than in-store sales. EBITA amounted to MSEK -2.4 (0.8).

Considering the current situation, this is a satisfactory performance. While it is a weaker result than in the preceding year, I'm pleased with how we managed to

meet, and continue to meet, the challenges brought about by the pandemic.

Our goal is to continue to grow in our online channels. During the quarter, we decided on a long-term plan to strengthen Bokusgruppen's position in the market. This will also mean increased digital investments during the next few years. We are continuing to strengthen the customer experience in our various channels, including offering better delivery alternatives. Four stores closed during the quarter, but this was all part of a long-term plan to improve the store network and not because of the pandemic.

During the period, we also carried out extensive work to prepare Bokusgruppen to become an independent, listed company, should Volati AB's Annual General Meeting on 28 April resolve accordingly.

In that case, we will be ready and look forward to such a change. Becoming an independent company would strengthen our development opportunities and provide us with better conditions for accelerating our growth efforts.

Looking forward, I believe that the uncertainty stemming from the pandemic will continue. At the same time, I'm optimistic. There is a strong demand for our product categories, our complementary customer offering meets customers' needs and we have demonstrated that Bokusgruppen can handle a changing world.

Maria Edsman  
CEO

# Overview: Consolidated financial trend

## Net sales

The Group's net sales amounted to MSEK 461.9 (444.1), an increase of 4%. The entirety of the increase is due to strong sales growth in our online channels, which increased by 37% overall, from MSEK 181.5 to MSEK 249.3. Sales in online channels accounted for 54% of Bokusgruppen's total sales, compared with 41% in the year-earlier period.

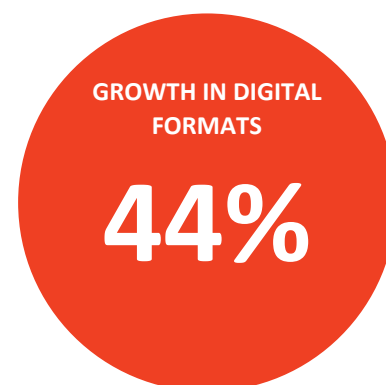
The Akademibokhandeln Stores segment continued to be affected by restrictions due to the pandemic. These restrictions had a significant negative impact on the annual national book sale period that is so essential for the quarter, and sales decreased by 17% in comparable stores and 19% overall. Four stores closed during the quarter. These closures were part of a long-term restructuring of the store network and not a direct result of the pandemic. The stores that we closed were all located in areas where we have stores remaining. During the year-earlier period, the pandemic started to affect sales in the middle of March.

Due to the stringent restrictions on in-person shopping, significant and largely successful efforts were made to shift the annual national book sale from stores to online channels. Total sales for the season were up 5.4% from last year. However, the transition to online channels, which have weaker margins, led to somewhat lower margins overall.

The quarter ended strongly, with increased sales online as well as in stores. Online channels continued the positive sales trend that had been ongoing since the previous summer and in-store sales were better than when the pandemic first broke out last year.

Sales of digital books (individually and through subscriptions) increased 44%, a continuation of an earlier strong sales trend.

For trends in each segment, refer to page 6.



## Earnings

EBITA was MSEK -2.4 (0.8). The decrease was attributable to the dramatic shift from in-store to online sales, with lower margins. Additionally, four stores closed during the quarter and clearance sales due to these closings had a negative impact on their margins.

The gross margin was 32.5%, a decrease from 35.6% attributable to the above shift from in-store to online channels. However, the margins in online channels improved during the period.

Personnel expenses decreased by 4.4% to MSEK 73.7 (77.1) due to reduced staffing in stores. However, the number of employees within IT and Bokus Play increased.

During the quarter, government grants related to the pandemic amounted to MSEK 2.9 (0.3). The equivalent LTM figure was MSEK 23.5 (0.3). For full-year 2020, government grants amounted to MSEK 20.9.

Depreciation and amortisation decreased by MSEK 4.1 for the Group due to lower depreciation of right-of-use assets.

### **Cash flow and investments**

Cash flow from operating activities totalled MSEK -41.4 (-40.9), which was in line with the previous year.

Operating cash flow amounted to MSEK -51.9 (-47.7), which was attributable to an increase in investments connected to our digital business development, including investments in our digital platform, a new payment system for stores and business development for Bokus Play and Bokus.

### **Financing**

After the end of the quarter, Bokusgruppen prepared to enter an agreement with Nordea for an overdraft facility of MSEK 200 at a customary market rate for financial obligations. For Bokusgruppen, this means significantly lower financing costs compared with its current financing. This facility is subject to the completion of the Lex Asea dividend and listing on the Nasdaq First North Premier Growth Market, upon which the overdraft facility will be available for the typical season variations in working capital.

# 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 50,000 book titles.

Net sales for Bokus Online amounted to MSEK 219 (171), a year-on-year increase of 28%.

	Jan–Mar		Full-year	
	2021	2020	LTM	2020
Net sales, MSEK	219	171	757	709
EBITA, MSEK	14	6	42	34
No. of active customers (thousands), LTM	957	774	957	923
NPS	-	-	54	-

Continued pandemic restrictions affected the annual national book sale, which had a positive effect on Bokus Online since a large portion of sales transitioned to online channels from physical stores. Sales during the book sale season increased 92% year-on-year. Online sales outside of the book sale season also continued to grow strongly, with total sales growth of 28%. The positive trend for Bokus Online continued over an extended period and LTM sales growth was 29%.

Digital sales (subscriptions and individual sales) increased 44% year-on-year, which is also a trend we been seeing for some time.

EBITA increased 128% due to increased sales and higher gross margins, which were the result of long-term work related to price optimisation and supplier negotiations. The majority of the increase took place in the consumer segment, which has stronger margins.

### 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 30, a year-on-year increase of 181%. Akademibokhandeln Online also benefited from the shift from physical stores to online channels during the book sale season. However, growth in this area is attributable to more than just the annual national book sale. More and more customers have discovered this channel over the last few years, and sales growth was already at a high level before the pandemic, although it has accelerated during this period.

EBITA was MSEK 4, which is a highly positive improvement over the previous year's break-even first-quarter performance. The EBITA margin also amounted to an impressive 13%. The improvement is due to strong sales growth and improved gross margins as a result of a favourable product mix.

Akademibokhandeln Online accounted for 12% of sales for Akademibokhandeln (Stores plus Online), an increase from 4% during the year-earlier period. At present, only books are sold through Akademibokhandeln Online, but during the year an expansion is planned to include other items from Akademibokhandeln's product range.

	Jan–Mar		Full-year	
	2021	2020	LTM	2020
Net sales, MSEK	30	11	84	65
EBITA, MSEK	4	0	10	6
Share of online sales, %	12%	4%	6%	8%

### Akademibokhandeln Stores

Akademibokhandeln consists of approximately 100 stores throughout Sweden, of which 71 are centrally owned and 27 are franchises. The stores offer a wide range of books, art supplies, games, toys, planners, gift wrapping and cards. Together with Akademibokhandeln Online, the segment provides a competitive omnichannel offering.

Net sales for stores amounted to MSEK 213 (263), a year-on-year decrease of 19%. For comparable stores, the decrease was 17%. Four stores closed during the quarter, which had a negative effect on the gross margin due to clearance sales. These closures were part of a long-term restructuring of the store network and not a direct result of the pandemic. The stores that we closed were all located in areas where we have stores remaining.

EBITA amounted to MSEK -23, a year-on-year decrease of MSEK 18. The result for the first quarter is usually negative due to seasonal variations. The decrease in the first quarter of this year is attributable to the loss in sales resulting from the pandemic and the somewhat weaker gross margins due to the closure of four stores.

The reduction in foot traffic in physical stores also had a negative impact of 13% on sales of other products. The share of other products (38%) and the share of private label within other products (17%) are the same as in the previous year. Books normally have a larger focus than other products during the first quarter due to the annual national book sale.

	Jan–Mar		Full-year	
	2021	2020	LTM	2020
Net sales, MSEK	213	263	951	1 001
EBITA, MSEK	-23	-5	31	49
No. of stores under own management	71	75	71	75
Share of stores posting a positive contribution to operations LTM, %	92%	96%	92%	92%
Growth in other products LTM, %	-13%	7%	-13%	-9%
Share of other products, in-store sales LTM, %	38%	35%	38%	37%
Share of private label in other products, %	17%	17%	17%	17%
In-store costs, as a % of Akademibokhandeln sales, %	17%	16%	15%	15%
No. of active customers (thousands), LTM	1 228	1 418	1 228	1 298
NPS	-	-	62	-

### Central Functions

Consists of the Parent Company and Group management. Refer to Note 4.



# 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 financial year.

The Akademibokhandeln Stores segment displays the largest seasonal variations. This affects sales as well as EBITA, which is usually very low or even negative during the first three quarters before the final figure for net profit/loss is posted in the fourth quarter.

MSEK	Q1 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Net sales	462	444	298	427	606
Gross margin, %	32%	36%	37%	37%	40%
EBITA	-2,4	0,8	-22,7	28,8	77,4
Operating cash flow	-51,9	-47,7	23,8	22,9	186,8

## Organisation and employees

The average number of employees during the first quarter was 410 (434). Of these, 313 (344) 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 updated its sustainability strategies during the year, including sustainability areas and overall objectives. During the first quarter of 2021, we worked to integrate the strategies into the operations. The sustainability work is headed by Bokusgruppen's sustainability manager together with a sustainability management team, and is conducted in cross-functional teams connected to each sustainability area. Read more in Bokusgruppen's 2020 Sustainability Report, available at [bokusgruppen.com](http://bokusgruppen.com).

## The share and owners

At the end of the first quarter of 2021, Volati owned approximately 98% of Bokusgruppen. The remaining shares were owned by senior Bokusgruppen executives. The company has only one class of shares and each share carries one vote.

Volati's Board of Directors has decided to propose to the Annual General Meeting on 28 April 2021 that all of its shares in the Bokusgruppen subsidiary be distributed to the ordinary shareholders in Volati. For more information, please refer to

<https://www.volati.se/sv/investerare/sarnotering-av-bokusgruppen.aspx>

## Other information, *cont.*

### Financial targets

Bokusgruppen has adopted the following financial targets:

- Net sales growth in digital channels: Annual average net sales growth of 10% for the mid- to long term (three to five years).
  - × LTM outcome +39%
- Net sales growth in physical stores: Sales growth in the physical store network is to follow the general economic growth rate.
  - × LTM outcome -16%
- EBITA: EBITA margin of approximately 6% for the mid- to long term (three to five years).
  - × LTM outcome 4.5%

### Dividend policy:

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 over time and the stipulated targets for the company's capital structure have been met, the surplus may be distributed to shareholders.

### Events after the end of the period

No significant events took place after the end of the period.

### Outlook

Bokusgruppen is of the opinion that uncertainty will remain due to the pandemic, which has primarily had a negative effect on in-store sales but has also resulted in a major shift in sales volumes to online channels. Over the past year, however, Bokusgruppen has demonstrated that the company can counter the effects of the pandemic through its advantageous presence in all channels and its ability to follow the customer to whichever channel they choose on any given occasion.

# The Board's assurance

The Board of Directors and the CEO hereby certify that this interim report for January to March 2021 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, 27 April 2021

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

**Mattias Björk**  
*Board Member*

**Cecilia Marlow**  
*Board Member*

**Anna Wallenberg**  
*Board Member*

## Contacts

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## Financial calendar

- Interim report January–June 2021: Friday, 16 July 2021
- Interim report January–September 2021: 26 October 2021

# Auditor's review report

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

## Introduction

We have reviewed the condensed interim financial information (interim report) of Bokusgruppen AB as of 31 March 2021 and the three-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, *ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The stated conclusion based on a review therefore does not have the certainty that a stated conclusion based on an audit has.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, 27 April 2021

Ernst & Young AB

**Andreas Troberg**

*Authorised Public Accountant*

# Financial statements

## Consolidated statement of comprehensive income

Amounts in MSEK	Note	Accounting period			
		2021 Jan–Mar	2020 Jan–Mar	LTM	2020 Jan–Dec
Net sales	5	462	444	1 793	1 775
<b>Total revenue</b>		<b>462</b>	<b>444</b>	<b>1 793</b>	<b>1 775</b>
Goods for resale		-312	-286	-1 133	-1 107
Other external costs		-48	-45	-179	-175
Personnel expenses		-74	-77	-268	-272
Other operating expenses		0	-1	0	0
<b>EBITDA</b>		<b>28</b>	<b>36</b>	<b>214</b>	<b>222</b>
Depreciation of right-of-use assets		-27	-32	-121	-125
Depreciation of property, plant and equipment		-3	-3	-12	-12
<b>EBITA</b>		<b>-2</b>	<b>1</b>	<b>81</b>	<b>84</b>
Amortisation of intangible assets		-4	-4	-18	-17
Amortisation of acquisition-related intangible assets		-6	-6	-24	-24
<b>Operating profit/loss</b>		<b>-13</b>	<b>-9</b>	<b>39</b>	<b>43</b>
Financial income		0	0	0	0
Financial expenses		-6	-8	-27	-28
<b>Net financial items</b>		<b>-6</b>	<b>-8</b>	<b>-27</b>	<b>-28</b>
<b>Profit/loss after financial items</b>		<b>-19</b>	<b>-17</b>	<b>13</b>	<b>15</b>
Income tax		4	3	-10	-11
<b>Net profit/loss</b>		<b>-15</b>	<b>-13</b>	<b>2</b>	<b>4</b>
Other comprehensive income:					
<b>Other comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>-15</b>	<b>-13</b>	<b>2</b>	<b>4</b>

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

## Earnings per share, calculated on net profit/loss attributable to owners of the Parent

	Note	2021 Jan–Mar	2020 Jan–Mar	LTM	2020 Jan–Dec
Weighted average no. of shares – before and after dilution		8 000 000	8 000 000	8 000 000	8,000,000
Earnings per share before and after dilution, SEK	7	-1,91	-1,67	0,30	0,54

**Consolidated balance sheet**

Amounts in MSEK	Note	2021-03-31	2020-03-31	2020-12-31
<b>ASSETS</b>				
<b>Non-current assets</b>				
<i>Intangible assets</i>				
Goodwill		410	410	410
Brands		240	240	240
Customer relationships		100	119	104
Capitalised expenditure for development work		65	61	62
<b>Total intangible assets and goodwill</b>		<b>814</b>	<b>830</b>	<b>817</b>
<i>Property, plant and equipment</i>				
Equipment, fixtures and fittings		25	30	25
<b>Total property, plant and equipment</b>		<b>25</b>	<b>30</b>	<b>25</b>
Right-of-use assets		257	209	274
Deferred tax asset		2	19	3
<b>Total non-current assets</b>		<b>1 099</b>	<b>1 089</b>	<b>1 119</b>
<b>Current assets</b>				
Finished goods and goods for resale		147	152	194
Trade receivables		16	24	22
Other receivables		18	12	23
Receivables from Group companies	6	22	16	22
Prepaid expenses and accrued income		40	12	18
Cash and cash equivalents		2	3	2
<b>Total current assets</b>		<b>245</b>	<b>219</b>	<b>282</b>
<b>TOTAL ASSETS</b>		<b>1 344</b>	<b>1 308</b>	<b>1 401</b>

**Consolidated balance sheet, cont.**

Amounts in MSEK	Note	2021-03-31	2020-03-31	2020-12-31
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share capital		0,500	0,052	0,052
Other paid-in capital		87	70	87
Retained earnings including net profit/loss		374	377	390
<b>Total equity attributable to owners of the Parent</b>		<b>462</b>	<b>447</b>	<b>478</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Lease liabilities		139	115	152
Deferred tax liabilities		92	92	92
<b>Total non-current liabilities</b>		<b>231</b>	<b>207</b>	<b>244</b>
<b>Current liabilities</b>				
Liabilities to Group companies	6	215	280	150
Lease liabilities		119	86	105
Current tax liabilities		5	10	12
Trade payables		170	159	240
Advance payments from customers		1	1	1
Other current liabilities		38	36	58
Accrued expenses and deferred income		102	83	114
<b>Total current liabilities</b>		<b>651</b>	<b>655</b>	<b>679</b>
<b>Total liabilities</b>		<b>882</b>	<b>862</b>	<b>923</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 344</b>	<b>1 309</b>	<b>1 401</b>

**Condensed 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 2020</b>		0,052	70	391	461
Net loss plus comprehensive income				-13	-13
<b>Closing balance, 31 Mar 2020</b>		<b>0,052</b>	<b>70</b>	<b>377</b>	<b>447</b>
<b>Opening balance, 1 Jan 2020</b>		0,052	70	391	461
Net loss plus comprehensive income				4	4
<b>Transactions with shareholders in their capacity as owners</b>					
Group contributions			17		17
Dividends				-5	-5
<b>Closing balance, 31 Dec 2020</b>		<b>0,052</b>	<b>87</b>	<b>390</b>	<b>478</b>
<b>Opening balance, 1 Jan 2021</b>		0,052	87	390	478
Net loss plus comprehensive income				-15	-15
Bonus issue		0,448		-0,448	0
<b>Closing balance, 31 Mar 2021</b>		<b>0,500</b>	<b>87</b>	<b>374</b>	<b>462</b>



**Condensed consolidated statement of cash flow**

Amounts in MSEK	Note	Accounting period			
		2021 Jan–Mar	2020 Jan–Mar	LTM	2020 Jan–Dec
<b>Cash flow from operating activities</b>					
Operating profit/loss		-13	-9	39	43
<i>Adjustments for non-cash items:</i>					
– Depreciation/amortisation		41	45	174	178
– Other items not affecting cash flow		0	0	0	0
Interest received		0	0	0	0
Interest paid		-3	-3	-12	-12
Tax paid		-3	0	-3	0
		<b>22</b>	<b>33</b>	<b>199</b>	<b>209</b>
<b>Cash flow from changes in working capital</b>					
Increase/decrease in inventories		47	46	6	5
Increase/decrease in operating receivables		-10	15	-22	3
Increase/decrease in operating liabilities		-101	-135	34	0
<b>Total change in working capital</b>		<b>-64</b>	<b>-74</b>	<b>17</b>	<b>7</b>
<b>Cash flow from operating activities</b>		<b>-41</b>	<b>-41</b>	<b>216</b>	<b>217</b>
<b>Cash flow from investing activities</b>					
Investments in intangible assets		-8	-4	-26	-22
Investments in property, plant and equipment		-2	-2	-6	-7
<b>Cash flow from investing activities</b>		<b>-10</b>	<b>-7</b>	<b>-32</b>	<b>-28</b>
<b>Cash flow from financing activities</b>					
Borrowings		-	-	40	40
Repayment of interest-bearing liabilities		-	-115	-50	-165
Group contributions received		-	-	16	16
Payments pertaining to repayment of lease liabilities		-10	-12	-116	-118
Dividends paid		-	-	-5	-5
<b>Cash flow from financing activities</b>		<b>-10</b>	<b>-127</b>	<b>-115</b>	<b>-232</b>
<b>Decrease/increase in cash and cash equivalents</b>		<b>-62</b>	<b>-175</b>	<b>69</b>	<b>-44</b>
Cash and cash equivalents at beginning of period		167	211	167	211
<b>Cash and cash equivalents at end of period</b>		<b>106</b>	<b>36</b>	<b>237</b>	<b>167</b>

**Parent Company income statement**

Amounts in MSEK	Accounting period			
	2021 Jan–Mar	2020 Jan–Mar	LTM	2020 Jan–Dec
Net sales	-	-	-	-
<b>Operating expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other external costs	0	0	-1	0
Personnel expenses	0	-	0	-
Depreciation of intangible assets	-3	-	-13	-10
	<b>-3</b>	<b>0</b>	<b>-14</b>	<b>-10</b>
<b>Operating profit/loss</b>	<b>-3</b>	<b>0</b>	<b>-14</b>	<b>-10</b>
<b>Profit/loss from financial items</b>				
Profit/loss from participations in Group companies	-	-	55	55
Other interest income and similar profit/loss items	4	-	10	6
Interest expenses and similar profit/loss items	-5	-5	-22	-22
<b>Total financial expenses</b>	<b>-1</b>	<b>-5</b>	<b>43</b>	<b>39</b>
<b>Profit/loss after financial items</b>	<b>-4</b>	<b>-5</b>	<b>30</b>	<b>29</b>
Appropriations	-	-	10	10
<b>Profit/loss before tax</b>	<b>-4</b>	<b>-5</b>	<b>40</b>	<b>39</b>
Income tax	1	1	0	-
<b>Net profit/loss</b>	<b>-3</b>	<b>-4</b>	<b>40</b>	<b>39</b>

**Parent Company balance sheet**

Amounts in MSEK	Note	2021-03-31	2020-03-31	2020-12-31
<b>ASSETS</b>				
<b>Non-current assets</b>				
<i>Intangible assets</i>				
Concessions, patents, licenses, brands and similar intellectual property		47	60	50
<b>Total intangible assets</b>		<b>47</b>	<b>60</b>	<b>50</b>
<i>Financial assets</i>				
Participations in Group companies	8	554	384	434
<b>Total financial assets</b>		<b>554</b>	<b>384</b>	<b>434</b>
<b>Total non-current assets</b>		<b>601</b>	<b>444</b>	<b>484</b>
<b>Current assets</b>				
<i>Current receivables</i>				
Receivables from Group companies		393	0	510
Current tax asset		1	1	-
Prepaid expenses and accrued income		0	-	-
Other receivables		0	-	-
<b>Total current receivables</b>		<b>394</b>	<b>1</b>	<b>510</b>
<b>Total current assets</b>		<b>394</b>	<b>1</b>	<b>510</b>
<b>TOTAL ASSETS</b>		<b>995</b>	<b>445</b>	<b>994</b>

Amounts in MSEK	Note	2021-03-31	2020-03-31	2020-12-31
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
<i>Restricted equity</i>				
Share capital		0,500	0,052	0,052
<b>Total restricted equity</b>		<b>0,500</b>	<b>0,052</b>	<b>0,052</b>
<i>Non-restricted equity</i>				
Retained earnings		290	256	251
Net profit/loss		-3	-4	39
<b>Total non-restricted equity</b>		<b>286</b>	<b>252</b>	<b>290</b>
<b>Total equity</b>		<b>287</b>	<b>252</b>	<b>290</b>
<b>Untaxed reserves</b>		<b>8</b>	<b>0</b>	<b>8</b>
<b>Non-current liabilities</b>				
Liabilities to Group companies		180	180	180
<b>Total non-current liabilities</b>		<b>180</b>	<b>180</b>	<b>180</b>
<b>Current liabilities</b>				
Trade payables		0	-	-
Liabilities to Group companies		520	13	516
<b>Total current liabilities</b>		<b>520</b>	<b>13</b>	<b>516</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>995</b>	<b>445</b>	<b>994</b>

# Notes to consolidated financial statements

## NOTE 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 74, SE-112 18 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 year.

The Board approved this interim report for publication on 27 April 2021.

## NOTE 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 2020 Annual Report for Bokusgruppen AB (publ).

## NOTE 3 Risks and uncertainties

The Group's key financial and business risks are presented in the Administration Report and in Note 3 in the 2020 Annual Report. No additional risks have arisen during the period.

## NOTE 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.

## NOTE 5 Segment reporting

As the chief operating decision maker, Group management 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.

Group management assesses the operations for Bokus Online, Akademibokhandeln Online and Akademibokhandeln Stores separately. Revenue comes from the sale of books, e-books, audiobooks, games, 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.
- The Akademibokhandeln Stores segment consists of physical books and other products such as games, 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.

	2021 Jan–Mar	2020 Jan–Mar	LTM	2020 Jan–Dec
Bokus Online <sup>1)</sup>	219	171	757	709
Akademi bokhandeln Online	30	11	84	65
Akademi bokhandeln Stores	213	263	951	1 001
Central Functions	0	0	0	0
<b>Total revenue</b>	<b>462</b>	<b>444</b>	<b>1793</b>	<b>1 775</b>

<sup>1)</sup> Revenue from January to March 2021 for the Bokus Online segment is recognised net of eliminations of intra-Group sales, whereas in the Annual Report this figure is recognised in an amount of MSEK 39 on a separate line in the table.

**NOTE 5 Segment reporting, cont.**

EBITA	2021	2020	LTM	2020
	Jan–Mar	Jan–Mar		Jan–Dec
Bokus Online	14	6	42	34
Akademi bokhandeln Online	4	0	10	6
Akademi bokhandeln Stores	-23	-5	31	49
Central Functions	-2	-3	-7	-8
<b>Total EBITA excl. IFRS 16</b>	<b>-7</b>	<b>-2</b>	<b>76</b>	<b>81</b>
Effect of IFRS 16	4	3	5	3
<b>Total EBITA</b>	<b>-2</b>	<b>1</b>	<b>81</b>	<b>84</b>
Amortisation of intangible assets	-10	-10	-42	-41
<b>Operating profit/loss</b>	<b>-13</b>	<b>-9</b>	<b>39</b>	<b>43</b>
Net financial items	-6	-8	-27	-28
<b>Profit/loss before tax</b>	<b>-19</b>	<b>-17</b>	<b>13</b>	<b>15</b>

Breakdown of revenue from external customers Jan – Mar 2021	Akademibokhandeln				Total
	Bokus Online	Online	Akademi bokhandeln Stores	Central Functions	
Physical books	208	30	129		367
Digital books	11				11
Other products and services			84		84
<b>Total</b>	<b>219</b>	<b>30</b>	<b>213</b>	<b>0</b>	<b>462</b>

Jan–Mar 2020	Akademibokhandeln				Total
	Bokus Online	Online	Akademi bokhandeln Stores	Central Functions	
Physical books	163	11	165		339
Digital books	8				8
Other products and services			97		97
<b>Total</b>	<b>171</b>	<b>11</b>	<b>263</b>	<b>0</b>	<b>444</b>

LTM	Akademibokhandeln				Total
	Bokus Online	Online	Akademi bokhandeln Stores	Central Functions	
Physical books	716	84	559		1360
Digital books	41				41
Other products and services	0	0	392	0	392
<b>Total</b>	<b>757</b>	<b>84</b>	<b>951</b>	<b>0</b>	<b>1 793</b>

Full-year 2020	Akademibokhandeln				Total
	Bokus Online	Online	Akademi bokhandeln Stores	Central Functions	
Physical books	671	65	596	0	1 332
Digital books	38			0	38
Other products and services			405	0	405
<b>Total</b>	<b>709</b>	<b>65</b>	<b>1 001</b>	<b>0</b>	<b>1 775</b>

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

**NOTE 6 Related-party transactions**

There were no transactions between Bokusgruppen and related parties that had a material impact on Bokusgruppen's position or performance.

## NOTE 7 Earnings per share

	2021 Jan–Mar	2020 Jan–Mar	LTM	2020 Jan–Dec
<i>SEK</i>				
Earnings per share before and after dilution	-1,91	-1,67	1,30	0,54
<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	-15	-13	2	4
<i>No.</i>				
Weighted average no. of ordinary shares for calculating earnings per share before and after dilution	8,000,000	8,000,000	8,000,000	8,000,000

## NOTE 8 Participations in Group companies

Name	Corp. Reg. No.	Registered office	No. of shares	Carrying amount	Carrying amount	Carrying amount
				31 Mar 2021, MSEK	31 Mar 2020, MSEK	31 Dec 2020, MSEK
Aka demibokhandeln Holding AB	559101-0938	Stockholm	8,000,000	434	264	314
Bokus AB	556493-0492	Stockholm	100	120	120	120
				<b>554</b>	<b>384</b>	<b>434</b>

MSEK	2021-03-31	2020-03-31	2020-12-31
Opening cost	434	264	264
Acquisitions		120	120
Shareholders' contributions provided	120		50
<b>Closing accumulated cost</b>	<b>554</b>	<b>384</b>	<b>434</b>
<b>Closing carrying amount</b>	<b>554</b>	<b>384</b>	<b>434</b>

## NOTE 9 Alternative performance measures

Some of the performance measures in this report that company management and analysts use to assess the Group's performance are not defined in IFRS. Company management is of the belief that this information helps investors analyse the Group's financial performance and position. Investors should consider this information as a supplement rather than a replacement for financial reporting under IFRS.

**NOTE 10 Calculation of alternative performance measures**

Alternative performance measures, MSEK	2021 Jan–Mar	2020 Jan–Mar	LTM	2020 Jan–Dec
<b>Adjusted EBITDA LTM</b>				
EBITDA LTM	214	235	214	222
Reversal of IFRS 16 effect	-125	-140	-125	-128
Items affecting comparability*	0	-	0	-
<b>Adjusted EBITDA LTM</b>	<b>89</b>	<b>96</b>	<b>89</b>	<b>94</b>
<i>*items affecting comparability includes listing costs</i>				
<b>Calculation of net debt (excl. operating lease liabilities)/adjusted EBITDA LTM, x</b>				
Financial liabilities	1	2	1	1
Interest-bearing liabilities	318	313	318	315
Cash and cash equivalents	-106	-36	-106	-167
<b>Net debt</b>	<b>213</b>	<b>279</b>	<b>213</b>	<b>149</b>
Adjusted EBITDA LTM	89	96	89	94
<b>Net debt/adjusted EBITDA, x</b>	<b>2,4</b>	<b>2,9</b>	<b>2,4</b>	<b>1,6</b>
<b>EBITA excluding items affecting comparability</b>				
EBITA	-2,4	0,8	81,1	84,3
Items affecting comparability*	-2,8	-0,3	-2,5	-
<b>EBITA excluding items affecting comparability</b>	<b>-5,2</b>	<b>0,5</b>	<b>78,6</b>	<b>84,3</b>
<i>*items affecting comparability excluding government grants and listing costs</i>				
<b>Adjusted in-store costs as a % of total sales in Akademibokhandeln</b>				
In-store costs	-12	-12	-39	-39
Reversal of costs unrelated to stores	2	2	6	6
Reversal of IFRS 16 effect	-32	-34	-125	-128
Adjusted in-store costs	-42	-44	-158	-161
Sales, Akademibokhandeln	243	273	1 036	1 066
<b>Adjusted in-store costs as a % of total sales in Akademibokhandeln</b>	<b>17%</b>	<b>16%</b>	<b>15%</b>	<b>15%</b>
<b>Sales, other products, LTM</b>				
Sales, Stores segment, LTM	951	1 166	951	1 001
Reversal, book sales, LTM	-559	-730	-559	-596
Reversal, other services	-52	-47	-52	-55
Sales, other products, LTM	340	389	340	350
<b>Sales growth, other products</b>	<b>-13%</b>	<b>-7%</b>	<b>-13%</b>	<b>-9%</b>
<b>Share of other products, in-store sales, LTM</b>				
Sales, books, LTM	559	730	559	596
Sales, other products, LTM	340	389	340	350
Sales, other services	5	6	6	6
Total in-store sales	904	1 125	905	952
<b>Share of other products, in-store sales, LTM</b>	<b>38%</b>	<b>35%</b>	<b>38%</b>	<b>37%</b>

# Alternative performance measures and key metrics

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.

The following table sets out definitions for Bokusgruppen's performance measures. The calculation of performance measures is presented separately below.

PERFORMANCE MEASURE	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 EBITA</b>	Calculated as EBITDA LTM as of the reporting date, excluding IFRS 16 adjustments and adjusted for other revenue and expenses considered to be non-recurring.	Adjusted EBITDA provides 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 our 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 acquired tangible and intangible surpluses as well as impairment.	Together with EBITDA, EBITA provides an overview of the profit generated by operating activities.
<b>EBITA excluding items affecting comparability</b>	Calculated as EBITA adjusted for items affecting comparability, such as government grants and other revenue and expenses considered to be non-recurring.	Used by the management to monitor the underlying earnings growth for the Group.
<b>Operating profit</b>	Operating profit after depreciation, amortisation and impairment, plus financial income and expenses.	Operating profit provides an overview of the profit generated by operating activities and its financing.
<b>Return on equity</b>	Net profit divided by the weighted average equity for the last four quarters.	Shows the return generated on the total capital invested in the company by shareholders.
<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 management to monitor the cash flow generated by operating activities before the repayment of lease liabilities.
<b>Net sales growth</b>	Calculated as total sales during the period compared with sales in the year-earlier period.	Gives management a clear overview of how 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 is an important growth area.
<b>Growth in online channels (digital 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 and digital books</b>	The share of digital sales in relation to total sales.	Gives 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 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 management to monitor financial performance.
<b>Sales in comparable stores</b>	Comparable stores refers to the sales performance in stores that have generated sales for 12 months in each comparable year.	Stores is the largest business area, with healthy gross margins. This performance measure is used by management to monitor underlying financial performance.
<b>Share of other products, in-store sales LTM</b>	Share of total in-store sales attributable to other products during the last 12 months.	Other products in Akademibokhandeln is a growth area, with healthy margins. This performance measure provides management with a clear overview of expected profitability trends.
<b>Share of private label in other products in the quarter.</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 management to monitor the share of other products attributable to private label products.
<b>In-store costs (excl. IFRS 16) as a % of sales in Akademibokhandeln Online and Stores</b>	Calculated as total in-store costs for the period, excluding IFRS 16 adjustments, in relation to sales in Akademibokhandeln Online and Stores.	Provides guidance about how the key item of in-store costs developed in relation to Akademibokhandeln's total sales. The share of in-store costs attributable to rent is an important 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 in 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. Measurement for Bokus began in May 2020. There is data for Akademibokhandeln 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.