

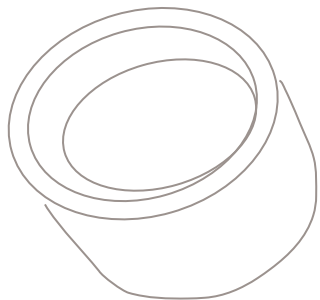


2019

BONNIER ANNUAL REVIEW



BONNIER



Albert Bonniers Förlag publishes its first book by August Strindberg, *Från Fjerdningen och Svartbäcken*, in 1877. During the 1880s and '90s, Albert Bonniers Förlag becomes the leading publisher of fiction, with authors such as August Strindberg, Selma Lagerlöf, Gustaf Fröding and Verner von Heidenstam.



The statue *Det Fria Ordet* (The Free Word) from 1947 by sculptor Puck Stocklassa has long been a symbol of Bonnier's core values. A large version of the statue can be found outside Bonnierhuset on Torsgatan in Stockholm.



The characteristic B, designed by Karl-Erik Forsberg for Bonnier in the 1960s, is still a symbol for the company. Seen here as cufflinks, designed by silversmith Klara Eriksson.

75 years. Journalism just as sharp now as in 1944, the year that *Expressen* saw the light of day. The first edition of *Expressen* was printed as World War II was raging, on November 16, 1944. The ideas behind *Expressen* came from Albert Bonnier Jr. and Carl-Adam Nycop, and set the tone. *Expressen* was founded to offset Nazi currents in society.

The daily paper *Avesta Tidning* has been published since 1882. The newspaper covers the southern part of Dalarna province. It is included in MittMedia, which became a part of Bonnier News in the spring of 2019.

In October 2019, *Dagens industri*, as the first business daily in the world, starts to regularly publish climate indicators on the stock market pages and on di.se. By doing so, Di highlights climate factors as decisive business ratios.

Karin Olsson, chief culture editor at *Expressen*, gives a speech at a manifestation in support of Swedish-Chinese bookseller Gui Minhai, being detained in China. The demonstration was arranged by the Swedish Union of Journalists, the Swedish Publishers' Association, the Swedish Writers' Union and Swedish Pen 2018.

Photo: Anders Wiklund/TT

The **Bonnier Group** is the parent company of a corporate group that brings together many of the leading media companies in the Nordic region. The Group has over 200 years' experience of an ever-changing market. Also included is Bonnier Fastigheter, which owns, manages and develops commercial and residential rental properties. We are based in Sweden, operate in 12 countries and are wholly owned by the Bonnier family.

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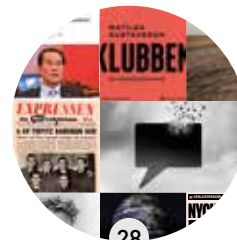
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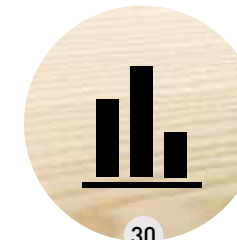
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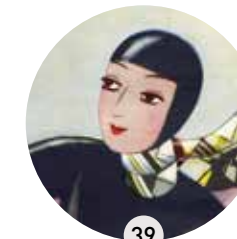
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The Chairman of the Board

Ready for the Next Phase

BENGT BRAUN



Chairman of the Board Bengt Braun and Chief Executive Officer, Erik Haegerstrand.

WHEN I AGREED almost two years ago to act as Chairman of the Board, it was with the ambition, together with management and board, to come up with a simpler structure for the Group. I wanted to ensure that our companies have managements and boards that are keen to reverse the undesirable development in both turnover and results of the last years.

AT THE RISK of sounding like a well-known president, we can now tick these ambitions off the list. Erik Haegerstrand and his team have, in cooperation with the companies, made impressive adjustments, with a trimmed parent company and more independent business operations as a result.

WHAT PLEASES ME the most is the fact that we have so many talented members of staff to lead and operate our companies. I am very happy that they want to be a part of Bonnier's future.

WE ARE ALSO pleased that during the year we completed the sale of Bonnier Broadcasting's TV operations, with TV4, C More and Finnish MTV. After being burdened with debt for

several years, finances are stronger than in decades. The broadcasting deal has made the Group almost free from debt, which opens up entirely new opportunities for the future.

THE GROUP'S EARNINGS are increasing for the first time in many years, and we are definitely on the right track. We have not yet reached a level to be proud of and pleased with, but there are good reasons to be happy and hopeful. All companies but one improved their results compared with the previous year. It has been a long time since this happened. And after 10 years of declining turnover, the Group increased its sales, not counting the divested Broadcasting business.

THE BUDGET FOR 2020 and the three-year plans promise good years ahead. We also have a number of exciting new initiatives. I can't help but think it will go well.

The foundation has been laid, and now it is time for the next phase.

BENGT BRAUN, CHAIRMAN OF THE BOARD

Photo: Peter Jönsson

Interview with the CEO:

“Continued improvement in results”

ERIK HAEGERSTRAND

We have entered a new decade, still a clean sheet. What characterized the 2010s for Bonnier?

“It was an eventful decade for Bonnier. Early on, we saw the digitalization in the media industry. In the 2010s this development seriously caught on. Digital technology gave us entirely new competitors, formats and business models. It became necessary to switch to digital services. One reason we sold Broadcasting was that streaming services completely changed the conditions for television. At the same time, the Group’s real estate business and asset management had positive growth.”

What lies ahead for Bonnier in the 2020s?

“The sale of Broadcasting has greatly strengthened our financial base. We can act in a more long-term manner and continue to invest in developing our historic core in journalism and publishing, while adding operations in growth industries.”

Some may be wondering where Bonnier is heading after the sale of the TV business. How do you reply to this?

“The entrepreneurial drive has been

central to Bonnier ever since the start more than 200 years ago. Businesses have come and gone as conditions have changed. Our strengthened resources and the new decentralized structure will accelerate the growth of our companies. We will be able to make investments that were previously difficult to finance.”

If we look at the companies and at Bonnier News in particular, what would you like to highlight from the past year?

“Bonnier News’s initiative to focus on local media probably ended up in the background due to the sale of Broadcasting. Local journalism was strengthened with the purchase of MittMedia and Lokaltidningen. We also see great business opportunities ahead.”

There are also some exciting opportunities for Bonnier Books?

“Yes, with regard to Bonnier Books, we see strong growth for BookBeat, which is now properly launched also in Germany. But even though new technology and new consumer behavior are of great importance to our businesses, Bonnier Books showed in 2019 that

the success also lies in doing what we have always been best at. Several of our publications attracted a lot of attention. Two Bonnier-published authors were awarded the Nobel Prize in literature. The publishers in Germany impressed with the best result for Bonnier Media Deutschland in 10 years, without the influence of any actual best sellers.”

And the Group’s other publishing businesses?

“SF Studios has had a positive growth for a few years, and the conditions for 2020 are good. Bonnier Corporation and Bonnier Publications operate in changing markets and therefore face interesting challenges. Bonnier Publications reported another fantastic result in 2019.”

What is happening at Adlibris?

“Adlibris has recently invested in logistics, and the 2019 Christmas season was good. In addition to improved logistics, the management is looking at the range of products on offer.”

The sale of the TV business has given Bonnier more room for investment, and Bonnier Ventures plays an import-

ant part. What is happening there?

“Bonnier Ventures continues to invest in, and build, exciting startups. The growth in value has been strong. We are also finding companies that could become new business opportunities for Bonnier.”

What is Bonnier Fastigheter’s role in the new structure?

“In a family-owned company, it is important to spread the financial risk. Through the sale of our TV business, our dependence on advertising revenue lessens, but we continue to be very dependent on traditional media. Real estate is therefore a very important part of our business and has the greatest value. It is also really exciting that in 2019, Bonnier Fastigheter started investing in residential properties, specifically to spread the risks. Bonnier Fastigheter’s result and cash flow are impressive. The asset management of Boninvest is another way to diversify.”

What is most important in 2020?

“Continued improvement in earnings and cash flow from the companies. We will also focus on lowering our central costs, which we are already well on the way of doing.”

2019

About Bonnier

The Bonnier Group is the parent company of a corporate group that brings together many of the leading media companies in the Nordic region.

Our businesses span a wide range of media types, with a strong historical core in independent journalism and book publishing. Through journalism, stories, knowledge and entertainment, we want to make the communities in which we operate more open, interesting, entertaining and well-informed. The Group also includes Bonnier Fastigheter, which owns, manages and develops commercial real estate and residential rental properties, mainly in the Stockholm area. We are based in Sweden, are present in 12 countries and are wholly owned by the Bonnier family.

Key figures from 2019

**28,746
SEK M**

Total company sales

**1,537
SEK M**

Total company EBITA

7,976

Number of employees

Commitment of a Family Company:

We plan for generations, not quarters.

Bonnier's Core Values

Our core values are a guarantee for our unique and diverse business operations' freedom and independence. They capture the values that have shaped Bonnier's history and that we believe will continue to drive Bonnier forward.

Freedom of Speech

We believe an open, pluralistic public dialogue is the foundation of democracy.

Passion for Media

We're in media. Adapting to changing market conditions is our inherited strength, innovation is our focus.

Power of the Individual

We believe in knowledge and judgment. Freedom and independence. For our users as well as our employees.

Organization

Our Companies

The Bonnier Group consists of companies focusing on journalism, books, digital services, film, e-commerce and real estate.

BONNIER'S NEW STRUCTURE with operationally independent companies was introduced on January 1, 2019. The main idea of the new system is that responsibility and decision-making move as close to each operation as possible, creating a more efficient organization.

BONNIER'S COMPANIES operate in a variety of areas:

BONNIER BOOKS comprises publishing house in Finland, Norway, Poland, the U.K., Sweden and Germany.

BONNIER NEWS offers a wide range of media, from newspapers and magazines to e-learning and business-to-business services.

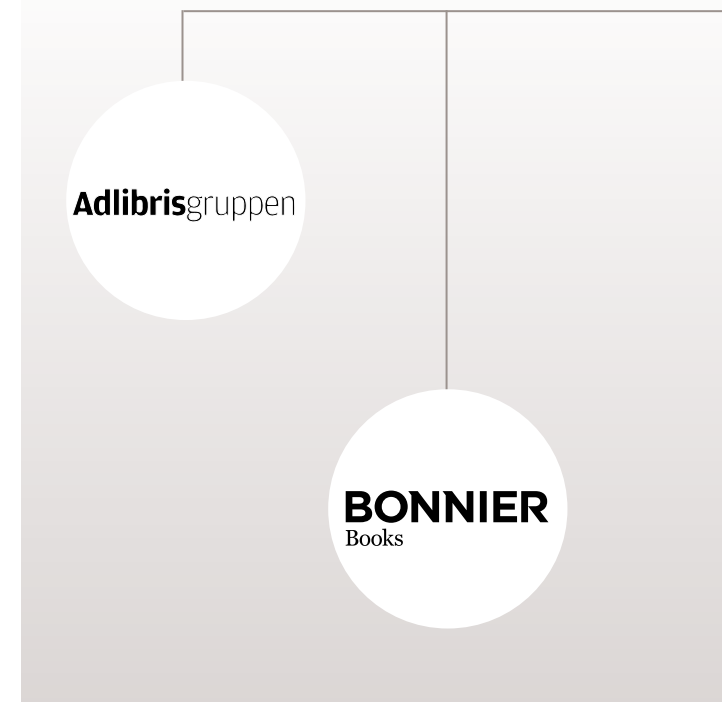
BONNIER FASTIGHETER owns, manages and develops real estate, and now also residential rentals, in Stockholm and Uppsala.

The e-commerce companies within **ADLIBRISGRUPPEN** offer books, toys and office supplies.

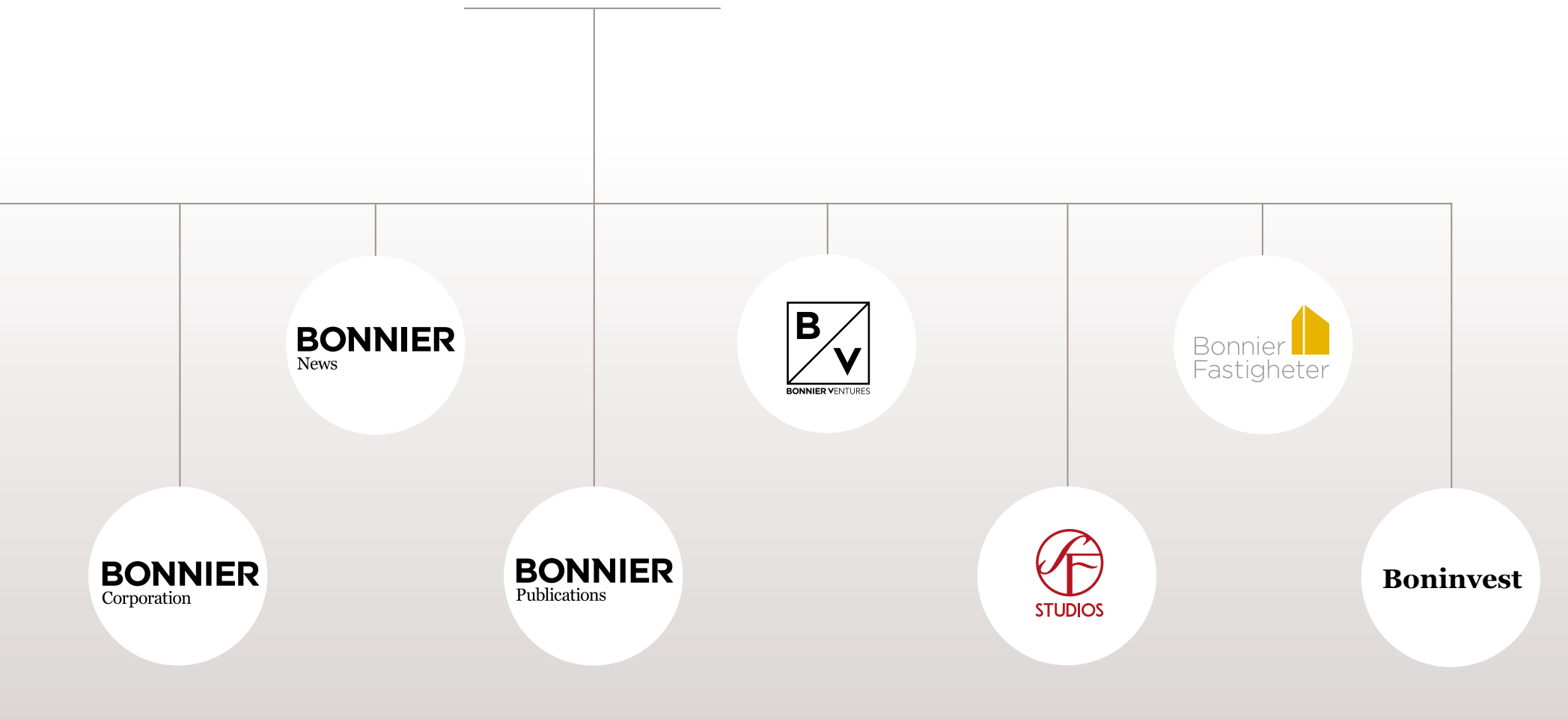
Magazines are the focus of Danish **BONNIER PUBLICATIONS**. In the U.S., **BONNIER CORPORATION** runs the magazine business.

SF STUDIOS produces and distributes films and TV series targeting the Nordic market. **BONNIER VENTURES** is Bonnier's venture capital business.

BONINVEST owns listed Swedish shares and has investments in private equity, venture capital and hedge funds.



BONNIER





Patrik Svensson, writer and journalist.

Bonnier Books brings together Bonnier's book-related businesses. Today, these range from traditional publishers and chains of bookstores to digital subscription services for audiobooks and e-books. However, publishing is and always has been at the core of the business.

A Story About Eels

ALBERT BONNIERS FÖRLAG has created and refined stories since 1837. In 2019, an unexpected book about eels was brought into focus.

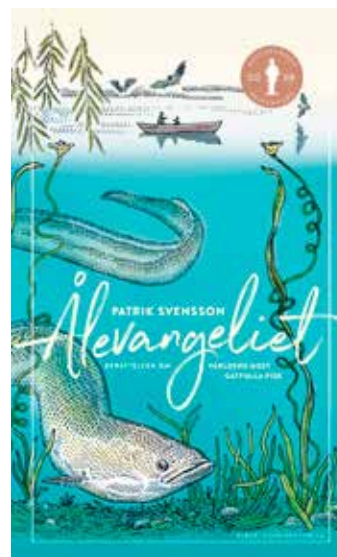
"I think I've written a book about eels and I don't know what to do now."

"That sounds interesting. Send it to me."

The above is an e-mail exchange from late fall 2018 between journalist Patrik Svensson and Daniel Sandström, literary director and publisher at Albert Bonniers Förlag.

DANIEL SANDSTRÖM is a literary scientist with a background as a journalist. He had previously worked with Patrik Svensson, and when he got the e-mail, he knew it came from a fantastic writer. Patrik had written a personal text about eels, about the knowledge of mankind and the fascination with an animal that we know surprisingly little about. It was also about the relationship between a father and son who had fished for eels together.

Daniel was attracted to the approach – a nonfiction text with fictional ambition. For



BONNIER BOOKS

Sales: 5,770 SEK M (5,522 SEK M)

EBITA: 250 SEK M (148 SEK M)

Number of employees: 1,830

Chairman of the Board: Maria Curman

CEO: Håkan Rudels

Where to find
Bonnier Books

a publisher who works with both fiction and nonfiction, it was particularly interesting that the story hovered right on the border between the two. In addition, several narrative nonfiction books had recently had major success in the U.K. and U.S.

WHEN A MANUSCRIPT is sent to a publisher, it doesn't have to be perfect. The important thing is that the story has something unique. At a first meeting between author and publisher, the message is often that the text has to be adapted before it can become a published book. This time, Daniel Sandström immediately felt that the book had something special.

In March 2018, Patrik's script was accepted for publication.



Håkan Rudels, CEO

Together, the author and publisher began to think about the book's core and how the story could develop. The text was edited and

chapters rewritten, added or moved. The childhood depictions, previously at the end of the book, were interposed between popular science passages and essays on eels.

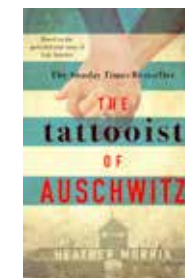
AT THIS POINT, the publisher's work is normally formalized. The publisher involves further experts – editor, proofreader, graphic designer/illustrator and several professional communicators. Together they refine the author's script into a finished

book for the reader to enjoy.

IN JULY 2019, *Ålevangeliet* (The Gospel of Eels) was published in Sweden. By then, the rights had already been sold to more than 30 countries. In November, Patrik Svensson was awarded the August Prize. *Ålevangeliet* was Sweden's best-selling non-fiction story in 2019. The initial gut feeling – that a personal book about eels could become something special – turned out to be right.

Bestseller

Number of copies sold in 2019



1. *The Tattooist of Auschwitz*
Heather Morris
Zaffre, Bonnier Books UK
1,400,000 copies



2. *Muttertag*
Nele Neuhaus
Ullstein
Buchverlage,
Bonnier Media
Deutschland
430,000 copies



3. *Cilka's Journey*
Heather Morris
Zaffre, Bonnier Books UK
415,000 copies



4. *The Holiday*
T.M. Logan
Zaffre, Bonnier Books UK
270,000 copies

In 2019, high-quality journalism from credible brands manifested itself as increasingly important, demanded by an even bigger crowd. One way in which **Bonnier News** has strengthened its position is through the acquisition of local newspaper group MittMedia.

Journalism Has Never Been More Important

2019 WAS A YEAR of change and growth for Bonnier News, which today brings together Bonnier's news and newspaper businesses. When the company was formed in 2015, it was centered on the four major newspapers *Dagens Nyheter*, *Expressen*, *Dagens industri* and *Sydsvenskan*. Today, as a result of Bonnier's new structure, it also includes the magazine section Bonnier Magazines & Brands and international business-to-business brands, mainly focusing on business magazines and niche services.

IN 2019, THERE were also breakthroughs on the local newspaper market. *Helsingborgs Dagblad* and *Sydsvenskan* as well as *Expressen's* editions *GT* and *Kvällsposten* have been joined by media groups MittMedia and Lokaltidningen.

THE ACQUISITION OF MittMedia, made together with Norwegian Amedia, was one of the biggest events in 2019 in Sweden's media industry. A total of 28 newspapers from central Sweden were integrated into Bonnier News. The



Anders Eriksson, CEO Bonnier News. The

editorial strategy is to keep the independent titles. During the fall, 11 new editors-in-chief were appointed, with a clear responsibility for content and user revenue, according to the model that applies throughout Bonnier News. MittMedia's magazines also retain their former political profiles. The overall strategy is to protect the publication of paper magazines in Sweden, as well as developing digital revenues and products.

THE ACQUISITION OF newspaper group Lokaltidningen, offering free newspapers, is a natural step to further strengthen the presence of *HD-Sydsvenskan* in southern Sweden. Both acquisitions are an expression of Bonnier News's strong belief in the ability of local journalism to involve readers, and in digital growth through unique content.

Business media has also grown during the year. Through the acquisition of *Dagens Samhälle*, a newsmagazine about the public sector, the Dagens industri Group further strengthens its position in Sweden's business sector. Simultaneously, some solid work has gone into making former business area Magazines & Brands (formerly Bonnier Tidskrifter) profitable and integrating it into Bonnier News Life-style (sprung from *Expressen's* magazines).

IN 2019, BONNIER NEWS also invested in package distribution through the launch of Early Bird, a collaboration with media companies Stampen, Gota Media, NTM, Hall Media and NWT. The initiative utilizes existing early-morning paper distribution to deliver packages to readers. At the same time, the media companies are given the opportunity to increase the distribution value and benefit from the continuous growth of e-commerce.

DURING THE YEAR, Bonnier News's main newspapers have been awarded several prestigious honors for their journalism, while taking some major steps in their digital transformation. The mission for Bonnier's newspaper business is the same today as when the first investments were made in the middle of the 19th century: Better than anyone else, and as quickly as possible, to meet the need for relevant, interesting and truthful information about important events and issues. Based on a unique and growing digital position as the owner of Sweden's strongest and most credible brands, Bonnier News stands strong as it manages and regenerates the Bonnier Group's 200-year-old tradition of independent journalism and defending free speech.



Avesta Tidning and *Norrtelje Tidning* are part of MittMedia, acquired by Bonnier News in 2019 in what became one of the most noticed Nordic media deals of 2019.

BONNIER NEWS

Sales: 7,579 SEK M (6,713 SEK M)

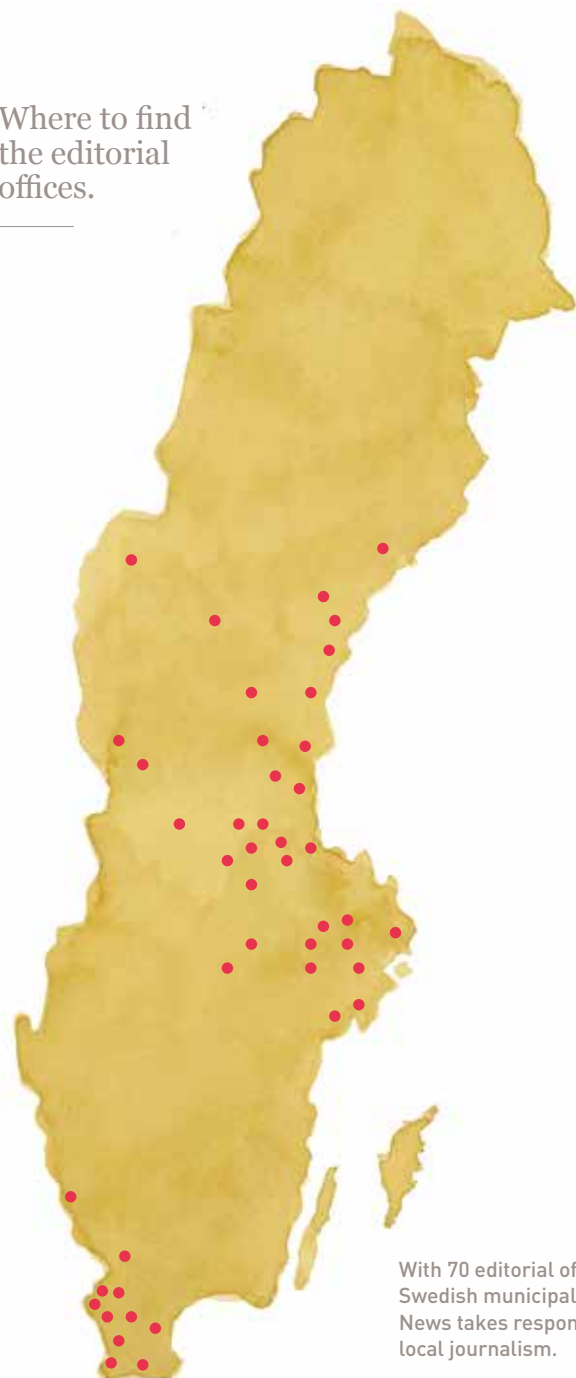
EBITA: 211 SEK M (174 SEK M)

Number of employees: 5,000, of which 2,000 are journalists

Chairman of the Board: Tomas Franzén

CEO: Anders Eriksson

Where to find
the editorial
offices.



With 70 editorial offices in 45 Swedish municipalities, Bonnier News takes responsibility for local journalism.



DN Travels to Europe

BASED ON READER pressure to review travel journalism, the idea grew that *Dagens Nyheter* would organize train charters. The concept was realized, the trips quickly booked up, and in August 2019 the first train departed. Some 350 passengers traveled to Venice and back by train, with stops in Berlin, the Dolomites, Verona and Vienna. More DN train journeys are scheduled to take place in 2020.

THE DN TRAIN is a clear example of how the climate issue is becoming increasingly important in journalism, and thus also for Bonnier News. DN has invested in climate monitoring through reviews and high-profiled articles. *Expressen* has started Sweden's first climate editorial office. Under the name "Hållbart näringsliv" (sustainable industry), *Dagens industri* conducts journalism, events and conferences. At the magazine *Aktuell Hållbarhet* (current sustainability), employees have long focused on reporting on the environment and climate.



Expressen Turns 75

ON NOVEMBER 16, 2019, 75 years had passed since *Expressen's* very first issue. The newspaper was founded by Albert Bonnier Jr. and Carl-Adam Nycop to fight "national socialism and related theories of violence." From the outset, liberalism, tolerance and solidarity were important values.

THE CLASSIC EVENING paper has always had a mission to "awaken, alarm and annoy." Over the years, *Expressen* has been an agenda-setting "education for the people," with campaign journalism and award-winning revelations, as well as the occasional controversy. Today, *Expressen* and Expressen TV have three million readers and viewers every day.

ONE CONTRIBUTOR TO the success is Thomas Mattsson. In 2019, he left *Expressen* after 10 years as editor-in-chief. He was succeeded by Klas Granström, who will continue to lead the newspaper's editorial work.

From Printing Works to Housing

Bonnier Fastigheter builds, owns and manages commercial and residential rental properties in Stockholm and Uppsala. Each property has its own exciting story. Together, they play an important part in the story of Bonnier.

1. Moraset 22 Stockholm

Moraset 22 was built in the 1880s and has a central location on Sveavägen, opposite Adolf Fredrik Church. Bonnier's publishing house has long had its premises beyond the double doors of the building.

2. Lokstallet 7 Stockholm

Bonnierhuset was the first high-rise built in Stockholm after the World War II. Now, 70 years later, it is still a well-known landmark in the city skyline. From the beginning, Bonnier's magazine business resided in the property. Today there are a number of tenants. The glass building next to Bonnierhuset was constructed in 2006 and is the home of Bonniers Konsthall.

3. Vanda 3 Kista

Home of Bonnier's printing business Bold Printing. The premises also contain a restaurant, conference facilities and a gym.

4. Segmentet 1 Kungens Kurva

Home of the trading area Orange-riet. The property is now in its third and final development phase.

5. Bulten 19 Stockholm

Hornhuset was named Stockholm Building of the Year by the city of Stockholm in 2014. The spectacular stone and glass building, located in the new pedestrian area of Hornstull, is part of a larger property that houses 36 shops, cafes and restaurants. Hornstull has become a meeting place and a popular destination for Stockholmers and tourists alike.

6. Sågen 19 Stockholm

This property in the district of Södermalm in Stockholm was built in 1958 and renovated in 2008 as part of the initiative to revitalize the Hornstull area. In 2017 the building was environmentally certified by the Sweden Green Building Council.

7. Fålhagen 70:1 and 70:3 Uppsala

Stationsgallerian is well known among the residents of Uppsala. Since 2018, the property is owned by Bonnier Fastigheter. Here, close to public transport and road networks, offices share the space with shops and other service establishments.

8. Kungsängen 15:1 Uppsala

This office building has a prime location along the river Fyrisån, 400 meters from Uppsala central and bus stations, as well as within walking distance of the center. The glassed-in courtyard houses a lunch restaurant. The block consists of six buildings.



1.

BONNIER FASTIGHETER

Sales: 712 SEK M (591 SEK M)

EBITA: 474 SEK M (371 SEK M)

Number of employees: 65

Chairman of the Board:

Erik Haegerstrand

CEO: Tomas Hermansson





9.

12.

11.

10.



9. Moraset 2 Stockholm

Built in early Art Deco style, this 1920s office building has retained its original charm despite renovations. The building is located just a stone's throw from Stockholm's main shopping and business areas and houses offices, shops and a small number of apartments.

10. Stormkransen 14 Stockholm

Former home to the editorial offices of Bonnier Tidskrifter. The building was completely renovated in 2018 and now has new tenants. The modern office building in central Stockholm is close to shops, restaurants, gyms and other facilities. There is even an entrance to the subway station Rådmanstgatan. An environmental certification resulted in top ratings for the century-old property.

11. Stormkransen 11 Stockholm

This stunning building, with spire and curved façade, is home to offices, shops and apartments. The property from the 1920s is located in the northwest corner of the Tegnérsgatan/Sveavägen intersection.

12. Moraset 21 Stockholm

Centrally located by Sveavägen, the building houses offices, shops and restaurants. The property has been owned by Bonnier Fastigheter since 1986.

13. Lokstallet 6 Stockholm

Attermuren 1 is located between S:t Eriksplan and Torsgatan and was previously occupied by the Swedish Security Service. A new top floor was added during renovations in 2016.



13.

Our properties

EARLY ON, the property business became a part of Bonnier's story. Printing works and bookshops needed to be housed. As the businesses grew, so did the number of properties.

During the 20th century, many now well-known properties were acquired and built, properties that over time have become a part of Bonnier's as well as Stockholm's history. The properties secured an economic viability that enabled Bonnier to develop into a modern leading media company.

Although Bonnier Fastigheter differs somewhat from Bonnier's media business, it is a very important part of the whole. Read more about the individual properties – they tell fascinating stories.

In recent years, Bonnier Fastigheter has invested in future projects – buildings and neighborhoods in new areas – that will contribute to a modern and vibrant city. Sweden's largest urban development, Stockholm Royal Seaport, is currently being planned in Stockholm's new district

of Värtahamnen. Here, Bonnier Fastigheter plans to build and develop three large properties.

In 2019, Bonnier Properties began collaborating with ByggVesta to own and manage rental properties in the Stockholm area through the jointly owned company HållBo AB. The collaboration is based on building rights for more than 1,600 apartments. Additionally, in December 2019 HållBo acquired a 199-apartment property in Barkarbystaden. Bonnier Fastigheter is taking a step into the housing industry.



Tomas Hermansson,
CEO

Bonnier's venture capital business is operated from the Stockholm tech scene. **Bonnier Ventures** invests in fast-growing tech companies with international ambitions.

Investments that make Bonnier broader

STOCKHOLM HAS LONG been a hub for startups and tech companies. Per capita, only Silicon Valley has more so-called unicorns – startups worth over a billion U.S. dollars. Stockholm is a leading ecosystem for identifying and developing startups and tech companies.

Given Bonnier's historical roots and role in Stockholm's communities, being part of this scene comes naturally to the company. The venture capital business has been operated through Bonnier Ventures since 2014.

From the start, the investments have had a return of more than 20 percent per year. Today, the portfolio consists



Ulrika Saxon, CEO

of 17 companies. The companies' total value exceeds SEK 7 billion, of which Bonnier Ventures' shares are worth over 700 million SEK.

Bonnier Ventures' investments are of a purely financial nature, and at the same time an important strategy in Bonnier's desire to expand future ownership by entering new industries and markets. Although the investments are made without connection to other Bonnier companies, they have the potential to contribute to the ecosystem that all Bonnier companies share. Two new investments in 2019 illustrate this:

KITAB SAWTI is the world's largest Arabic audiobook company with over 2,000 audiobooks and more than one million registered users in a market of 400 million potential users. If Kitab Sawti reaches 6 percent of

that market, which corresponds to today's audiobook circulation in Sweden, that means 24 million paying users.

Finnish startup **SULAPAC** develops a patented material that can replace plastic in packaging of everything from cosmetics and food to gift boxes. The material has all the advantages of plastic but is completely degradable after use.

The sale of Bonnier Broadcasting enables Ventures to increase its investments to over SEK 200 million per year in digital growth companies, compared with SEK 100 million in previous years. The ambition is also to broaden perspectives outside of the Nordic region, to make larger investments and continue working with successful companies over time.

Key Figures from 2019

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The Venture Capital portfolio consists of 17 companies. In addition to these, the Real Agency Group (the Spoon Group) is also part of Bonnier Ventures.

Invested capital:

500 SEK M

Realized capital:

204 SEK M

Portfolio value:

742 SEK M

Gross IRR:

22%

Chairman of the Board:

Jens Müffelman

CEO: Ulrika Saxon

Current investments



ABIOS GAMING offers statistics and content in e-sports to a variety of industries and companies.



ACAST is a global technology and advertising platform for podcasts, with approximately 150 million listening occasions each month.



ALL EARS is a B2B provider in media coverage of audio channels such as podcasts, radio, YouTube, TV and social media videos.



BLOK is an estate agency disruptor based in Helsinki. The company applies technology that helps the user to manage all stages of a home sale.



DOKTOR.SE was founded in 2016 and is already Sweden's second-largest and fastest-growing digital healthcare provider.



HEJA is a sports team and communications app for coaches, managers, parents and players, with a majority of its users in the U.S.



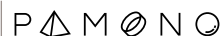
KITAB SAWTI acquires rights and produces and distributes audiobooks in Arabic. Today it is the world's largest Arabic audiobook platform.



LAVENDLA is a funeral agency disruptor that offers a wide range of online funeral services under brand names Lavendla and Wilja.



NATURAL CYCLES is a digital fertility app that starts with the woman's body temperature. The app has spread globally and is regulated in Europe (CE) and the U.S. (FDA).



PAMONO is a fast-growing online marketplace based in Berlin that connects individual antique shops and designers with interior design customers on the global market.



PILLOXA has developed a digital platform that effectively assists pharmaceutical companies with clinical trials of new drugs in different patient groups.



REAL AGENCY GROUP is a network of communication agencies consisting of Spoon, The Domain Was Taken, Oh My, Trickle, KIT, Spoon Inhouse, StoryCo and InFunnel.



REFUNDER is Sweden's leading cash-back site. The shopping site gives online customers money back every time they make a purchase.



RESOLUTION GAMES is a virtual gaming studio focused on accessible and fun games in VR and AR formats, with production for the major global platforms.



STORYKIT is an SaaS (software as a service) facility for content production that effectively helps clients tell their story in their own and social channels.



SULAPAC provides a biodegradable alternative to plastic, made entirely from renewable sources and certified wood, to be used as packaging material on the global market.



WOSHAPP is an environmentally friendly car wash platform that challenges the European car wash market.



OUR COMPANIES SF STUDIOS

FLY OR DIE

FROM THE CREATORS OF
10 CLOVERFIELD LANE
& THE SHALLOWS

HORIZON LINE

COMING SOON

In 2019, **SF Studios** celebrated its 100th anniversary. For one of the world's oldest film companies, its historical success provides inspiration for the road ahead.

SF Studios Makes Award-Winning Films and TV Series

Teaser poster for *Horizon Line*, SF Studios' first English-language feature film.

SF STUDIOS WAS founded in 1919 as AB Svensk Filmindustri. The company quickly gained international attention through successes such as *Thy Soul Shall Bear Witness!* (1921) and *Gösta Berling's Saga* (1924), the latter starring Greta Garbo. SF Studios contributed to what was called the “golden age of Swedish cinema.” From the 1930s, SF Studios continued to grow, targeting the Swedish market. The 1940s saw new international successes when *Torment* (1944) won the Grand Prix at the Cannes Film Festival, and *Symphony of a City* (1947) won an Oscar for best short.

INGMAR BERGMAN PLAYED an extremely important part. Most of his films were produced by SF Studios, such as *The Seventh Seal* (1957), one of the most iconic films in history, as well as *The Virgin Spring* (1960) and *Through a Glass Darkly* (1961), both winning Oscars for



Michael Porseryd,
CEO

Best Foreign Language Film. Since then, SF Studios has produced a number of internationally acclaimed films such as *Persona* (1966), *The Emigrants* (1971), *My Life as a Dog* (1985), *A Man Called Ove* (2015) and *Borg vs McEnroe* (2017). Seven of the 10 most-viewed Swedish films of all time have been produced by SF Studios. These have contributed to a good international reputation for Swedish films.

Today, the business includes production and distribution of films and TV series, for both the Nordic and global markets.

IN RECENT YEARS, the film industry has undergone major changes. Streaming of film and television has grown dramatically. To face this development, SF Studios also offers the digital services SF Anytime and SF Kids.

The ambition of SF Studios is to be the leading distributor and producer of film and television drama in the countries where the company operates. The company will also return to the international market where it had great success during its first decades.

By producing English-language films for an international audience, SF Studios will become a prominent European film studio with its roots in the Nordic region.

SEVERAL IMPORTANT STEPS were taken in 2019:

1. Production began on the thriller *Horizon Line*, SF Studios' first English-language feature film. The intention is for a major launch in U.S. cinemas. An American remake of *A Man Called Ove* starring Tom Hanks is scheduled to start filming this coming winter.
2. SF Studios will produce a stand-alone sequel to *Easy Money* as a Netflix series. The company will also produce *Red Dot*, Netflix's first Swedish original movie.
3. Extended collaborations with both Warner Bros. Pictures and Sony will make SF Studios their distribution partner on the Nordic market.
4. SF Studios became the main owner of Felix Herngren's production company FLX, which is behind several of Sweden's most

successful films and TV series in the last decade.

5. At the end of 2018, Norwegian production company Paradox was acquired, giving SF Studios its own production facility in Norway.

AT THE SAME time, SF Studios continues to be a creative engine for talent in film and television drama, not least by offering attractive and exciting film and television projects, a stimulating work environment, freedom and market-leading knowledge in movie marketing and launches. SF Studios looks to the future with the same spirit that marked the company's first 100 years.

SF STUDIOS

Sales: 1,899 SEK M (1,256 SEK M)

EBITA: 36 SEK M (17 SEK M)

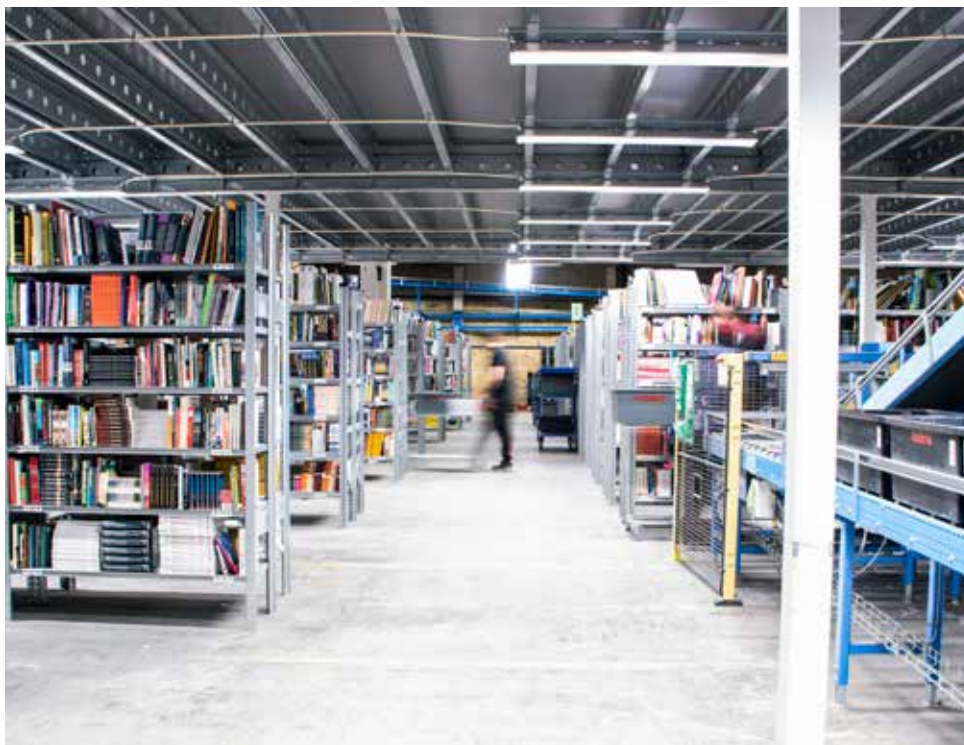
Number of employees: 160

Chairman of the Board: Maria Curman

CEO: Michael Porseryd

Adlibris focuses on simpler e-commerce and faster home deliveries.

Full Focus on Customer Experience and Logistics



ADLIBRIS WAS ONE of the first e-commerce companies in the Nordic region. Initially, the company only sold books, and it quickly gained a strong position on the Swedish, Finnish and Norwegian book markets.

IN 2004, ADLIBRIS was acquired by Bonnier. Eventually, the company branched out to offer other types of products besides books.

IN 2018, ADLIBRIS began extensive work on expanding and developing its logistics facility. A task that continued and intensified during 2019, with the aim to trim, improve and streamline the logistics flow. The investments in this area have helped improve Adlibris' services and increase the quality and efficiency of deliveries.



Jonas Karlén, CEO

IN 2020, ADLIBRIS to focus on customer experience and logistics. The ambition is to further improve

customers' overall experience, from the moment they consider a purchase until the product is in their hand. An important part of this is to offer attractive delivery options. More deliveries will go straight to the customer instead of to an agent. Today, Adlibris' customers in central Stockholm and Gothenburg can have packages delivered within the hour. Adlibris also offers delivery with the morning paper via the Early Bird service, a collaboration among a number of newspaper groups including Bonnier News. In 2020, Adlibris is planning the next step to enable faster home deliveries to more people.

ADLIBRISGRUPPEN

Sales: 2,282 SEK M (2,341 SEK M)

EBITA: -217 SEK M (-116 SEK M)

Number of employees: 500

Chairman of the Board: Johan Karlsson

CEO: Jonas Karlén

Over time, the magazine market has also become an event and consulting business. U.S. based **Bonnier Corporation** offers these services.

A More Equal Working Life



BONNIER CORPORATION'S MAIN business is the publishing of around 30 magazines in the United States. The focus is special interests, such as fishing, outdoor life and motorcycling.

ONE OF THE titles is *Working Mother*, which when it was launched in 1978 was a regular magazine aimed at working mothers. Over the years, *Working Mother* reached new audiences

by offering conferences, events and through digital channels. Gradually, the purpose of the business became to achieve cultural changes in the workplace. As part of this



Eric Zinczenko, CEO

development, Culture@Work was launched to focus on strategic advice and analysis.

MORE THAN 500 organizations worldwide have already found help within the framework of the initiative. The concept is building and implementing strategies to change an organization's corporate culture, as well as increasing diversity and inclusion in the workplace. The business approach is that a better corporate culture always starts with a deep understanding of the employees' perspectives and experiences.

WORKING MOTHER still targets working parents, but today it also reaches out to minority groups in the workplace. In the United

States, the magazine has played an important role in discussions about gender equality and diversity. At the same time, the event business strongly contributes to profit and sales. Another interesting source of revenue is license agreements; new ones were drawn up by the company in 2019. One example is kitchen utensils, which in 2020 will be sold under the brand name Saveur Cookware.

THE DEVELOPMENT OF Bonnier Corporation, from publishing magazines to offering events and eventually consulting services, reflects how the media market has changed over time, and how Bonnier Corporation has adapted to this transformation.

BONNIER CORPORATION

Sales: 1,197 SEK M (989 SEK M)

EBITA: 9 SEK M (-6 SEK M)

Number of employees: 325

Chairman of the Board: Jens Müffelmann

CEO: Eric Zinczenko

POPULAR TITLES FROM BONNIER CORPORATION

Boating
Cycle World
Field & Stream
Flying
Motorcyclist
Popular Science

Popular Photography
Sailing World
Saveur
Wakeboarding
Working Mother
Yachting

At times of change, we are guided by stories. Bonnier Publications' cross-border publishing makes stories available to more people.

Stories Across Borders

THE CONCEPT BEHIND Bonnier Publications is to let unique and powerful stories guide us in times of upheaval. Stories combine knowledge and entertainment. The traditional magazine is based on this logic.

Bonnier Publications focuses on special-interest media, such as science and history, health and fitness, interior design and DIY, beauty and fashion. The core products are magazines, both printed and digital, but Bonnier Publications also offers new platforms and formats such as book series, travels, websites, apps and other digital services. This gives the stories a bigger spread.

FOLLOWING ARE THREE EXAMPLES:

1. I FORM IS BASED on stories about how it is possible for everyone to become healthier. The stories are not only spread through printed and digital magazines. *I FORM* also organizes training trips and courses. This gives the stories brand-new channels.

2. SCIENCE ILLUSTRATED attracts the curious reader. Writing about science often requires great subject knowledge and an ability to bring to life complicated phenomena that can be difficult to make interesting. The magazine's contributors create stories that are worth reading on topics such as black holes and cancer research.

3. EVERYONE KNOWS HOW the Second World War ended. The war is one of history's most depicted episodes. Yet stories of World War II are by far the most well read in the history magazines published by Bonnier Publications. One reason is that the writers have the opportunity to use the entire toolbox, of accelerated pace, character descriptions, abrupt changes and crescendos.

BONNIER PUBLICATIONS PUBLISHES more than 30 titles internationally. The originals are written in Danish and translated into Swedish, Norwegian, Dutch and Finnish, while also being adapted to local circumstances and angles. By utilizing the globalization of the media landscape in this way, Bonnier Publications make the stories accessible to more people.



POPULAR TITLES, SERVICES AND APPS FROM BONNIER PUBLICATIONS

Aktiv Träning
Bil Magasinet
Bo Bättre
Bolig magasinet
Costume
Digital Foto
Gör det själv
HISTORIA
I FORM

Illustrerad Vetenskap
Militär Historia
National Geographic
PC för alla
Populär Historia
Släkthistoria
Vi i Villa
Wype



Jesper Buchvald, CEO

BONNIER PUBLICATIONS

Sales: 1,208 SEK M (1,328 SEK M)

EBITA: 142 SEK M (119 SEK M)

Number of employees: 115

Chairman of the Board: Erik Haegerstrand

CEO: Jesper Buchvald

Bonnier Group also has investments in **Boninvest**, holdings in **Bisnode** and forest properties in **Bonnier Skog**.

Growth and Stability

BONINVEST OWNS LISTED Swedish stocks and has investments in private equity, venture capital and hedge funds. Parts of the holdings are managed by the company, while external managers are responsible for investments in more niched assets. The value of the assets at the end of the year was SEK 1.5 billion. The value increased by 22.9 (-0.5) percent in 2019.

BONNIER GROUP OWNS 30 percent of Bisnode. The rest is owned by Ratos AB. In 2019, Bonnier Group received SEK 75 million in dividends from the company. Bisnode

has long delivered integrated and quality-assured data to help companies streamline business processes and make informed decisions. In 2019, Bisnode had a turnover of SEK 3.8 billion, and EBITA amounted to SEK 480 million. The company operates in 19 European countries and has around 2,000 employees.

BONNIER SKOG owns and manages forest properties in Dalsland, Sweden, covering about 4,000 hectares. The book value of the assets is SEK 197 million.



The Future of Storytelling: Audio

Stories have always been told. But as technology and society evolve, the way we tell them is changing. An ongoing trend that has already left a clear mark on Bonnier's business is audio storytelling. Three examples are **Acast**, **BookBeat** and **DN Story**.

acast

PODCASTS HAVE GROWN significantly in popularity since the format caught on a few years ago. Today, 1.8 million Swedes listen to at least one podcast every week. One reason for the popularity may be that, in contrast to the short fragments that dominate social media, there is a need for longer and more in-depth stories.

ACAST, ONE OF Bonnier Ventures' investments, is the world's largest platform for podcasts, with over 9,500 different programs and listeners in more than 200 countries. Since the company was founded in 2014, it has brought together storytellers, listeners and advertisers and has played an important role in professionalizing the audio industry.

During 2019 Acast expanded into several new markets. The core was widened through hundreds of pods. The content venture Acast Studios was launched. The first acquisition for Acast was the pod company Pippa, which opened up the possibility for the users to smoothly launch their own pods and share their stories.

IN 2020 AND moving forward, Acast will help more storytellers make podcasts that can grow from hobby projects to global successes.

BookBeat

OWNED BY BONNIER BOOKS, BookBeat spreads stories by making books available to more people. With the BookBeat app, users can choose from thousands of novels, biographies, short stories and nonfiction books to listen to, or read, on their mobile devices.

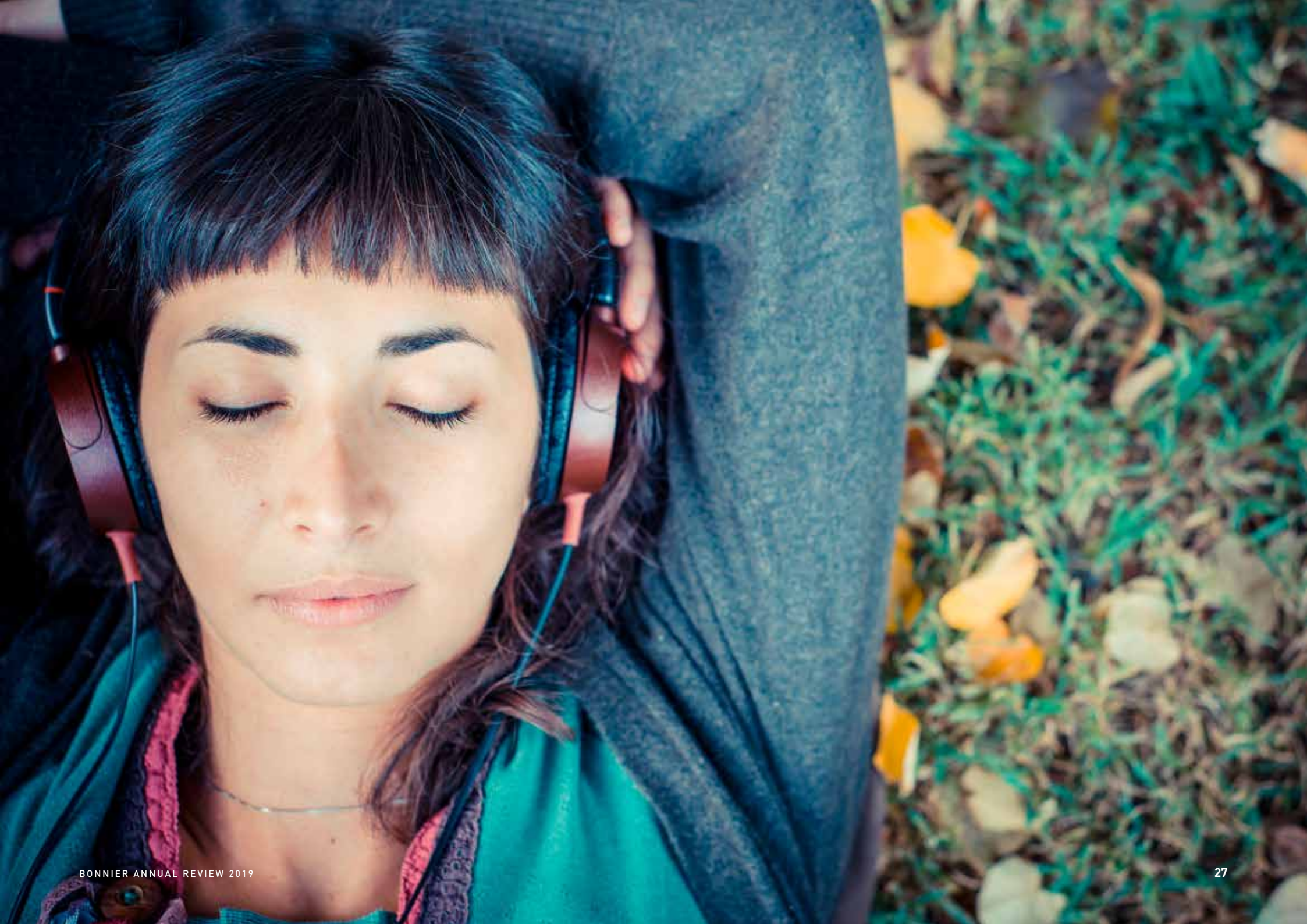
FREQUENT REPORTS TELL us that reading is in decline. However, the opposite is true for the audiobook market. The will to spend both time and money on audiobooks is strong. By the end of 2019, BookBeat had more than a quarter-million paying users in a rapidly growing market, both in Sweden and internationally.

BOOKBEAT WAS FOUNDED in 2015, and the following year the service was launched in Sweden. Today's focus is to grow not only on the domestic market but also in Finland and Germany. BookBeat is available in another 25 countries around Europe, and growth is expected to remain strong in the coming years. As the way in which we take in books is changing, BookBeat aims to be industry best at analyzing the types of stories future listeners want to spend their time and money on.

DN Story 97 avsnitt
Lyssna på DN:s bästa reportage

DAGENS NYHETER continuously presents unique stories and reports of our time, from both Sweden and the rest of the world. In 2019, a new feature in the app was launched that lets subscribers choose between reading and listening to selected stories in DN Story. The best stories are gathered in the app under the section Upptäck.

EVERY WEEK, *Dagens Nyheter's* editors select articles that get recorded by professional audiobook readers. The readings are released on the DN app and become available to the newspaper's subscribers. Journalism that takes time, but is also worth the time.



An Open Society is Bonnier's Biggest Imprint

It is by contributing to more open and well-informed societies that Bonnier can make the biggest imprint in sustainability.

AS A FAMILY-OWNED company with a history spanning more than 200 years, we acknowledge that long-term vision is a starting point for how we run our business. We are responsible for the impact we have on the outside world, and we want to be a positive force in the communities in which we operate.

WE WANT TO contribute to a sustainable society. The world faces major challenges linked to health, equality and climate change, among others. The UN's 17 sustainable development goals show the way forward regarding the three dimensions of sustainable development: economic, social and environmental.

GIVEN OUR CORE business, we also feel a special responsibility to make our society more open, interesting, entertaining and well-informed. This is where Bonnier can be of most value to sustainability.

WE HAVE IDENTIFIED five areas that are central to Bonnier's work on sustainability and long-term social benefits.

THE FIRST AREA points to a unique obligation. Bonnier has carried it throughout its history, but it has become even more important and noticeable in recent years:

1. FREEDOM OF SPEECH. Bonnier shall be Sweden's leading force for extensive freedom of expression and for free media. Freedom of speech and nonjudgmental dialogue should also characterize our internal corporate culture.

WE SHARE THE other four areas with most forward-looking companies:

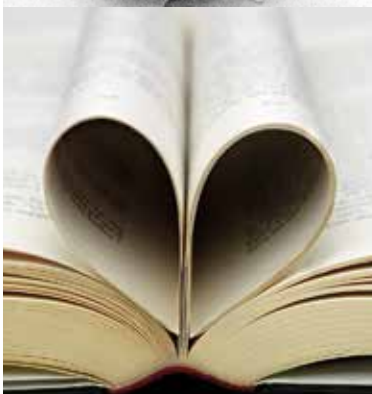
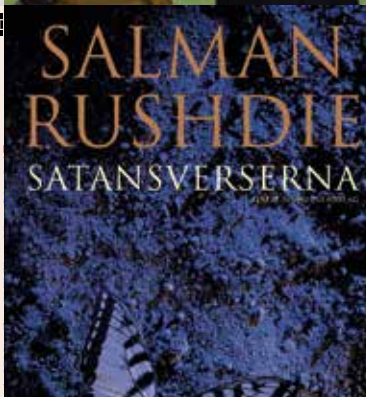
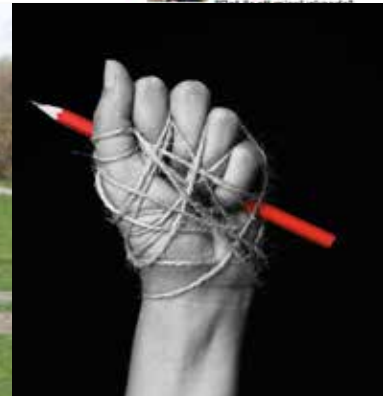
2. ENVIRONMENT AND EFFICIENT use of resources. Although Bonnier's environmental impact is relatively limited and varies between the different businesses, we shall work to minimize our direct impact where it is relevant in our value chain.

3. DIVERSITY. Our companies shall offer fair career prospects, regardless of gender or background. Our operations must contribute to an inclusive society where more people have the chance to get involved.

4. OUR EMPLOYEES. Attracting, developing and retaining the right competences is crucial to success. Creating environments where people can develop and successfully manage the pressures of the changing media industry is central to our businesses.

5. GOVERNANCE. As a family-owned media company, we are keen for our businesses to have a long-term vision with established ethical guidelines and working alarm systems in case these guidelines are violated.

WE REGARD OPEN societies and freedom of speech as crucial sustainability issues. This is where Bonnier has great opportunities to make a difference. This is also where we make the biggest imprint.



Bonnier delivers improved profit

Our companies

The operating profit of Bonnier's companies improved by 35 percent compared to the previous year. EBITA amounts to SEK 1,537 million (1,141). Excluding Bonnier Broadcasting, which was divested on December 2, EBITA amounts to SEK 402 million (114), an improvement by approximately 250 percent. All of Bonnier's companies apart from one improved their profit.

BONNIER BOOKS INCREASES its revenue to SEK 5.8 billion (5.5) in 2019, which is primarily characterized by an improved EBITA of SEK 250 million (148) and a maintained strong cash flow, despite investments in growth and a declining market for physical book retail in the Nordic countries.

The publishing businesses in Germany deliver, without the presence of any real best-sellers, its highest revenue and best result in ten years. The British publishing operation reports increased sales and a positive result, following changes that were initiated in 2018. It is also good news that WSOY in Finland reports another good year and that the Swedish publishing group Bonnierförlagen report yet another stable year despite a weak market for physical book retail. For the second consecutive year, 50 percent owned Cappelen Damm reports a weak profit, burdened by weak sales linked to a forthcoming school material

reform in Norway and due to continued losses in the bookstore chain Tanum. Akademiska Bokhandeln in Finland also reports a negative result, while Pocketshop improves its result, following consolidation and focusing efforts.

In 2019, the publisher Bazar was acquired by WSOY in Finland, but otherwise no larger structural changes were made. Investing activities are primarily focused on the audio- and e-book service BookBeat, which maintains its three digit percentage growth rate, both in terms of revenue and number of users. The number of subscribers amount to approximately 250 000 at the end of the year.

BONNIER NEWS' REVENUE in 2019 amounts to SEK 7.6 billion (6.7), whereof the newly acquired MittMedia contributes with SEK 1.2 billion. EBITA amounts to SEK 211 million (174), whereof MittMedia accounts for SEK -71 million. The figures from last year include

Bonnier Magazines & Brands and Business to Business.

As a consequence of the company's digital transformation and in line with Bonnier News' strategy, cost synergies have been achieved in conjunction with the acquisition as well as in existing operations. For example, Magazines & Brands reports a positive result compared to last year's losses, despite decreased revenue.

The total subscribed edition was increased by approximately two percent, compared to the previous year. Revenues from single copy sales (primarily *Expressen* and Magazines & Brands), as well as from print subscriptions, decreased compared to the previous year. However, many of the papers within News had a strong growth in digital subscriptions, both in terms of revenues and the number of subscribers. The overall effect is that the growth in digital revenue exceeds the decrease in print revenue.

The decrease in advertising revenues of about 11 percent compared to the previous year largely reflects a strongly challenged market in, among other things, motor, travels, interior design and gaming, where the effect in gaming to a large degree has regulatory reasons. However, Bonnier News' companies achieve a good result in 2019 compared to the market, both in print and digital and the market shares also increase.

Bonnier News' operations report lower production and distribution costs in 2019 compared with the previous year, largely driven by efficiency improvements and lower circulation. This is despite the fact that some actions will not take full effect until 2020.

On April 1, MittMedia, a media group with 28 daily newspaper titles and local brands in central Sweden, is acquired. At the end of the year, Lokaltidningen, a free magazine with 28 local titles in southern Sweden, is acquired, as well as Dagens Samhälle, a strong brand within the public sector covering municipal and regional issues.

BONNIER FASTIGHETER DELIVERS a strong result for 2019. Sales increase by 20 percent and is SEK 712 million (591), where the increase is mainly explained by newly signed contracts, renegotiations, lower vacancies and additional rents from the properties acquired during the previous year. In com-

parable portfolio, sales increase by SEK 67 million, or 12 percent. EBITA increases by 28 percent to SEK 474 million (371). In comparable portfolio, the corresponding increase in EBITA was SEK 61 million, or 18 percent.

Positive changes in the value of properties amount to SEK 824 million (749) and contribute to an increase in profit before tax to SEK 1,243 million (1,062). The market value of the properties at the end of the year is valued at SEK 13.6 billion.

Bonnier Fastigheter's financial position is still very strong with a low loan-to-value ratio. During the year, most of the bank financing was renegotiated, with the credit facilities being extended and expanded. As in the previous year, financing is largely done through commercial papers.

A first step into the housing market is taken in 2019. This is through the cooperation agreement signed between Bonnier Fastigheter and ByggVesta to form a joint venture to develop, own and manage rental properties in the Stockholm area.

Bonnier Fastigheter has a continued strong focus on project and property development. The planning process is ongoing regarding the exploitation of offices and commercial activities in Värtahamnen, and detailed plans for Pirhuset and Portalen are expected to be adopted at the end of 2020 with planned construction commencing in 2021.

BONNIER VENTURES FOCUSES on minority investments in digital fast-growing startups. The companies have a strong presence in the Nordic countries and an ambition to grow globally. The holdings in these companies are valued in excess of SEK 700 million at the end of 2019.

Since its inception in 2014, investments have returned 22 percent per year. In addition to the venture portfolio, the agency network Real Agency Group is also included in Bonnier Ventures, with Spoon, Oh My, KIT Media, Trickle, InFunnel and The DomainWasTaken.

Six new investments totaling SEK 111 million are made in 2019 – Doktor.se, online medical support, Kitab Sawti, offering audio-books in Arabic, Sulapac, developer of biodegradable and microplast-free plastic alternatives, Woshapp, environmentally friendly car wash platform, Pilloxa, digital partner for clinical studies, and All Ears, media monitoring service for spoken media.

Acast has strong growth in 2019 and is in the process of attracting American investors. During the year, Bonnier Ventures sells its holdings in the production company FLX and Perfect Day.

Real Agency Group increases agency revenues by 11 percent in 2019 and during the year it starts Spoon Inhouse.

SF STUDIOS TAKES another step in sales and profitability in 2019, with an EBITA of

Financial results 2019

SEK 36 million compared with SEK 17 million last year. In general, SF Studios produces more than ever, has a more stable distribution and an improved exploitation of the rights catalog. In 2019, 69 percent of the production company FLX is acquired.

Distribution operations contribute slightly better than in the previous year, despite the fact that most of the local Nordic cinema releases during the year had a negative impact. The distribution is positively affected by the fact that SF Studios now distributes Warner in Sweden as well as Sony, which during the year was added in all four countries. The three most profitable distribution titles in 2019 are *Joker*, *Britt-Marie var här* and *Once upon a time in Hollywood*.

Production operations improve its earnings compared to 2018 with a positive contribution from both FLX and Norwegian Paradox. The production rate is high with more than 15 productions in 2019, which is expected to be maintained in the coming years. The narrative film *Horizon Line* as well as the TV productions *Alex*, *Åreakuten* and *Rita* are some of the productions to mention from the year.

Digital Services improves earnings and has seen good growth during the year for the consumer services SF Anytime and SF Kids.

THE ADLIBRIS GROUP'S sales amount to SEK 2.3 billion, which is a decrease of three percent

compared with the previous year. Book sales decline by one percent, and are mainly affected by lower sales to private customers. B2B and library sales are up compared to the previous year due to won procurement contracts. Sales of articles other than books decrease during the year where price and product range revisions are carried out.

EBITA for the year amount to SEK -217 million, which is a decrease of SEK -101 million compared with 2018, explained by non-recurring costs, mainly attributable to assortment, IT and staffing. Adjusted for non-recurring costs, the underlying gross margin is strengthened by approximately one percentage point, while EBITA on a comparable basis improves by SEK 26 million compared with the previous year.

In addition to online stores with a wide range of books, yarns, toys, crafts, stationery, kitchenware and decoration, the Adlibris Group also includes digital sales of newspaper subscriptions, gift cards and sales of magazines for waiting rooms. Sales and deliveries at the end of the year work well.

BONNIER CORPORATION'S TURNOVER in 2019 amounts to SEK 1.2 billion (1.0). EBITA amounts to SEK 9 million, which is an improvement of SEK 15 million compared to 2018.

The company is showing growth in the Event business. The operation within Working Mother increases membership income from

companies and also consultancy incomes. The market for the company's traditional media products remains weak with reduced advertising and subscription revenues.

Event operations contribute strongly to profit and turnover during the year. The magazines *Sport Diver* and *Scuba Diving* are sold at the half-year.

During the year, the company signs new licensing agreements where, for example, kitchenware in 2020 will be sold under the Saveur Cookware brand.

BONNIER PUBLICATIONS, the leading Nordic publisher of special-interest magazines, reports an EBITA of SEK 142 million, which is a clear improvement compared with SEK 119 million last year.

High profitability in the traditional magazine business partly enables to deliver a strong result and at the same time invest in new, digital products. The EBITA margin of 12 percent is among the highest in the industry and an improvement from 9 percent last year.

As readers' habits change, demand for print media decreases, affecting the magazine market.

The turnover for Bonnier Publications amounts to SEK 1.2 billion (1.3) for the year 2019.

Bonnier Publications is in a transition phase where the sales of print media is expected to continue decline. During the year, digital subscriptions for *Illustrerad Vetenskap* and

Historia have been launched in four countries. The decline in print media sales is not yet fully offset by digital revenue growth.

BONNIER BROADCASTING'S EARNINGS for 11 months amounted to SEK 1,135 million, compared with a full-year result of SEK 1,027 million last year. Sales amount to SEK 8.1 billion and SEK 8.3 billion for the corresponding periods.

OTHER INCLUDES A number of smaller operating companies, which together in 2019 had a turnover of SEK 173 million (177) with an operating loss of SEK -23 million (5), and partly by group-wide activities and functions. The costs for these functions have been reduced by SEK 106 million compared to the previous year from SEK 580 million to SEK 474 million. Looking ahead, the cost level is expected to be just over SEK 250 million per year.

BONNIER GROUP'S BALANCE sheet changes substantially as a result of the divestment of Bonnier Broadcasting. Goodwill decreases to SEK 2.6 billion (6.5) and Film and program rights decrease to SEK 0.4 billion compared with SEK 2.7 billion last year. The purchase price, in cash and debt-free basis, amounts to SEK 9.2 billion.

Net debt decreases by SEK 7.9 billion and includes, from 2019, in a leasing debt attributable to leased premises of SEK 1.5 billion. Pension liabilities amount to SEK 2.0 billion (2.4).

Year-end result 2019

NET SALES BY COMPANY [SEK M]

	2019	2018
Bonnier Books	5,770	5,522
Bonnier News	7,579	6,713
Bonnier Fastigheter	712	591
Bonnier Ventures	386	358
SF Studios	1,899	1,256
Adlibrisgruppen	2,282	2,341
Bonnier Corporation	1,197	989
Bonnier Publications	1,208	1,328
Bonnier Broadcasting	8,075	8,253
	29,108	27,351
Other	-362	-436
Bonnier Group Total	28,746	26,915

OPERATING PROFIT (EBITA) BY COMPANY [SEK M]

	2019	2018
Bonnier Books	250	148
Bonnier News	211	174
Bonnier Fastigheter	474	371
Bonnier Ventures	-6	-18
SF Studios	36	17
Adlibrisgruppen	-217	-116
Bonnier Corporation	9	-6
Bonnier Publications	142	119
Bonnier Broadcasting	1,135	1,027
Other	-497	-575
Bonnier Group Total	1,537	1,141

PROFIT, BONNIER GROUP [SEK M]

	2019	2018
Net sales	28,746	26,915
EBITA	1,537	1,141
EBIT	4,822	937
Net financial items	127	-198
Profit before tax	4,949	739
Year-end result	4,221	298

BALANCE, BONNIER GROUP [SEK M]

	2019	2018
Goodwill	2,576	6,518
Buildings and land	15,052	12,509
Property, plant and equipments	1,575	2,067
Film and TV rights	379	2,715
Working Capital	-2,037	-1,999
Other	1,408	1,941
Operating capital	18,953	23,751
Net debt	1,232	9,164
Equity including minority	17,721	14,587
Financing of operating capital	18,953	23,751

The Board

At the annual meeting in May, Ulrika af Burén and Erik Engström were elected new members of the Bonnier Group Board of Directors. The board has extensive experience in the media as well as corporate and investment management.

1. **BENGT BRAUN**, Chairman of the Board, was CEO of Bonnier AB from 1998 to 2007, and prior to that, CEO of Tidnings AB Marieberg from 1989. He has previously served on the board of Bonnier Holding, Bonnier Broadcasting and Bonnier Corporation, as well as external boards including that of Mertzig Asset Management.

2. **GUN NILSSON** has been CEO of Melker Schörling AB since 2017, and previously worked for many years as CFO of various EQT-owned companies, such as Duni and Sanitec. She serves as Chairman of the Board at Hexagon and is a board member of AAK and Hexpol. Gun worked at Bonnier from 1985 to 1993.

3. **ERIK ENGSTRÖM** since 2009 has been CEO of RELX Group, an international

information and analysis company with turnover of approximately SEK 90 billion in 2018. He has previously held the position of CEO of Elsevier and COO of the world-leading English-language publisher Random House. Erik has experience in working with private equity as a partner of General Atlantic.

4. **FELIX BONNIER** works with business development at the H&M head office in Stockholm and was previously sales manager of H&M in South Korea. Felix has been a board member within the Bonnier Group since 2014 and is also a board member of Bonniers Konsthall.

5. **ULRIKA AF BURÉN** is Head of Group M&A Strategy at SEB. Previously head of business development and M&A at ÅF, she has held

similar positions at Saab and Gambro. She has worked for Investor and been a board member of the Wallenberg Foundation management company FAM.

6. **PEDER BONNIER** is CEO and co-founder of Storykit, a digital platform for content production. Before that, he was CEO of Swedish media company KIT, which he also co-founded. Peder has been digital manager of Bonnier Tidskrifter, and has had several roles in marketing and digital media at, among others, Unilever and NBC Universal.

7. **MARTIN HARRIS** is publishing editor of Bonnier Carlsen, Sweden's largest publisher for children and teens. He is currently responsible for publishing Pixi books and the early learning segment. Martin is an employee representative on the board.

8. **ANDERS FORSSTRÖM** has been a journalist at Dagens Nyheter since 1993, where he has written about issues such as housing, crime and finance. He is chairman of Dagens Nyheter's journalist club as well as employee representative of the boards of both Dagens Nyheter and the Bonnier Group.

9. **JENS MÜFFELMANN** works with investments and is based in U.S and Europe. He was previously with the German media group Axel Springer, where he was digital manager and head of the venture business. Jens has been a board member within the Bonnier Group since 2016. He is also Chairman of the Board of Bonnier Ventures and Bonnier Corporation.



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The board photographed in Bonnierhuset on Torsgatan in Stockholm, a building owned by Bonnier Fastigheter. Modern art can be admired not only in the lobby of the building but also at Bonniers Konsthall next door.

Bonniers Konsthall showcases Swedish and international contemporary art in the heart of Stockholm.

Bonniers Konsthall Supports Contemporary Art

SINCE IT OPENED in 2006, Bonniers Konsthall has showcased and discussed art from all over the world. The museum originates from an interest in young artistry, still at the core today. The iron-shaped transparent building, designed by Johan Celsing, has a glass façade that faces the city. It reflects the museum's desire to be open and accessible.

BY SUPPORTING CONTEMPORARY art, Bonnier passes on its cultural heritage. For nearly as long as the company has published books and magazines, the Bonnier family has supported artists. The Bonnier family mansion, Nedre Manila on Djurgården in Stockholm, holds a unique collection of portraits of prominent Swedish writers, from August Strindberg to storytellers of today.

EXHIBITIONS ARE OPEN to everyone at Bonniers Konsthall. One of its most important goals is to promote strengthen people's relationship to contemporary art. Artists from Sweden and abroad are represented at the museum, both well-known names and artists

who have not yet reached a wider audience. As well as introducing individual artists, the museum arranges group exhibitions that put the works of art in a larger cultural context.

2020 BEGINS WITH a large group exhibition of landscape paintings, *The Trees, Light Green*. The exhibition brings together historical and contemporary artists who have depicted the forest, the land and the landscape. Following this, there will be a solo exhibition with Éva Mag, Swedish artist, who has attracted a lot of attention. She recently received an honorable mention for her work *Dead Matter Moves*, performed at Performa 19, the world's leading performance artist biennial in New York.

VISITORS TO THE museum are welcomed by hosts with a vast knowledge of contemporary art, most of whom are also practicing artists. Open introductions to the exhibitions are held daily. The museum also offers other opportunities to learn more through thematic exhibitions, evening programs and get-togethers for pram-pushing parents.



Recipient of the 2019 Maria Bonnier Dahlin Foundation grant, Iris Smeds, *The Average*.



THE MUSEUM HAS its roots in the Maria Bonnier Dahlin Foundation, founded in 1985 by Jeanette Bonnier in memory of her daughter Maria, who tragically died in a car accident. Since then, the foundation has awarded annual grants to young Swedish artists. The Maria Bonnier Dahlin Foundation has always been on the lookout for new and innovative art. Past recipients are today

some of Sweden's most prominent artists. The 2019 grants were given to Olof Marsja and Iris Smeds.

JEANETTE BONNIER ALSO founded Bonniers Konsthall. After her death in 2016, a foundation was set up in her name. The foundation continues to support the financing and development of Bonniers Konsthall.

Freedom of speech and independent quality journalism are the focus of several awards and initiatives linked to Bonnier.

The Swedish Grand Prize for Journalism Supports Freedom of the Press

WINNERS OF THE SWEDISH GRAND PRIZE FOR JOURNALISM 2019:

Storyteller of the Year

Karwan Faraj and Rosa Fernandez, Swedish Radio

Scoop of the Year

Per Agerman, Joachim Dyfvermark, Axel Gordh Humlesjö and Linda Larsson Kakuli, SVT

Innovator of the Year

Malin Mendel, SVT

Voice of the Year

Hanna Hellquist

Lukas Bonnier's Grand Prize for Journalism

Bibi Röddö, Sveriges Radio



Photo: Magnus Bergström

THE FOCUS OF several initiatives and awards that are linked to Bonnier is freedom of speech and independent quality journalism. In the early 1950s, book publisher Albert Bonnier Jr. saw the need to stimulate professional journalism – “the good pen” as he put it.

THE FIRST AWARD, intended for Bonnier’s own journalists, was established in 1953. In 1966, it became the Grand Prize for Journalism and became available to any journalist in Sweden, for excellent journalistic work. More than 50 years later, the award is still the most prestigious of its kind in the country.

THERE ARE FIVE awards in total: Storyteller of the Year, Innovator of the Year, Voice of the Year, Scoop of the Year, and Lukas Bonnier’s Grand Prize for Journalism for long-term journalistic achievements.

THE PRIZE RECOGNIZES the best in journalism, from authentic stories about people who travel

from their home countries to join ISIS, to amusing educational pieces from other parts of the world. And from discussions with listeners, readers and viewers to crucial scoops.

THE JURY CONSISTS of 12 members and three deputies from all types of media within the industry, and often often from Bonnier’s competitors.

TO BRING ATTENTION to, and to award, quality journalism and freedom of the press is both morally and strategically justified for Bonnier. Therefore, several of Bonnier’s other businesses have their own activities that promote these values. In Estonia, an annual Bonnier Prize is awarded for investigative journalism. Each year, *Expressen* gives out the Per Wendel Prize for outstanding journalism. *Expressen* is also an active supporter in the campaign to free Swedish-Eritrean journalist Dawit Isaak, who has been imprisoned in Eritrea since 2001.

Bonnier's Stories Contribute to a More Open Society



Carl-Johan Bonnier.

STORYTELLING IS THE basis of our business. Storytelling continues to push Bonnier forward. Storytelling is also a prerequisite for liberal democracy – the model of our society.

That is why this year's annual review highlights storytelling.

FOR 200 YEARS, freedom of speech has been a core value for Bonnier. Through storytelling, we simply want to make the communities in which we operate more open and interesting, more well-informed and entertaining.

WE BELIEVE IN quality, fact checking and the search for truth. And in sensitivity and transparency when we fail to reach these high ambitions. Media, books and films that originate from our companies should reflect a variety of perspectives, news services and public opinions. Our storytelling is to be independent and original.

This means that it should also be independent from us, the owners. Our liberal heritage provides no given answers to all

the issues of our time, but leaves room for conflicts of interest and various conclusions. However, there is also a limit to what is contained within these frameworks: Bonnier's operations will never run agendas that diminish the individual or exclude groups from society. We are on the individual's side and stand up for democracy, everyone's equal value, fundamental freedom and rights.

CORPORATE GOVERNANCE WITHIN Bonnier has changed. Our former business areas are now operationally independent companies with the aim of maximizing the companies' opportunities for growth and profitability. We believe that our companies benefit and become more agile by giving each management full focus, full mandate and full accountability for their operations, and by letting them answer to their own board of directors.

BONNIER'S BUSINESSES HAVE always been influenced by market conditions. Independence, quality and long-term vision relies

upon commercial success. The company has constantly evolved to manage change. That is why we today invest heavily in the transformation to digital revenue. The path from story or news item to audience takes on new directions and forms, as technological developments change distribution and business models. It is important for us to invest in this development.

THEREFORE, WE WILL continue to operate in areas other than just storytelling, for example in real estate. This ensures a diversified spread of financial risks.

Professional and independent storytelling in media, books and films is more important now than it has been for a very long time. With a long-term vision, the Bonnier family continues to be the owner of some of Northern Europe's most important businesses in this field.

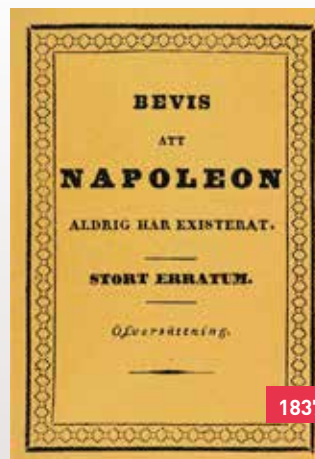
CARL-JOHAN BONNIER
REPRESENTATIVE OF THE OWNERS

200 Years of Change and Opportunities



1929

For over 200 years, Bonnier has been shaped into what it is today. Along the way, two driving forces have made their mark on the business. One is safeguarding freedom of speech and an open society. The other is finding new ways for the business to evolve.



1837



1804

1804

Gutkind Hirschel moves from Dresden to Copenhagen. He changes his name to Gerhard Bonnier and publishes, among other things, an anthology of criminal stories called *Underfulde og sandfærdige kriminalhistorier* (Strange and True Criminal Histories).

1827

Adolf Bonnier, Gerhard's oldest son, is sent to Gothenburg with some large book-filled boxes. He opens a bookstore and a library, which are a great success from the start. Four years later he gets permission to open a bookstore in Stockholm, and after yet another year, branches are opened in more rural locations in Sweden.

1837

Albert Bonnier, another of Gerhard's eleven children, publishes *Bevis att Napoleon aldrig har existerat* (Proof that Napoleon Never Existed), the first book from what is today Albert Bonniers Förlag.



1846



1859



1909



1888



1900



1911

1846

During a trip to Europe, Albert Bonnier's eyes are opened to fashion magazines. He realizes that there is an appetite for fashion in Sweden and launches the magazine Stockholms Modejournal, *Tidskrift för den eleganta världen* (Stockholm's Fashion Journal, a Magazine for the Elegant World). It is one of the first of a long series of titles that Bonnier has since published focusing on women's fashion and lifestyle.

1856

Bonnier acquires its first property. Since then, real estate ownership has been an important part of the business.

1859

Sveriges Handelskalender (Sweden's Trade Directory) is published for the first time. The idea is to offer an annual about Sweden's new and growing business sector. The time is right due to the abolition of the guild system and the introduction of freedom of trade. Publication continues for more than 140 years and is crucial to the company's revenue for a long time – a good example of Albert Bonnier's foresight.

1888

Albert Bonnier buys shares in *Dagens Nyheter*, one of the most popular media innovations of the 19th century and a success from the start. First to come out in the morning, it is delivered straight to its subscribers, costs half as much as its competitors, and has short and intelligible articles. Around the turn of the century, when the paper hits a temporary low, Bonnier becomes more seriously involved in DN. Son Karl Otto Bonnier believes it will make a loss, but wants to safeguard a liberal press and the freedom of speech.

1900

When Albert Bonnier dies, his children decide to set up a scholarship fund in the memory of their father. The grants will go to young Swedish writers and are handed out to this day. Every year, five authors are awarded SEK 100,000 each. Karl Otto Bonnier continues to build capital by publishing all the great authors.

1909

Selma Lagerlöf, one of Albert Bonnier Publishing's most prestigious writers, becomes the first woman to win the Nobel Prize in literature. Since then, six Swedish authors published by Albert Bonniers Förlag, and a number of foreign ones, have been awarded the Nobel Prize.

1911

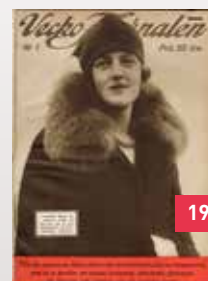
A year of internationalization. Bonnier opens a branch in Germany and buys Björck & Börjesson in New York, a company that imports Swedish books to the U.S.

1929

Tor Bonnier, Karl Otto Bonnier's eldest son, buys Åhlén & Åkerlund, Sweden's largest magazine publisher, with titles *Vecko-Journalen*, *Husmodern*, *Allt för alla* and *Hela världen*.



1973



1929



1989



1947

1947

Construction of Åhlén & Åkerlund's new premises, later known as Bonnierskrapan, commences on Torsgatan in Stockholm. Architects are Ivar and Anders Tengbom.

1951

AB Bonnierföretagen is formed to constitute the parent company of new industrial companies. Bonnier's industrialization had begun during the interwar period, with the aim to control the entire chain, from pulp to printing services. During the 1950s and '60s, business grows into areas as diverse as ferry traffic, furniture, paper cups and looms.



1951-1977

1965

Dagens Nyheter AB is listed on the stock exchange. One reason is to make it easier for partners to sell their shares. The company later changes its name to Tidnings AB Marieberg, after the main business location.

1973

Acquisition of Svensk Filmindustri, one of the world's oldest film companies, today called SF Studios. Crime classic *The Man on the Roof*, directed by Bo Widerberg, premieres in 1975.

1977

Extensive restructuring of Bonnier's operations is underway. Industrial companies are sold or liquidated, and media becomes the core activity.

1989

Just before the collapse of the Soviet Union, Bonnier launches the business magazine *Äripäev* in Estonia. As both technology and freedom of speech are limited at this time in the Baltic region, *Äripäev* is printed in Stockholm and shipped over the Baltic Sea. In the following years, Bonnier-published media in the young Baltic democracies become important in establishing and spreading free speech.



2000's

1998

Bonnier buys Tidnings AB Marieberg from the stock exchange. The acquisition is a step to streamline Bonnier's business to have a more distinct focus on media, not least the TV market, as Marieberg is an important part-owner of TV4.

2000's

Media becomes digital and social, and competition global. Bonnier faces the new consumer patterns by digitizing the company's services. Online bookstore Adlibris is acquired in 2004. Companies such as BookBeat and KIT see the light of day.

2019

Bonnier Broadcasting is sold. At the same time, a major investment is made in local journalism when Bonnier News acquires MittMedia.

2019

BONNIER ANNUAL REVIEW

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BONNIER

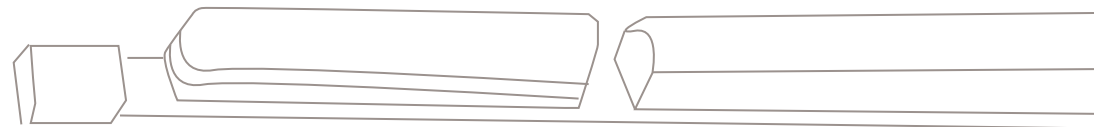


Sköna hem is Sweden's leading interior design magazine – a reliable source of inspiration that always stands for trends, tradition and quality.

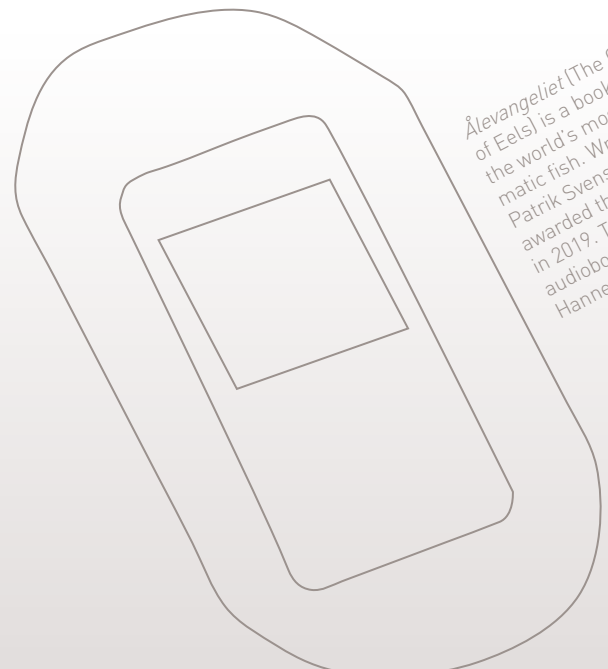
Sleeping Thumbelina by Elsa Beskow. A graphic artwork created in a limited edition exclusively for NOA Gallery, a digital marketplace owned by Bonnier News. The motif is taken from Hans Christian Andersen's story *Thumbelina*, with illustrations by Elsa Beskow.




On November 22, 2017, journalist Matilda Gustavsson's story about the so-called cultural profile was published in *Dagens Nyheter*. In it, 18 women bear witness to rape, threats and harassment. In November 2019, the book *Klubben* (The Club) was published by Albert Bonniers Förlag.




Journalism on track. During 2019, the *Dagens Nyheter* train made its maiden journey. Readers became travelers and experienced a combination of learning and adventures across Europe, all from a single train.



Ålevangeliet (The Gospel of Eels) is a book about the world's most enigmatic fish. Written by Patrik Svensson, it was awarded the August Prize in 2019. The BookBeat audiobook is narrated by Hannes Meidal.



The trading area Orangeriet is located by the southern entrance to Kungens Kurva and has the property designation Segmentet 1. Illustrator Maja Sten has depicted Bonnier Fastigheters properties. This is an early sketch of Segmentet.



Through journalism, stories, knowledge
and entertainment, we want to make the
communities in which we operate more open,
interesting, entertaining and well-informed.

BONNIER