

BONNIER



ANNUAL REVIEW 2020



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Our companies

The Bonnier Group is the parent company in a group that includes several of the Nordic region's leading media companies. We have operations in a number of different areas with an emphasis on media, real estate and investments.

BONNIER

Real estate
operations

Media
operations

Investment
operations

Adlibris

Bonnier Books

Bonnier Corporation

Bonnier News

Bonnier Publications

SF Studios

**SEK
20,771m**

total sales
in the companies

**SEK
1,432m**

total EBITA
in the companies

2020 – an unusual year

2020 WAS A YEAR UNLIKE any other – a pandemic left its mark on the world, causing enormous anxiety and consequences that remain difficult to fully grasp.

Naturally, this also impacted Bonnier's operations to greater and lesser degrees depending on the company. For example, our employees, customers, users and companies were all affected by lockdowns and appeals to work from home.

ENSURING HUMAN health always comes first. Without individual fortitude, businesses would come to a standstill. But paradoxically, 2020 also accelerated necessary changes and adjustments. Our services and products have been able to help people manage the circumstances. Demand for jour-

nalism and stories to read is strong. The digital business models are working. Our property portfolio is stable and long-term, with hundred-year-old buildings forming the basis of agile new operations.

NEW QUESTIONS are emerging in the wake of the transition, and we are ready to do what Bonnier has always done – combine innovation with solid expertise to contribute to a better society. Through journalism, stories, knowledge and entertainment, we want to make the societies in which we operate more open, interesting and fun, and better informed.

After great uncertainty, when we sum up this unusual year, the results have exceeded our expectations.

EBITA of SEK 1.4 billion is an improvement of SEK 1.0 billion from the previous year for comparable units.

Bonnier News, Bonnier Books and Bonnier Fastigheter have contributed significantly to the profit. It is also worth highlighting that Adlibris turned a loss into a profit during the year, with a strong finish.

SF Studios delivered a good result given the circumstances.

Bonnier Publications continues to have a good margin, but less advertising revenue lowers earnings.

Our central costs have been further reduced as part of the 2018 plan for structural change.

A strong financial result for 2020 gives us the conditions to shape a better future to the best of our ability.



Erik Haegerstrand, CEO:

“We must continuously learn new things and innovation is more important than ever”

Photo: Peter Jönsson



WITH A STRONG CASH POSITION to lean on and increased trust in the products, Bonnier Group's CEO **Erik Haegerstrand** has sights set on bold new ventures.

“We have every reason to be satisfied, but we can't stop. Innovation and growth are more important than ever,” he says.

Erik Haegerstrand looks back on a transformative, yet successful year for the Bonnier Group.

“At the beginning of the pandemic, we painted some fairly dark scenarios. At the time, I didn't dare believe that our products would be in such high demand or that our cost reductions would have such a large impact. But we have substantially improved our performance in a year that has been difficult in many ways, and that is impressive.”

Of what are you proudest?

“That our operations have functioned in difficult conditions. Our employees have done incredible work; they have acted with both power and sensitivity. At the same time, we have advanced strategically – which was accelerated in part by the pandemic.

In 2018, we created a decentralized structure and organization, enabling the companies to make quick, creative and independent decisions.”

What was the most important lesson you learned in 2020?

“That there is strong demand for what we offer customers, especially in digital channels. This was a great year for journalism for us, and digital subscriptions are increasing. With more time, people have bought more books and listened to more audiobooks.

But 2020 had both positives and negatives. Digital ad revenues fell, but above all, we lost 20 percent in print. Movie theater closures precluded the release of SF Studios' movies and Bonnier News' event business has been affected, of course.

Property holdings grew in 2020, with stable revenues and increased value. We also began to invest in residential properties, which is a new step for us.”

How does Bonnier's strong cash position affect the business?

“The sales in recent years of SF Bio, Bonnier Broadcasting and most recently Bisnode are a key to our strong balance sheet. The Group is debt-free, which provides completely different opportunities compared to before.

Using our cash position, we need to add new businesses and invest in markets in which we are currently active, and in which we are not active yet, and where we see opportunities for growth.”

What will guide the next steps?

“Humility and innovation. The pandemic has shown us how quickly everything can change. We must continuously learn new things and innovation is more important than ever. We may have every reason to be satisfied, but we haven't reached a destination where we can stop.” ■

Bengt Braun, Chairman of the Board:

“The plans for the future create hope that the journey will continue in the right direction”

WE BEGAN 2020 with an ambition for Bonnier to take the next step.

Behind us was 2019, the first full year after the restructuring of 2018, when we transitioned from a cohesive Group to an investment company structure, with greater independence for the companies and a clearer focus on profitability and growth. We recorded increased earnings and growth for the first time in many years and naturally, we hoped the turnaround was not a coincidence.

AND WHAT PROGRESS we made in 2020. The Group's performance improved again, propelled this time by News and Books. News' investment in journalism and digital subscriptions and Books' success with BookBeat indicate two strong growth areas for years to come.

After the costly conversion of 2019, Adlibris has come out of the gates and has started to deliver not only books, but also financial results. Despite the challenge of all-important movie theaters

being closed for much of the year, SF Studios had strong numbers.

Fastigheter has several exciting development projects in Stockholm, its main market. The company has also continued to build up its portfolio in Uppsala and has taken a strategically important step into the housing sector as a complement to offices. The central costs of the headquarters, among other things, have been cut further.

THE PANDEMIC HAS AFFECTED the companies to varying degrees, but so far we have emerged relatively unscathed compared with many other companies, which have been badly affected and have not been equipped to adjust and take corrective action. Based on their respective circumstances, the Group's employees have performed extraordinarily well, delivering beyond all expectations with a focus on earnings and growth.

WE STILL have ground to cover before profitability in all of our companies is at

a reassuring level, but the plans for the future create hope that the journey will continue in the right direction.

Our finances have been further strengthened and our historically large net cash position offers significant room for new investments moving forward.

In the midst of the process of getting short-term fundamentals in order, the long-term perspective is important. How do we want to look in three to five years – and how will we get there? This area contains many important and interesting questions for Bonnier Group's management and board to handle together with our companies. Our future is governed by the decisions we make today – which is both demanding and inspiring!

Bengt Braun, Chairman of the Board

Erik Haegerstrand and Bengt Braun.



Håkan Rudels,
CEO Bonnier Books

BONNIER BOOKS

“More people have read and listened to books than before”

INSTEAD OF A YEAR OF CRISIS, 2020 was a year of success. Bonnier Books took market share, carried out three acquisitions and presented a major sustainability initiative.

When the most intense concerns about the virus had subsided, it became clear that 2020 would be an unexpectedly good year for Bonnier Books.

“Last spring, we feared that we would lose around SEK 1 billion in revenue, but instead we had a fantastic boost. People used their extra time to read and listen to more books than before,” says Håkan Rudels, CEO of Bonnier Books. Sales increased in all markets in which Bonnier Books is active, with the exception of the UK.

During the year, Bonnier Books acquired 100 percent of Strawberry Pub-

lishing in Sweden and Denmark and 70 percent in Norway.

IN 2020, Bonnier Books continued to work with existing goals: to establish publishing operations in Denmark, promote growth in BookBeat (160,000 new customers), and not least, to launch a comprehensive sustainability initiative that was preceded by 18 months of research.

“We print 100 million books a year and we’ve gone into significant depth to map the size of our carbon footprint. Our goal is to reduce emissions by 25 percent by 2025,” says Håkan Rudels.

BONNIER’S NEW governance model has benefited Bonnier Books.

“Instead of searching for common

denominators in the Group, we’ve focused on what is best for Bonnier Books. With so many skilled competitors focused solely on streaming or publishing books, it is essential to survival.”

2021 WILL involve efforts to understand what the book market will look like in the wake of the pandemic.

“Bonnier Books took market share during the year. Even if people now might have less time and consume fewer books, things are looking good for us. In 2021, we must also focus on traditional publishing work, in which we combine good data with a healthy dose of intuition. And of course, we also intend to break a lot of new records with BookBeat.”

SALES
SEK 6.1bn (5.8)

EBITA
SEK 392m (250)

422,818
paying BookBeat users
in 2020.

134.7
million
books sold in all formats.

7 The number
of countries in
which Bonnier
Books operates.

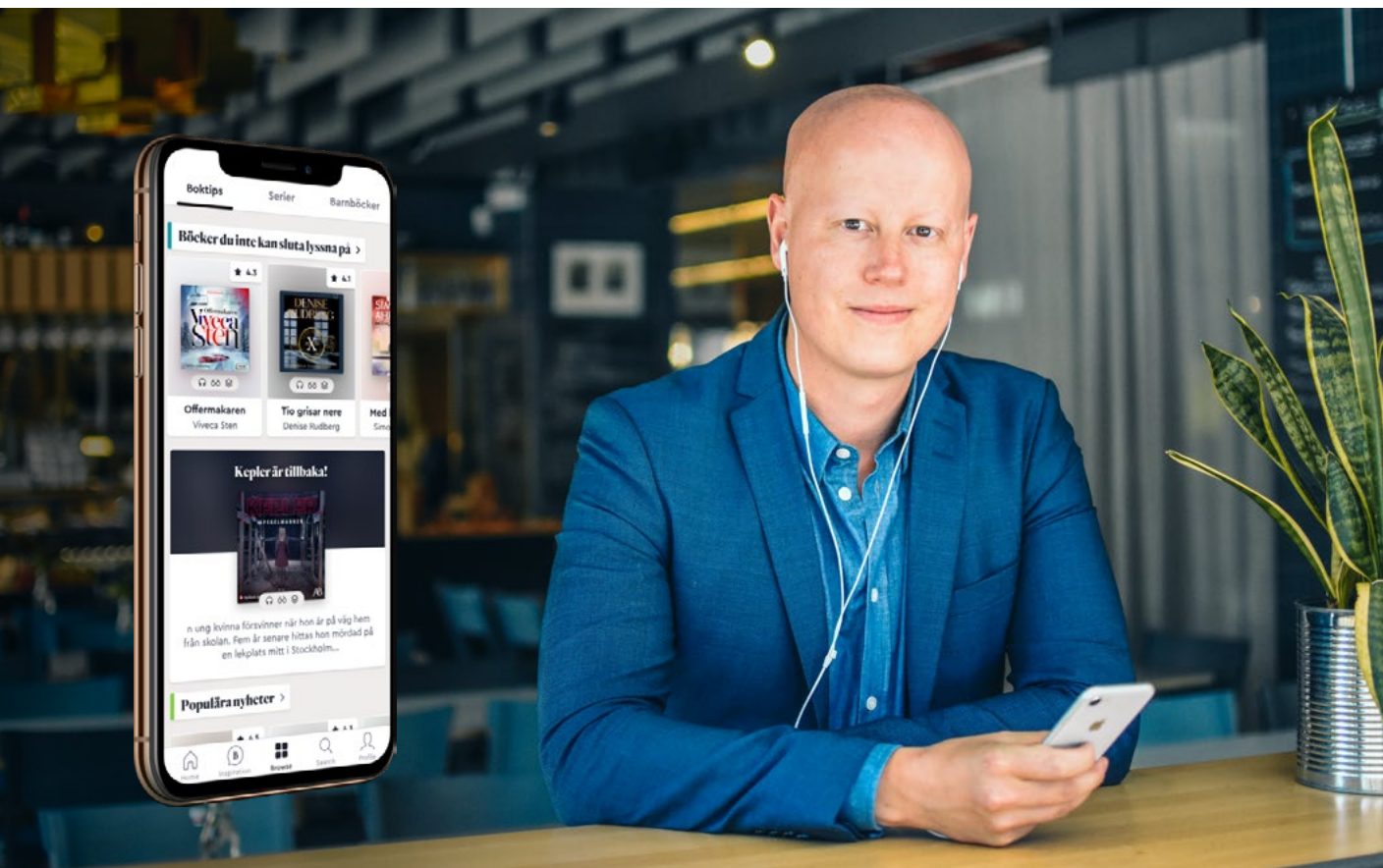
13.7
million
The number of books
consumed by BookBeat
customers during the year.

Bonnier Books – Sustainability

FOR BONNIER BOOKS, it is essential to be an active part of society and take responsibility for sustainable development. The publishers in the company work to promote inclusion, the pleasure of reading and freedom of expression. One focus area in particular is to minimize the carbon footprint through continuous environmental improvements throughout the operations.

IN FALL 2020, the company committed to reducing emissions in line with the Paris Agreement. Based on their own circumstances, all of Bonnier Books’ publishing houses must contribute to the overall goal of reducing company-wide emissions by 25 percent by 2025, compared to the 2019 level.

EFFORTS ARE UNDERWAY on several fronts, including the selection of printers, using paper with the lowest possible environmental impact, and making climate-smart travel and transportation choices. Emissions from Bonnier Books that are currently unavoidable are offset through certified projects. In addition, Bonnier Books is investing another 20 percent in offsetting projects. In total, the publishing group offsets 120 percent of its CO₂ emissions. However, offsetting is not an end itself, but a way to reduce environmental impact until the long-term goals have been achieved. It is a necessary investment for the future. Our future.



Niclas Sandin, CEO of BookBeat. Photo: Andreas Carlfors

BookBeat's CEO: “Nothing could stop the momentum we’ve built up”

FOR BOOKBEAT, 2020 was a year of milestones and new records for user numbers, revenue, reading hours and more.

“400,000 paying customers use our service for an average of 25 hours per month. Measured from day one, we’re now up to over 200 million hours of reading and listening, and revenue exceeded SEK 500 million for the year. Of course, it’s incredibly fun to see that nothing could stop the momentum we’ve built up, even in such an unusual year,” says **Niclas Sandin**, CEO of BookBeat.

Increased use during the year

Listeners’ behavior patterns changed during the year – but overall, usage still increased.

“Among our new customers, the biggest group is usually people between

30 and 45 years old. Instead, this year we’ve seen the largest increase among customers under 25, and customers 65 and over. And everything suggests that we’ll be able to keep those users in the future. Analyses show that once the customer has established an audiobook or e-book habit, it tends to continue.”

“Want to read and listen to books that last a long time”

What and when users read has also changed.

“This year, long series have been the most popular. Users want to read and listen to books that last a long time. We’ve also noticed that listening is spread out throughout the day. Before, morning and afternoon commutes were the peak times. In 2020, listening in-

creased during lunch and in the evening.”

Strong growth

BookBeat is available in 28 European markets. The focus for 2020 was on three of them: Sweden, Germany and Finland.

“Sweden had about as much growth as before, but it was distributed more evenly throughout the year. We reached our goals in Germany and we beat all of our goals in Finland. Only four years after launching on the Finnish market, in 2020 BookBeat competed with Finland’s largest bookstore to be the biggest customer of Finnish publishers. The result has exceeded our expectations by far.”



Record year for children's books in Germany

CARLSEN VERLAG is the market leader for children’s book publishing in Germany. The company publishes over a thousand titles each year and its catalogue includes successful German writers as well as international bestsellers, such as the *Harry Potter* and *Twilight* series.

“Sometimes I wonder how we managed to do it.”

Despite major challenges, 2020 was a successful year. During the year, the publisher increased market share in the segment by 16 percent compared to 2019, which was also a very strong year.

“Sometimes I wonder how we managed to do it. Just what superpowers do our employees have? Despite a global pandemic and intermittent lockdowns, including closed bookstores and canceled events, we managed to break multiple records,” says publisher Renate Herre.

“We decided early on not to reduce working hours or postpone any releases. We also wanted to try to hold as many events online as possible. I think that was a major contributing factor to everything going so well. Just before the pandemic, for example, our author Marc-Uwe Kling published his picture



Renate Herre, publisher at Carlsen Verlag. Photo: Ulrich Perrey

book, *Das Neinhorn*, which was a formidable success. It sold over 500,000 copies, which is unique for a picture book.”

Online investment in the organization Schools and preschools have periodically been closed in Germany. Leisure activities have also been canceled.

“As a result, children have spent more time at home and parents have had to take greater responsibility for their children’s education and free time. Books have filled a significant need in that area, of course,” says Renate.

Investing in online work methods, which began before the pandemic hit, is another important factor for Carlsen Verlag’s successful year.

“We started an initiative to introduce Office365 and Teams as prioritized work methods already in 2019. This was widely implemented throughout the organization during the first two months of 2020. So we were well prepared to work from home and for other new circumstances, with absolutely no idea of what was to come. But sometimes you get a little lucky!”



Lydia Sandgren, author and August Prize winner. Photo: Björn Larsson Rosvall

Lydia's debut novel won the August Prize

ON NOVEMBER 23, it was time for the announcement of the year's August Prize winner. Because the gala was held online, **Lydia Sandgren**, who works as a psychologist at a clinic in Gothenburg, sat in her office and tried to distract herself with paperwork.

"I don't have internet at home, so I had to be at work. When the phone rang and I was told I had won, I was struck by this sense that it was unreal. When something you've dreamed of your whole life actually happens, it's incredibly special," she says.

"I couldn't make it any better"

Lydia Sandgren's book, *Samlade verk* (*Collected Works*), was published in spring 2020. By then, she had been working on the book for over ten years, or as she puts it, for her entire adult life.

"That manuscript got to grow in total solitude, without ever facing any other reader than me. But one day, I just felt like I was done. I couldn't make it any better."

Lydia sent the manuscript to a few publishers and it wasn't long before she received a positive response from **Lotta Aquilonius**, publisher at Albert Bonniers Förlag.

"If Lydia had been working on the book her entire adult life, you might say it was the exact book I had been waiting my whole life to read. I was hooked from the first line," says Lotta.

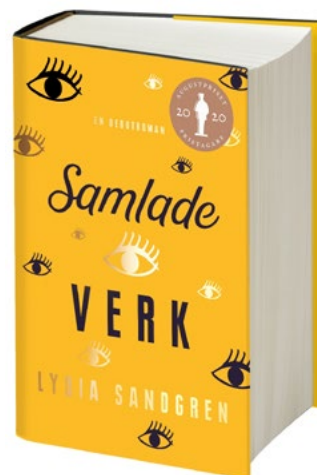
Tenth edition

Samlade verk received great reviews and garnered significant attention for a debut. But of course, readers are required for a book to be considered a hit.

"This book is still nearly 700 pages long. It's a 29-hour listen. But it was as if readers had been waiting to step inside this fantastic fictional world the same way I had, because the book started selling incredibly well almost immediately," says Lotta.

Samlade verk is now in its tenth edition and continues to sell. But Lydia has already moved on.

"I've been writing since I could hold a pen and I couldn't imagine life without it. I've been working on book two since the day I submitted the manuscript for *Samlade verk*. Who knows what will come of it. But I hope it won't be another decade before I'm done."



Anders Eriksson,
CEO Bonnier News

BONNIER NEWS

"Good journalism has paid off"

THE PANDEMIC HIT Bonnier News hard. But demand for good, relevant journalism grew stronger. The digital transformation even accelerated.

Bonnier News entered 2020 with the wind at its back. The digital journey was going according to plan, as was the transition to a more unmitigated subscription model.

BUT IN THE SPRING, the pandemic descended upon Sweden. **Anders Eriksson**, CEO of Bonnier News, will never forget those months. In an ordinary month, advertising revenue is approximately SEK 200 million. But in a single week in March, Bonnier News lost SEK 50 million.

The management team held daily crisis meetings at nine o'clock each evening throughout the spring.

"We had to make sure we were keeping our employees healthy and that we

could maintain our journalism, especially given the enormous need for information about the pandemic," says Anders Eriksson.

FINANCIALLY, the pandemic resulted in furloughed employees, terminated consulting contracts and pay cuts of 20 percent for 75 managers.

But as strange as it may sound, the pandemic also had some positive effects.

"What we thought would happen over two or three years happened in two or three months. We lost advertising revenue, but saw strong growth among online readers. Rather unexpectedly, we gained momentum in the process."

The new governance model also made a difference.

"With journalism as a core value, the new governance model has created the conditions for Bonnier News to be

even more competitive. As an independent company, the business has been run with agility and a focus on digital growth."

WHEN ANDERS ERIKSSON sums up 2020, he believes the goals have been achieved. Efforts to simplify and improve the user experience have made progress. Investments have been made to improve the technical structure. The number of digital subscribers has increased. He highlights *Dagens Nyheter* in particular.

"The newspaper has developed incredibly well this year. DN has seen strong growth in subscriber numbers and is also making a great profit. Investing in good journalism and a clear profile has paid off."

SALES
SEK 7.7bn (7.6)

EBITA
SEK 647m (211)



Bonnier News – sustainability

SUSTAINABILITY HAS BEEN a key issue in several ways this year, especially with regard to journalism for Bonnier News' over 50 editorial offices around Sweden. Environmental journalism is becoming increasingly important and the impact of the COVID-19 crisis on the environment, travel, consumption patterns and business models continue to be prevalent topics of news, debate and advocacy.

SUSTAINABILITY IN A BROADER sense is also a key facet of Bonnier News' overall strategy and a clear keyword in the company's vision: "Our mission is to strengthen free speech and contribute to a democratic, sustainable and inclusive society."

"Our most important impact on and contribution to a more sustainable society is what we do through journalism and our commitment to freedom of speech and other issues of sustainability," says **Lotta Edling**, Editorial Director and head of sustainability initiatives at Bonnier News.

"In addition to environmental coverage, where for example *Dagens Nyheter*, *Dagens industri* and Danish *Børsen* have taken exciting initiatives during the year, this commitment characterizes everything from *Expressen*'s fight for the release of **Dawit Isaak** and **Gui Minhai** to the importance of local newspapers for democracy and sustainable communities."

The sustainability strategy is based on four focus areas, each of which is linked to the UN's Sustainable Development Goals:

- Freedom of expression and defense of free speech
- Business ethics
- Gender equality and inclusion
- Environmental and resource efficiency

DURING THE YEAR, Bonnier News also measured its impact on the environment in order to map its environmental footprint. The measurement was carried out according to the Greenhouse Gas Protocol (GHG), which is the most internationally recognized standard for environmental calculations, and covers the impact of the entire value chain for high-emission areas such as printing, distribution, tech, energy and travel.

"The idea is to conduct an annual measurement, and for this to be a tool to reduce our footprint over time," says Lotta Edling.

"Printing and distribution account for Bonnier News' biggest impact on the environment. The digital transformation will help to reduce our footprint over time. But we've already set aggressive goals for distribution, and we're quickly moving toward fossil-free fuel for all our transports."

Local journalism leads to growth – and strengthens free speech in Sweden



Mikael Nestius, Business Manager, and Pia Rehnquist, Editorial Manager at Bonnier News Local.
Photo: Andreas Elgstrand, Peter Jönsson

IN SPRING 2020, investment in local journalism intensified for Bonnier News. On February 25, the company acquired Hall Media, which had about ten publications in Småland, Kronoberg and Skaraborg. Bonnier News Local, with about 50 titles, was formed shortly thereafter.

"Bonnier News' investment in leading the consolidation of the local newspaper market in Sweden is important, both for ensuring Bonnier News' growth, and for making sure all of Sweden is covered by strong local journalism. In a time when attacks on free speech and democracy are becoming more and more evident and alarming, this is something we need," says Business Manager **Mikael Nestius**.

The investment in local journalism was carried out with Norwegian Amedia, whose strategy has served as a model for Bonnier News Local's digital transformation efforts. The strategy involves decentralizing responsibility for newspaper content, and as a result, Bonnier News Local appointed around 20 new editors-in-chief in 2019 and 2020.

"Schools, elderly care, infrastructure and safety – most of the issues that resonate with people are local. If we didn't cover them, most of these stories would remain unwritten. That's why it's great to see such high-quality journalism and strength out in our editorial offices," says **Pia Rehnquist**, Editorial Manager for Bonnier News Local.

"It's great to see such high-quality journalism and strength out in our editorial offices"

A new reality and classic journalism

The first case of COVID-19 was detected in Sweden on January 31, 2020. The spread of the disease accelerated quickly and 40 days later, the WHO declared that the coronavirus outbreak constituted a pandemic. With rising death tolls and global stock markets in free fall, publishers at Bonnier News had to adapt to a new reality. And the classic mission – to provide trustworthy journalism – was more important than ever. Here, the editors-in-chief of *Expressen*, *Dagens industri*, *Dagens Samhälle* and *Dagens Nyheter* discuss the impact of the crisis on their organizations to date.

Neighbors Mona Gustafsson and Lill Khasal eased their forced solitude with a COVID-safe coffee break at a proper distance in the stairwell. The picture, taken by Anette Nantell, was published in DN in April 2020.



Peter Fellman, Dagens industri

“When the world’s stock markets crashed early in the pandemic, no one knew what the economic impact would be. As a provider of news and analysis, *Dagens industri* is at its most essential in times like these. Readers flock to the paper to learn how the development will impact them as business leaders and investors. Our solid increase in subscriptions is the best evidence that we’ve met this growing demand.”

Christina Kennedy, Dagens Samhälle

“Demand for the accurate journalism produced in our editorial family in the Di group has never been greater. Decision-makers in a wide range of areas, including health care, sustainability, business and more, have all tried to find their footing in this new reality. With new titles like *Dagens Samhälle*, *Market* and *Dagligvarunytt*, we’re now covering the lion’s share of Swedish society and business.”



Klas Granström, Expressen



“*Expressen*’s newsroom promptly came up with regulations for how to report safely in the editorial office and out in the field. That allowed us to conduct all the investigations and reports that have given *Expressen*’s audience unique insight into policies to fight the virus, the impact on the most vulnerable populations, and what the healthcare system has looked like during the pandemic.

I’m especially proud that we’ve given voice to people who have been overlooked, and that we’ve provided a brutal, but honest picture of the struggle in the healthcare system. And that we’ve maintained *Expressen*’s mission as a ‘people’s university’ by providing round-the-clock, direct access to important information for the public, and by giving our audience the opportunity to have their questions answered through interactions with experts and the editorial office.”

Peter Wolodarski, Dagens Nyheter

“The coronavirus pandemic was a unique test for Swedish society. In a crisis like this, journalism plays a central role by providing information, reflecting different perspectives, and asking the people in charge difficult questions.

I am proud that back in February 2020, DN chose to make our coverage available to non-subscribers as well. This is particularly important during a crisis. The decision to ‘unlock’ our site led to a sharp increase in the number of visitors. In total in 2020, around 300,000 Swedes signed up for the free subscription. And more than one in four of them chose to subscribe after the trial period ended. Early on, DN also chose to question the Swedish coronavirus strategy, which permitted higher rates of infection than in our neighboring countries. Newspapers must maintain a critical perspective, especially in a national crisis – it is our democratic mission.”



Tomas Hermansson,
CEO Bonnier Fastigheter

BONNIER FASTIGHETER

“We’ve become stronger in many ways”

CHALLENGING, EDUCATIONAL and successful. With these words, Bonnier Fastigheter CEO **Tomas Hermansson** sums up 2020.

“Our new Housing business area is an important step for us as a community developer,” he says.

Tomas Hermansson reflects on a year of development.

“We’ve become stronger in many ways. Financially, we’re performing very well this year, and operationally, we’ve learned a lot from the challenging demands brought about by the pandemic.”

IT WAS SURPRISINGLY easy to switch to working virtually, he notes.

“That is largely thanks to our employees’ positive attitudes. We’ve also developed clearer, more structured work processes.”

Another major change is the establishment of Bonnier Fastigheter’s new Housing business area, which involves developing and managing rental housing for private customers.

“This is expanding our role as a community developer – it’s a big and important step. The new work methods brought about by the pandemic will place new demands on offices and private residences. We want to be part of this development, and we want to push it in a sustainable direction.”

THE COMPANY also fully integrated its sustainability initiatives in 2020.

“For years, we worked with environmental issues separately. Now environmental and sustainability issues are interwoven throughout the business, from work methods and new production to financing and business objectives.”

FOR THE THIRD YEAR in a row, Bonnier Fastigheter has ranked second place among large companies in the Fastighetsbarometern* (“Real Estate Barometer”), which measures satisfaction among tenants.

“Our employees have been responsive and tried to find solutions in close dialogue with our tenants, who have had a tough time this year. I’m especially proud of this work.”

In 2021, Tomas Hermansson looks forward to the plans to begin construction of a new neighborhood in Värtahamnen.

“We’re building offices on three blocks, totaling around 80,000 square meters of office space, in what might be Stockholm’s most exciting construction project.”

*CFI Group and Fastighetsägarna Sverige’s annual analysis of Swedish tenants’ perceptions of their landlords.

SALES
SEK 740m (712)

EBITA
SEK 506m (474)

79%
of properties are environmentally certified.

200,000
square meters of rentable area.

2nd
place among large companies for the third year in a row in Fastighetsbarometern Kontor (“Real Estate Barometer Office”), which measures satisfaction among tenants.

Bonnier Fastigheter – sustainability

BONNIER FASTIGHETER AIMS to develop through profitable, sustainable growth. With a portfolio that includes multiple properties that are over one hundred years old, creativity is key for improving sustainability while preserving historic value.

To achieve this goal, in 2020 Bonnier Fastigheter updated its sustainability strategy, dividing it into three focus areas: Neighborhood, Relationships and Portfolio.

“In each area, we discuss how, what and why. Together, this creates a comprehensive approach to our sustainability initiatives,” says **Sara Björnberg**, head of sustainable development.

BONNIER FASTIGHETER intends to obtain environmental certification for its entire property portfolio. At the end of 2020, 80 percent had been certified. As of 2020, the company’s greenhouse gas emissions are also reported based on the GHG* protocol. Heating the properties is the primary cause of emissions. Efforts to reduce these emissions will intensify in 2021.

“Our long-term perspective is a strength. Making the necessary investments in sustainability is easier when you’re working for the next generation, rather than the next quarter,” says Sara Björnberg.

* Greenhouse Gas Protocol, developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) as a global standard for measuring, managing and reporting greenhouse gas emissions.

Creating modern workplaces inside an old bicycle factory

It was once the largest bicycle factory in northern Europe. Now attractive workplaces are being created inside. In the middle of the crisis, Bonnier Fastigheter bought an entire office block in Uppsala.

In the early 1950s, Nymanbolagen in Uppsala was the biggest bicycle manufacturer in Europe, with 1,300 employees. Each year, 150,000 bicycles were made and exported to neighboring countries and to South America.

One of the classic models was Crescent's "World Champion" bicycle, a series that went into production in Uppsala in 1954.

But shrinking profit margins forced a merger between Nymanbolagen and competitor Monarkkoncernen, marking the beginning of the end. In 1963, the last bike was assembled in Uppsala.

Acquired in the midst of the pandemic

The property consists of four buildings and two building rights and constitutes an entire block. In Uppsala, it is still colloquially referred to as the "bicycle factory."

In the midst of the coronavirus crisis, the property was acquired by Bonnier Fastigheter, which has also owned Uppsala's well-known properties Stationsgallerian and Muninhuset since 2018. This university city is attractive for multiple reasons.

"We got in a few years ago because Uppsala and Stockholm are getting increasingly connected. It's a highly educated city and it also has a functioning business community, including the pharmaceutical industry in particular," says **Björn Boestad**, who is responsible for transactions at Bonnier Fastigheter.

Making an offer on the bicycle factory was an obvious choice.

"Competition in the real estate market is incredibly fierce. As soon as a good

property comes on the market, it's a duel," he says.

The block's history made the opportunity especially intriguing.

"It's exciting to get to preserve the characteristic industrial feel while bringing this fairly sleepy neighborhood back to life," says **Lars Skoglund**, Market Manager Uppsala at Bonnier Fastigheter.

"One of our specialties"

The location in the eastern part of downtown is also interesting. Uppsala's center of gravity has shifted there more and more in recent years, while it is just over 500 meters from the central station and the Travel Center, with bus and train connections.

When the four-track railway between Stockholm and Uppsala is completed, the commute will be even shorter.

The bicycle factory was also a good fit for Bonnier Fastigheter for another reason.

"Developing an entire block is one of our specialties," says Björn Boestad.

One of the buildings, building A, will be fully renovated and is expected to be finished within 18–24 months. The first tenant, Uppsalahem, moved into these fresh, completely renovated premises in December. Development and strategizing for the block will continue in 2021.

"A lot of work still remains to be done on the other buildings, too. I think it will take about five years to get where we want to be," says Björn Boestad.

"The office is a conveyor of culture"

Overall, Bonnier Fastigheter is looking forward to the future, despite the uncertainty brought about by the pandemic.

"Even if people work from home more often, a shared office is necessary in order to get together and grow. The office is a conveyor of culture in a company," says Björn Boestad.



Rendering of the bicycle factory block in Uppsala produced by White Arkitekter.



New production of residential property in Barkarbystaden – the Fyrklövern project. Rendering produced by ByggVesta.

Bonnier Fastigheter invests in even more rental apartments

Bonnier Fastigheter continues its efforts to become an increasingly important community builder. Two new residential properties in the Stockholm area were added to the holdings this year.

The company has long owned and managed commercial properties. But following a decision to make rental housing a new business area in 2019, an important step was taken through a coopera-

tion agreement with housing developer ByggVesta and the formation of the jointly owned HållBo.

Two new properties were acquired during the year, one in Tyresö with 76 apartments, and one in Bagarmossen with 32 apartments. HållBo therefore owns a total of 307 apartments. In addition, production of 260 new residential apartments in Barkarby has begun.

The investments, which were initiated in 2020 and will run through 2025,

amount to approximately SEK 4.9 billion.

Bonnier Fastigheter has ambitious goals for the future.

By 2025, 20 percent of the property portfolio will consist of residential properties. The longer-term target is 25 percent, as well as wholly owned residential properties among the holdings. Stockholm and Uppsala are the current focus areas.



Rendering produced by Tengbom in consultation with artist Jens Fänge.

Art for a safer, more beautiful street

Bonnier Fastigheter is contributing to a safer, more vibrant urban setting in Stockholm. Art spilled out onto the street this year.

Many people find the stretch between Sankt Eriksplan and Norra Bantorget in Stockholm to be drab and unsafe. But this street underwent a major upgrade in 2020.

The improvements have been planned for a long time in a collaboration between Bonnier Fastigheter and the City of Stockholm, and one of them is to create an open space on Torsgatan, as well

as a more accessible and appealing entrance to popular Vasaparken.

Part of the process during the year was to bring street art to Torsgatan.

In this unique project, art has literally moved onto the street. Two new works of art now decorate the sidewalk in front of the entrances to Bonnierhuset and Bonniers Konsthall.

They are by Jens Fänge, the artist who debuted as a painter in the 1990s. He has worked more and more with textiles, paint, wood and objects encroaching upon the room in recent years.



Jonas Karlén,
CEO Adlibris

ADLIBRIS

“The physical book has had a renaissance”

2020 WAS A YEAR OF CONTRASTS for Adlibris and CEO Jonas Karlén.

“While the pandemic brought suffering and challenges for society overall, our business was characterized by ambition, community and growth. We increased by as much as 19 percent during the year; we reached profitability and improved earnings by SEK 266 million,” he says.

Jonas Karlén took over as CEO in November 2019.

“The company was in pretty good shape for 2020 after a tight situation during the preceding years. We had adjusted our strategy, making it more book-centric, and we divested or shut down businesses where we hadn’t been successful.”

The focus on books, as well as streamlining processes and offering more delivery options, was a recipe for success in 2020.

“We went strong all year and reached an all-time high in December, which was the best month in Adlibris’ more than 20-year history.”

ADLIBRIS IS ONE OF the Nordic region’s leading online stores and currently accounts for just over 60 percent of online book sales in Sweden, 40 percent in Finland, and 20 percent in Norway.

“E-books and audiobooks are growing, but physical books also increased in 2020 after a period of declining sales. A lot of people have had more time to read during the pandemic and the physical book has had a bit of a renaissance.”

JONAS KARLÉN was proud of his approximately 500 employees many times during the year.

“I ordered a book at 1:00 pm on December 23 and received it on the morning of Christmas Eve; that was a crowning achievement. We were able to stay open and deliver a week longer than our competitors in the run-up to Christmas thanks to the efforts of so many people.”

IN DECEMBER, Adlibris acquired Campusbokhandeln, which sells new and used textbooks.

“Sustainability is one reason for the purchase. We want to offer the full spectrum of books, from audiobooks to used books, and we prioritize sustainability at all stages.”

SALES
SEK 2.7bn (2.3)

EBITA
SEK 50m (-217)

The Book That Did Not Want to be Read

by David Sundin was the bestselling book of the year.

55.1
million

visits to Adlibris’ website in Sweden in 2020.

1 The number of books Adlibris sold per second on Black Friday.

400%

increase in sales of the Swedish edition of *Learn to Play Chess: 35 Easy and Fun Chess Activities* in conjunction with the Swedish premiere of *The Queen’s Gambit* on Netflix.

Adlibris – Sustainability

TRANSPORTS ACCOUNT FOR a significant share of greenhouse gas emissions – about 40 percent in Sweden, according to the Swedish Transport Administration. This is an important challenge, especially for e-retailers. In 2020, Adlibris therefore made major investments in eco-friendlier deliveries to reduce its environmental footprint. One example is the collaboration with Instabox, a delivery service that reduces emissions by using fossil-free fuels in its vehicles.

Standard-sized boxes are problematic in e-commerce. Orders often have to be sent in unnecessarily

large boxes, which limits the number of shipments the trucks can hold. That is why in 2020, Adlibris invested in a packaging machine that adapts the corrugated cardboard to fit the size of the contents. The results are fewer transports and lower emissions.

THE INVESTMENTS MADE IN 2020 are in line with Adlibris’ sustainability initiatives, which are based on the UN’s 17 Goals of the 2030 Agenda for Sustainable Development. The aim is to continuously find new ways to reduce environmental impact and contribute to a better world.

The new strategy to focus on books clearly boosted sales

2020 was characterized by new paths for the Adlibris Group, including a brand-new strategy and an acquisition that strengthened the focus on sustainability, among other things.

The new “Focus on Books” strategy was developed in the spring. After a few years spent focusing on a broader selection, i.e. not just books, there was a desire to return to what used to be the core business.

“The idea behind a broader offering was to prepare for Amazon’s entry into the Swedish market. But it was difficult to get customers to associate us with anything other than books, and some of the delivery logistics posed a challenge. So after two years of loss, we decided we needed to change our strategy and shift our focus back to books,” says **Veronica Fras**, the Adlibris Group’s Chief Customer Officer.

Extensive customer surveys were conducted and the strategy was refined based on the results.

“Overall, customers were asking for more inspiration. They also wanted more help choosing what to read, both for themselves and when giving books as gifts.”

An autumn of increasing sales

The new strategy was communicated to the company in June and during the latter half of 2020, work on implementation was underway.

“We sold or shut down a number of category sites and redesigned the look of adlibris.se. We made more best-of lists and more space for employee suggestions and customer reviews. We also rolled out a marketing campaign in

multiple channels: TV, radio, billboards and our magazine, which is focused on books and inspiration. We have around 11 million titles, so it’s no wonder that customers wanted clearer guidance,” says Veronica Fras.

An obvious sales increase in late autumn showed that the strategy was the right way to go.

“We quickly received positive feedback from customers, which is wonderful, of course. But work continues, including increasing the use of customer data, personalizing the website experience and expanding our delivery options. The customer experience is key and determines the priorities of our business development.”

Steps toward improved sustainability

In December 2020, the Adlibris Group acquired Campusbokhandeln to increase the selection and strengthen sustainability efforts. Campusbokhandeln is a bookstore chain founded in 2005 that specializes in textbooks.

The stores are located near campuses, but a large portion of sales are also online. Since its inception, the focus has been on used textbooks, but in recent years, increasing sales of new books have also been important to development.

“Campusbokhandeln has been our competitor and we’ve been following them for a long time. We’ve been impressed by their development, with exponential sales growth in recent years. This acquisition really suits us! After all, our strategy is to be able to offer customers the entire ecosystem of books, and to be even better when it comes to sustainability. Campusbokhandeln is

exemplary in that area,” says **Sakari Luovio**, Sales Manager Adlibris B2C Sweden, Norway and Finland.

How does the deal benefit your customers?

“Together, we’re stronger. We can use our expertise in selection and logistics, among other things, and we can offer even faster deliveries, multiple delivery options, and a larger range of used books. Simply put, this deal will significantly benefit customers on many levels.”

“The customer experience is key and determines the priorities of our business development.”



Veronica Fras, Chief Customer Officer Adlibris Group. Photo: Juliana Wiklund



The strategy that Adlibris launched in spring 2020 proved to be the right way to go. Sales increased in late autumn. Photo: Anna Frykberg Källåker

Jesper Buchvald,
CEO Bonnier Publications

SALES
SEK 1.1bn (1.2)

EBITA
SEK 86m (142)

BONNIER PUBLICATIONS

“It’s impressive how motivated the employees were”

DESPITE THE TURBULENCE of 2020, Bonnier Publications continued to invest in digital subscriptions. The crisis has demonstrated a keen appetite for high-quality journalism.

The plan for 2020 was to continue to launch new digital subscription models. The focus was not on starting new brands, but on taking a smarter approach to working with the existing ones.

“*Gør Det Selv, (Do it Yourself)* is one example, where we now work with a lot of video content, and not just step-by-step instructions in print, like before. Magazines haven’t changed as much online as news and books in recent years, but I hope we can be part of driving the trend in that area,” says **Jesper Buchvald**, CEO of Bonnier Publications.

THE NEW governance model has also been positive for Bonnier Publications.

“Instead of being part of a larger group, we’ve increased our focus on our business, working extensively with strategic issues.”

Bonnier Publications fared better financially than had been feared last spring. Admittedly, ad sales dropped in the first three quarters, but the situation turned around.

“We had higher revenue in digital channels in the fourth quarter than the corresponding period in 2019.”

WHEN THE MOST ACUTE phase of the pandemic had subsided, Jesper Buchvald felt incredibly proud of his employees. After Denmark shut down, employ-

ees began working from home in a single night; they adapted to the situation and continued working according to plan.

“I was impressed by how quickly it went and how motivated everyone was. I’m also proud of the high-quality information we contributed about the pandemic during the year.”

THE YEAR has demonstrated a continued keen appetite for high-quality journalism.

“It became clear during the crisis that people seek out information not only from social platforms, but also from traditional, trustworthy media,” says Jesper Buchvald.

Photo: Thomas Dahl



Elisabeth Halmø, Executive Vice President & Chief Content Officer at Bonnier Publications. Photo: Stine Østby

From magazine publisher to modern media house

Bonnier Publications is in the midst of an intense transition from a traditional magazine publisher to a multi-platform publishing house. But the core remains the same: high-quality content and stories that readers can trust.

Bonnier Publications has an extensive and proud history, and specializes in cross-border publications. With the rapid evolution of the media industry, the company has also renewed itself and is now focusing more and more on new platforms.

“This means we’re expanding; we’re broadening our foundation and turning many business models into a digital base. This is essential for success in an industry with squeezed margins and when consumers are spending less time on print media,” says **Elisabeth Halmø**, Executive Vice President & Chief Content Officer at Bonnier Publications’ headquarters in Copenhagen.

“We also created our own brand, Wype”
In a short period of time, Bonnier Publications has launched digital subscription products based on three of the company’s biggest brands: *Illustreret Videnskab, Historie* and *Gør Det Selv*.

“We also created our own brand, Wype, a service that makes it easy to read all content anywhere, anytime. The plan to roll out new digital subscription products is also ambitious.”

All of this involves a significant investment, as well as extensive changes to the editorial process. In the past, print magazines were the source of all digital content. But now the reverse is the case: the digital experience serves as the starting point.

“Stories are at the center of all content, and they are adapted for the different channels. Stories provide readers with the most value and to have more time for them, we’re working in templates and modules as much as we can,” says Elisabeth Halmø.

An environmental mindset is still important

Digital platforms may be taking up more and more space, but magazines are still important to readers. To reduce the environmental impact of paper, the production process has been optimized and the wood used for the company’s most common paper is from 100% environmentally certified forestry. All subscription magazines are also Nordic Swan Ecolabeled.

BONNIER CORPORATION



David Ritchie, CEO Bonnier Corporation

A transformative year for Bonnier Corp.

American Bonnier Corporation offers niche magazines, events, experiences and services. Major changes were made in 2020. CEO David Ritchie explains them further.

What were the key milestones for Bonnier Corp. in 2020?

“It was the most transformative year since the company was founded. We introduced major management changes, implemented targeted redundancies and layoffs, quickly withdrew from essentially all of our leases and renegotiated or terminated most corporate contracts. We also started selling off unprofitable brands and completed two major divestments in the third quarter. All in all, these measures allowed us to end the year with positive cash flows from operating activities, and to enter 2021 in a strong position.”

What lessons have you learned from managing the ongoing challenges?

“We learned that as long as we have a fantastic staff, we can deliver excellent content and very good results.”

Michael Porseryd,
CEO SF Studios

SF STUDIOS

“Positive result despite closed movie theaters”

DESPITE CLOSED CINEMAS and movie productions that had to change locations, **Michael Porseryd**, CEO of SF Studios, considers 2020 an inspiring year. “We’ve become closer knit,” he says. At the beginning of the year, it was announced that Michael Porseryd had been named one of *Variety* magazine’s 500 most influential people in the media and entertainment industry. “In just a few years, we’ve increased production fivefold. We deliver content to players like Netflix and HBO, and we distribute the biggest companies’ movies via theaters, DVD/Blu-ray and streaming services. We are the leading film production company in the Nordic region, and we also play a significant role in the industry globally.” The pandemic has shaken up most of the company. Two of the biggest movie

productions for 2020 – *Utvandrarna* (*The Emigrants*) and *Sagan om Karl-Bertil Jonssons Julafton*, (*The Tale of Karl-Bertil Jonsson's Christmas Eve*) – were mostly going to be filmed abroad. “We had to turn on a dime and move production to the Nordic region, and adapt to the restrictions. Obviously it was a challenge, but we’ve finished filming both of them now.” Michael Porseryd is very proud of his employees. “They’ve been fighting a headwind and have worked incredibly hard all year. Despite the loss of revenue due to closed movie theaters, the year’s performance was positive at SEK 19 million.” **THE DIGITAL SERVICE** SF Anytime has had a strong year. SF Studios also creat-

ed a new business area focused on rights. “For example, we acquired Sandrew Metronome’s Swedish film catalog and we took over distribution of around 100 classic Swedish movies.” **NEW GOVERNANCE** was established during the year and as a result, SF Studios’ Board of Directors has greater independence from the Board of Bonnier Groups. “Decision pathways are faster now, which simplifies and improves the business.” When Michael Porseryd took over as CEO in 2016, he began to work with values with the employees. Together they developed the values that now characterize the company, such as transparency and cooperation.

SALES
SEK 1.9bn (1.9)

EBITA
SEK 20m (36)

1,800

The number of movie and TV show titles SF Studios owns in its rights catalog.

35%

growth for SF Anytime’s consumer platform in 2020.

16

The number of movie and TV shoots that SF Studios managed to hold in 2020, despite the pandemic.

1.7 million

people saw the movie *Jönsson-ligan*, which was sold exclusively to C More, in one month.

SF Studios – Sustainability

FOR SF STUDIOS, sustainability is very much about social issues; commitment to the #metoo movement and #tystnadtagning are two clear examples. Efforts continued in 2020 to improve the workplace environment and to effect other necessary changes in the film and TV industry, including in partnership with the Swedish Film Institute and the unions. The goal is for everyone to be treated with respect. SF Studios’ efforts to minimize its carbon footprint have also characterized 2020, both in daily work and in strategic decision-making processes. This means

it should be a matter of course to choose eco-friendly products, to use facilities and resources sustainably, to increase awareness regarding travel, and to follow the applicable regulations. **SF STUDIOS** continues to prioritize supporting charitable organizations for children and adolescents, and this year, that focus has expanded to include support for the elderly. When self-isolation was at its peak, all people over age 70 in Sweden were able to watch classic movies for free via SF Anytime. This was a way to spread cheer in a difficult time.

The new interpretation of *Utvandrarna* was filmed in Sweden

In 2020, SF Studios filmed a new interpretation of Vilhelm Moberg's classic *Utvandrarna* (*The Emigrants*), focusing on Kristina as the main character this time. For producer Fredrik Wikström Nicastro, this project was a dream that finally came true. But the road there was long and winding.

Most people are familiar with Vilhelm Moberg's epic *Utvandrarna* – the four-part book series following Kristina and Karl-Oskar's journey from a farmhouse in Småland to the big country to the west. Swedish emigration to the US in the nineteenth century was massive, to say the least. Nearly 1.5 million Swedes crossed the Atlantic on huge ships in hopes of a better life.

A new adaptation

Film producer Fredrik Wikström Nicastro is in charge of SF Studios' international productions. The idea to make a new film adaptation of *Utvandrarna* had been brewing for years.

"I was really touched by these books when I was growing up. This is a story that so many people love. But I thought it was too bad that it had already been turned into a movie."

In the early 1970s, Jan Troell wrote the script and directed *Utvandrarna* and *Nybyggarna* (*The New Land*). The movies were enormously successful and were nominated for a total of four Oscars in the US.

In 2015, Fredrik decided to re-watch them. Suddenly, he discovered a new opportunity.

"The focus of the story is clearly on Karl-Oskar, played by Max von Sydow. But I've always thought that Kristina was the most complex and interesting

character. These movies are also products of their time; the storytelling is fairly slow. I felt very strongly that the time was right for a new adaptation, with Kristina as the main character."

A synopsis began to take shape and Fredrik contacted Vilhelm Moberg's grandchildren, who own the rights.

"We presented the idea and they liked it a lot. Above all, they felt that this story has a different political urgency today. At that time, it was more of a historic description of Sweden in the 1800s. Now it's an important story in the context of immigration," he says.

Major adjustments for the pandemic

When everything was finally in place, filming was scheduled for the summer of 2020 in the Czech Republic, one of many European countries with favorable conditions for attracting large foreign productions. But by early March, it was clear that the pandemic was going to throw a wrench in the plans. They had to rethink. Quickly.

"We did some creative reconnaissance in Sweden to see if we could find the right settings and add certain effects later. It turned out to be entirely possible."

But moving the production home to Sweden would also entail significant additional costs. By filming in Alingsås and Munkedal, SF Studios got Film i Väst to further invest in the project. The Swedish Film Institute also wanted to contribute additional funding so that they could move the production home and make sure they could film in 2020.

The movie was shot from September to December 2020 with Lisa Carlehed as Kristina and Gustaf Skarsgård



Photo: Mauricio Molinari

as Karl-Oskar. Pop star Tove Lo makes her acting debut as Ulrika. Liv Ullman, who played Kristina in the 1970s films, was supposed to have played Kristina's mother in the new interpretation. But because of the risk of COVID-19, she had to drop out of the project.

An emotional blockbuster

The budget for *Utvandrarna* was just over SEK 100 million and 200 people worked on the movie behind the scenes. 40 actors and several thousand extras appear on screen.

Fredrik Wikström Nicastro believes the decision to move the production home to Sweden was the best thing that could happen. Minister for Culture Amanda Lind visited the set and is already using *Utvandrarna* as a positive case.

"If you can make ends meet, then it's much better for the industry, infrastructure, environment and jobs to produce in Sweden, of course. I hope this project can contribute to the political debate about introducing better tax conditions and production incentives here as well," says Fredrik Wikström Nicastro.

He describes *Utvandrarna* as "a true blockbuster with a lot of emotion." With its premiere set for Christmas Day 2021, it will also be an epic movie theater experience.

"I hope it will be perceived as modern and fresh, with energy and realism, even though it's set in the nineteenth century. We also have high hopes for the US, especially given the success of the earlier movies. This story is just as relevant for American audiences today."



Max von Sydow and Liv Ullman as Karl-Oskar and Kristina in Jan Troell's *Utvandrarna* from 1971. Photo: SF



Gustaf Skarsgård and Lisa Carlehed as Karl-Oskar and Kristina. Photo: Baldur Bragason

Ulrika Saxon,
CEO Bonnier Ventures

BONNIER VENTURES

“Innovation intensified during the crisis”

IN EARLY SPRING 2020, Bonnier Ventures received a somewhat surprising bid from Storytel for the audiobook company Kitab Sawti. The deal went through over the summer.

“We worked on it during the spring and it was a nice exit for us,” says **Ulrika Saxon**, CEO of Bonnier Ventures. With the sale of the agency network Real Agency Group to the founders later in the year, Bonnier Ventures is now focused on startup investments.

THE PRIMARY EMPHASIS this year has been on helping existing companies in the portfolio.

“We’ve received a lot of questions from the entrepreneurs and helped with cost-cutting, putting things on hold, and new capital that they needed during this difficult time.

We’ve also invested in new companies such as Winningtemp and Future Ordering.”

AT THE SAME TIME, the coronavirus pandemic has also catalyzed innovation. One example is the fertility app Natural Cycles, which could be used to track COVID-related symptoms.

Despite the turbulence, some of the companies have had strong growth. In addition to Natural Cycles, this is especially true of Acast, Doktor.se and the design and marketplace Pamon.

“We’ve also expanded our investment mandate, which allows us to follow our winners in the portfolio at a later stage, when we’ve had time to get to know them.”

During the year, Bonnier Ventures also made contact with funding partners

in Berlin, London, New York and San Francisco to facilitate investments outside of the Nordic region as well.

THE NEW governance model has also brought about positive changes.

“During the year, we’ve gained new board members and an advisory board that contributes knowledge and extensive investing expertise.”

Much of the focus has been on trying to take a step back and understand what will happen after the pandemic.

“We’re currently particularly interested in health tech, food tech, fintech and green tech. In addition, audio tech continues to be an exciting growth area, where we already have several interesting holdings. We’re starting 2021 with an intensive pipeline of investment opportunities.”

Gross IRR* 22% Net IRR 19%

*Internal Rate of Return, return on invested capital

In Bonnier Ventures’ portfolio companies,

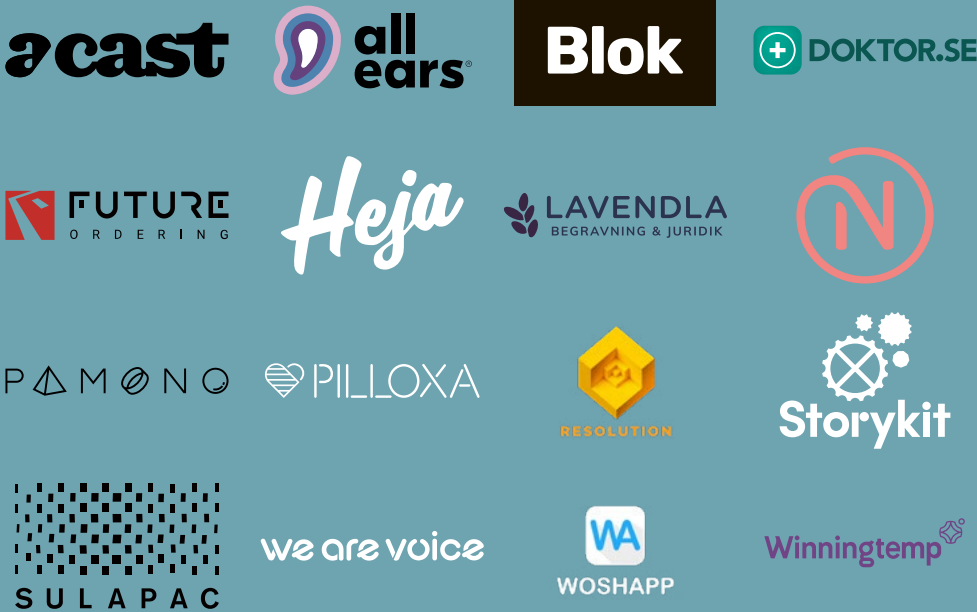
33%

of the founders are female

Eco-friendly carwash company Woshapp uses less than

1 liter

of water per wash. A regular carwash uses more than 150 liters.



Ventures – Sustainability

BONNIER VENTURES AIMS to invest in sustainable companies. In 2020, investments were made in the companies Sulapac and Woshapp.

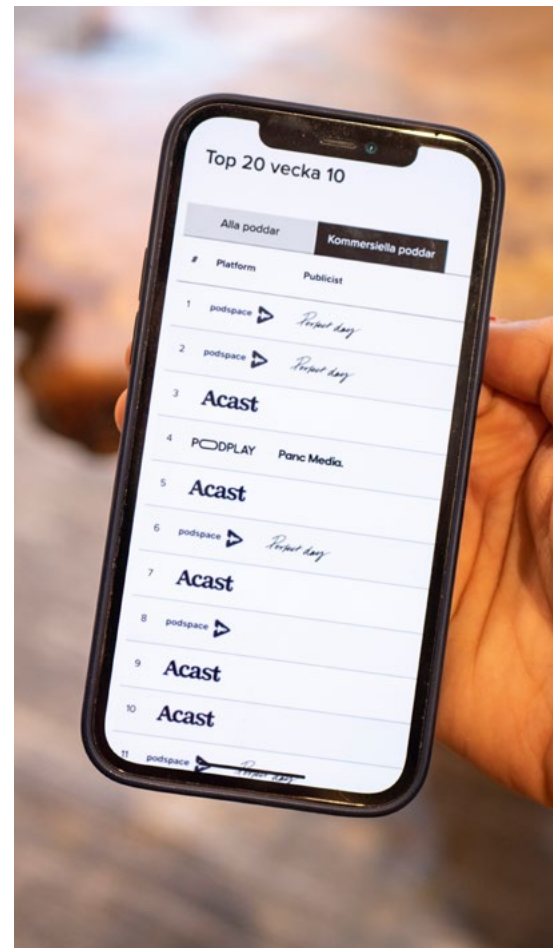
Two Finnish biochemists founded Sulapac with the goal of creating a sustainable alternative to plastic. The result is a compostable material, made exclusively from renewable raw materials and environmentally certified wood. It can replace plastic in most product categories, including one of the biggest environmental villains: straws.

Sulapac’s alternative does not soften the same way some paper straws do, and it breaks down in nature.

WOSHAPP IS A BRAND NEW kind of carwash, in which the wash comes to the car instead of the other way around. The customer orders the service in the app, and then a Woshapp employee cycles to the customer’s car and washes it using microfiber cloths and a special nanoformula in a spray bottle. The method saves 99% of the water used in a traditional carwash, while ensuring that the harmful residues do not run into stormwater drains.



Johan Billgren, co-founder and CTPO at Acast. Photo: Freddie Boston



Investment Manager at Ventures: “Companies with gender equality perform better”

BONNIER VENTURES works intentionally with diversity, and has chosen to place additional emphasis on one issue. “We actively work with gender equality, both internally and in the companies we invest in,” says **Elisabet Ålander**, Investment Manager at Bonnier Ventures.

Why have you chosen to focus on gender equality in particular?
“In addition to the fact that we think it should be a matter of course in all companies, there is also a financial aspect. Research shows that greater

gender equality within companies increases profitability; these companies simply perform better. So it was an easy choice.”

An active effort

Today, one third of all companies in Sweden are started by women. At the same time, 93% of all venture capital goes to companies started by men.

“This is obviously something that those of us in the industry have a responsibility to change. Bonnier Ventures works hard to find companies to invest in that were founded by women.”

How do you do that?

“We meet with all female investors who contact us and we also actively search for female-founded startups. We also sponsor and participate in several industry initiatives, including the Female Founders event run by Di Digital. Something else that distinguishes Bonnier Ventures from other VC companies is that we have an even gender balance both in our internal investment team and on our board.”

Today, 33 percent of the companies Bonnier Ventures has invested in include at least one woman on the founding team.

“Since that number is still below 50 percent, we can’t be satisfied, but it’s still much better than the portfolios of many other venture capitalists. And several of the female-founded companies we’ve invested in are doing very well, including Natural Cycles and Pamono.”



Elisabeth Ålander,
Investment Manager
at Bonnier Ventures.
Photo: Calle Elf

Acast’s co-founder: “We adapted quickly during the pandemic”

BONNIER VENTURES’ audio tech investments include Acast, All Ears and We Are Voice. **Johan Billgren**, co-founder and CTPO at Acast, noticed a year of many changes and modified listening habits.

“We started out the year strongly, with the same high ambitions as usual. Then the world turned upside down. In March and April, we saw some caution from advertisers. But thanks to our culture and work approach, which proved in many ways to already be well-suited to the new circumstances, we managed to adapt quickly.”

Acast, a global podcast platform, found new paying advertisers in seg-

ments that benefited from working from home and lockdowns, and they did incredibly well overall, given the pandemic.

“Thanks to the speed of the organization, things went well; in hindsight, the year turned out to be a V-curve.”

New chart-topping themes

The behaviors of Acast’s users also changed significantly in 2020.

“We’ve seen much more listening, and how and when users listen is also different. Before, we saw clear peaks in the morning, afternoon and evening, i.e. during commuting hours. Now, listening is more spread out throughout the day.”

New themes also climbed to the top of the charts this year, related to where listeners obtain news and information.

“With the pandemic and the turbulent US election, the News and Politics category has stood out in particular. Podcasts have gone a bit under the radar for a long time when it comes to comparisons with other media, but this year, more and more people are using podcasts as a primary source of news and other information. We hope that this pattern continues beyond 2020, of course.”



*“To distribute,
not to judge”*

Albert Bonnier
1820–1900

The Story of Sweden's First Modern Publisher

Albert Bonnier was just 17 years old when he began to publish books. Modern and controversial in equal measure, Bonnier was born in Copenhagen and had roots in Dresden. He published novels by Swedish and non-Swedish writers alike, ranging from August Strindberg and Selma Lagerlöf to Charles Dickens and Émile Zola. “His life demonstrates that what is perceived as genuinely Swedish is often a mosaic of impulses, phenomena and experiences from the outside,” writes Per T. Ohlsson, author of *Albert Bonnier och hans tid (Albert Bonnier and His Time)*, which was published in fall 2020 in conjunction with the 200-year anniversary of Albert Bonnier’s birth.

WHEN SWEDISH POLITICIANS are occasionally seized by nationalistic fervor, as was the case during Almedalen Week a few years ago, frequent references are made to what is commonly called a literary canon, that is, a list of books considered normative for Swedish culture.

The candidates seem obvious: August Strindberg’s *The People of Hemsö*, Selma Lagerlöf’s *The Wonderful Adventures of Nils*, and Vilhelm Moberg’s epic, *The Emigrants*.

But something is not quite right; something is off. Because if there is indeed a blue and yellow canon, it was made possible by a Jewish immigrant with roots in Dresden, a city his father, Gerhard Bonnier, left behind for the more tolerant environment of the Danish capital, Copenhagen.

This fact reflects the fallacy of nationalism without reflection. Because upon closer inspection, what is presented and perhaps generally understood as “genuinely Swedish” – whether literature, technological innovations or political ideas – appears to be based on a mosaic of impulses, phenomena and experiences from the outside.

THE STORY OF Albert Bonnier is a clear illustration of the dynamic interplay between external and internal, between the world and the nation. Together with his brothers Adolf and Felix, Albert Bonnier brought with him a Central European cultural tradition, rooted in the Jewish experience, that would contribute to the revitalization of Swedish literature and journalism. Albert was by far the most successful

of the three brothers. He was determined not to repeat the mistakes that had undermined his father’s bookstore and publishing business in Copenhagen, which forced him to start over on the other side of Öresund Sound.

OCTOBER 2020 saw the 200-year anniversary of Albert Bonnier’s birth – the beginning of a long and rich life that laid the foundation for much of modern publicity. Without him, it would be difficult to imagine the broad, public breakthrough in Sweden of the genre with which he is primarily associated: the novel. In September 1835, at barely fifteen years old, Albert Bonnier left Copenhagen for Stockholm, where he would work as an assistant in his older brother Adolf’s bookshop in Gamla Stan. Two years later, Albert published his first book, a satire translated from

French entitled *Proof that Napoleon Never Existed*. It was the beginning of a fantastic journey.

WHEN ALBERT BONNIER passed away in July 1900, he was Sweden’s foremost fiction publisher.

The publishing company’s catalogue is a minor encyclopedia of nineteenth century Swedish literature: Viktor Rydberg, August Strindberg, Verner von Heidenstam, Oscar Levertin, Gustaf Fröding, Selma Lagerlöf and more.

As it should be, the list of non-Swedish authors is also impressive: Charles Dickens, Émile Zola, Leo Tolstoy. But almost from the very start, Albert Bonnier wanted to feature the literature of his new homeland. This ambition was made almost pompously clear by the dedication in the literary journal *Svea*, which he began publishing in 1844 and continued to edit himself until his death: “This attempt at a popular reading by the publisher is dedicated to the noble and generous Swedish Nation.”

The idea for the journal, which was to serve as a trial run for literary talent, came to Albert while studying and interning at bookstores in Leipzig, Vienna and Pest in the early 1840s. Without denying his Jewish identity or Danish background, Albert Bonnier wanted to be perceived and respected as Swedish, even in a time when the small Jewish minority in strictly Lutheran Sweden was subjected to stringent restrictions on everything from place of residence to marriage.

IN DISCUSSIONS IN the Jewish community, in which separation was pitted against assimilation, Albert Bonnier was firmly on the side of assimilation, which ultimately prevailed when the Riksdag made its historic decision on Jewish civil emancipation in February 1870.

As early as 1847, he gave a speech to his fellow believers in the association Israelite Interests (II), urging them to build relationships with “De Christne”: “Each such friendship is a greater, more important victory

than successfully taking all of Canaan would be.”

THIS BECAME A FUNDAMENTAL principle of Albert Bonnier’s work as a publisher. In a chaotic and unregulated book industry, where connections between writers and publishers were rather promiscuous, he was the first to create lasting ties and contacts. Many of his writers became his close friends, including Viktor Rydberg and Finnish-Swedish Zacharias Topelius, two of the publisher’s headlining authors. In a patriarchal era, he set out to promote female writers.

“For a few anxiety-filled days, it looked as if, as the printer, Albert Bonnier could land in prison”

This pairing of literary and social competence was the main reason why Per I. Gedin gave Albert Bonnier the well-deserved epithet, Sweden’s “first modern publisher,” in *Litteraturens örtagårdsmästare (The Literary Herb Gardener)*, a biography of Albert’s son and heir, Karl Otto Bonnier.

BUT AS A RESULT OF THEIR DESIRE to assimilate, the Bonnier brothers and other Jews were subjected to derisive outbursts in a time of rampant anti-Semitism. That was one reason why Albert found it difficult to tolerate August Strindberg, the publisher’s most-discussed author.

They periodically approached a breaking point, due in part to sarcastic, condescending statements in Strindberg’s *The New Kingdom*, such as: “No other people of the old world have embraced the Swedish nation with such sincere and persistent benevolence, one might say love, as the Jews, or

Moses, as they love to call themselves, with their usual humor.”

Albert mostly let such anti-Semitic poison darts from Strindberg pass; Strindberg’s undeniable talent as a writer came first. A hint of gallows humor in Albert’s reactions can even be detected at times, for example, when he read Strindberg’s striking poem, *Loki’s Curses*: “Our time’s Gods, I who have cursed you / Come to curse you yet again!”

Albert turned to Karl Otto, who deeply admired Strindberg, and asked if it should not say, “Our time’s Jews.”

AUGUST STRINDBERG plays a key role in the story of Albert Bonnier. This is not only thanks to Strindberg’s importance for the publisher’s development, or because the moody “Titan” gave his publisher the most beautiful review imaginable: “I went with you, for you were most fearless.” Another explanation for the troubled, yet nearly symbiotic relationship between Strindberg and Bonnier would be the dramatic episodes that have become a part of Swedish literary history.

Most famous is the 1884 charge of blasphemy resulting from Strindberg’s short story collection *Married*, which contained a wonderful yet, at that time, provocative description of communion: “It didn’t trouble him that the minister offered him wine bought from the wine-merchant Hogstedt at sixty-five öre the pint, and wafers from Lettstroem, the baker, at one crown a pound, as the flesh and blood of the great agitator Jesus of Nazareth, who was done to death nineteen hundred years ago.”

For a few anxiety-filled days, it looked as if, as the printer, Albert Bonnier could land in prison, because Strindberg, in self-imposed exile in Switzerland, was unclear as to whether he intended to appear in court in Stockholm to take responsibility. Finally, after a lightning-fast visit from Karl Otto in Switzerland, Strindberg returned home – and was acquitted.

It was a tremendous relief for Albert Bonnier, but what he did not expect

“Ever-more people were literate and new popular movements challenged old conventions”

was that the commotion surrounding *Married* would ignite something that would later burst into flames tinged with anti-Semitism. After that experience, Albert Bonnier was never quite the same. Meanwhile, it was not even about the much-discussed and scandalous indictment of Gustaf Fröding and his 1896 poetry collection, *Splashes and Patches*, which forced Albert Bonnier to run the gauntlet yet again, all while being subjected to anti-Jewish slurs and names like “brothel poet publisher.” Instead, it was a brutal and somewhat overlooked interlude in the so-called morality debate, a simmering moral panic that had been fueled in

part by *Married*. In the words of Karl Otto Bonnier, it would “inflict a wound on my father so deep that it could never be healed.”

IN MANY WAYS, the latter half of the nineteenth century was an exciting era in long-quiet Sweden. New technology such as railways and telegraphy revolutionized communication, freedom of business was introduced, and unmarried women were granted the opportunity to obtain legal status. The representation reform was a miscalculation for more radical reform proponents, but it ended the Riksdag of the Estates. Industrialization and urbanization began to take off. Albert Bonnier wanted to support this evolution toward modernity in various ways through his publishing activities, from the first guidebooks for travelers in Sweden to the publisher's cash cow, *Handelskalendern (The Trade Calendar)*, which was first edited by Rudolf Wall, founder of *Dagens Nyheter*.

EVER-MORE PEOPLE WERE LITERATE and new popular movements

challenged old conventions, and with them, the double standards prevalent in the era of King Oscar II, whose friends rallied to the defense of so-called morality.

Young people in particular were thought to be influenced by morally suspect and socially subversive literature, which must therefore be combated. A special magazine for this purpose, *Sedlighetsvännen (Friend of Morality)*, began to be published in 1879. It was directed at “literature which obviously must lead to depravity and thus to the unhappiness of society.”

After a few “immoral incidents” among high school students in Stockholm, priest and speaker on Christianity John Personne appeared in February 1887 with a pamphlet that attracted a great deal of attention: *The Literature of Strindberg and the Immorality of Schoolchildren*. Personne, who was later Bishop of Linköping, attacked virtually the entire generation of writers known as “Young Sweden” and the “immoral writing that runs rampant among us.”

HOWEVER, Personne saved his most severe attacks for Albert Bonnier, August Strindberg's publisher. Albert was accused of publishing Strindberg's books in exchange for the latter “leaving ‘Moses’ alone”: “Bonnier *the publisher* has made himself a martyr for Bonnier *the Jew*.” Personne went on to liken Albert to “a criminal or a brothel-keeper.”

By then, Albert Bonnier had been chairman of Svenska Bokförläggareföreningen, the Swedish Book Publishers' Association, for nearly ten years, a position of honor that confirmed his achievement of a respected status. Personne emphasized this relationship, which fueled a growing conflict in the association between Albert Bonnier and the director of Norstedts, Gustaf Holm.

THE ANTAGONISM BETWEEN Albert and Gustaf Holm was linked to their diametrically opposed views of the publishing business. Albert's attitude was liberal and tolerant; he had been inspired by the ideas of the Enlightenment and the French Revolution throughout his life. He could also be unapologetically commercial. On the other hand, Holm, head of the country's largest publishing house, was a strictly conservative lawyer who was fixated on notions of the role of literature in moral edification. Consequently, he loathed the new literature attacked by John Personne.

Already in the early 1880s, Holm had pushed for an amendment that would make it possible to exclude members from the association who spread “manifestly immoral or otherwise criminal content.” The effort was rejected; Albert's more permissive position was well supported in the association. But opinions changed after the *Married* trial. Once Personne lit the fire, Gustaf Holm got to work.

ON APRIL 4, 1887, a letter written by Holm was read aloud at the spring meeting of the Swedish Book Publishers' Association: “As we dislike the tenets upon which the association is

built, and as we are not in a position to achieve change in the desired direction, we feel compelled to withdraw from the association.” By maneuvering in the background, Holm brought along several other publishers, including Albert and Karl Otto's good friend and fellow believer, Hugo Geber. The publishers' association had been shattered.

A few weeks later, Gustaf Holm and the protesters formed their own organization, the New Book Publishers' Association, whose statutes stipulated that a member who published writing that is “damaging to discipline and morality” could be expelled.

Albert Bonnier's initial impulse was to immediately step down as chairman, but following appeals from friends and fellow publishers who had stayed with him in the original association, he chose to wait to resign until September, which would mark ten years in the position. The associations did not reunite until 1912.

IT WAS A TOUGH HIT for Albert Bonnier, but with time, it was also a Pyrrhic victory for the literary direction favored by Gustaf Holm: today, it appears both repressive and unimaginative. It may be the case that this drama

contains some roots of the rivalry between Sweden's two leading publishing companies, Bonniers and Norstedts.

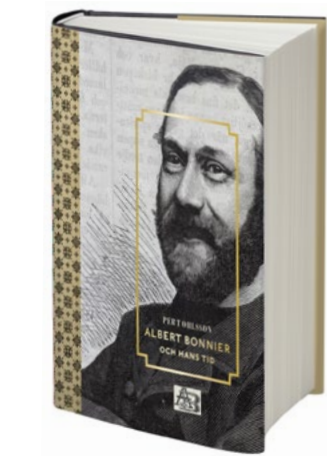
BUT ABOVE ALL, the barrage of abuse and invective to which Albert Bonnier was subjected subdued his once spirited and fearless enthusiasm. Conservative *Stockholms Dagblad* welcomed the split of the Book Publishers' Association as a manifestation “of the self-defense of a damaged sense of morality”: “Mr. Strindberg has written, Mr. Albert Bonnier has published, and with curiosity, Sweden's audience has received one volume after the next of this new gospel, which in fact constitutes the obliteration of the Ten Commandments.”

Albert Bonnier shied away from publicly mentioning his “confession,” the expression he used in reference to his Jewishness, but when it came to the background of the conflict, he was clear in his private communications. To his friend, literary critic and fellow believer Karl Warburg, he wrote, “The presence of anti-Semitism and envy, among other niceties, is unquestionable.”

It made a particular impression on Albert Bonnier that Zacharias Topelius, who was increasingly reactionary as the years passed, was critical of the publisher's particular association with and publishing of Strindberg's work. Albert, concerned, wrote to Topelius, asserting that he had “become more cautious (...) for in no way will I risk losing such an old and valued friendship as yours.”

ALBERT'S SON KARL OTTO, who took a more active role in managing the publishing house in the late nineteenth century, was critical in his memories of what he perceived as his father's “yielding” reaction. Perhaps. But Albert Bonnier stayed true to his core idea as a publisher – to distribute, not to judge – even after having only just endured the storm posed by the morality issue.

In a letter to Topelius from late 1887, he gave a statement of a sort, one that was delicately friendly, yet defiant in



The book *Albert Bonnier och hans tid* (Albert Bonnier and his time) by Per T. Ohlsson was published in fall 2020 in conjunction with the 200-year anniversary of Albert Bonnier's birth.

tone. The message is a summary of Albert Bonnier's work: "A publisher – particularly within the branch referred to as fiction – cannot and should not, however, be accorded the unqualified right to always serve as judge and exercise censorship – for what gives us absolute certainty that those whom we blame, dislike or condemn today may not be judged differently in the future."

This mindset in a Jewish immigrant who faced adversity resulted in the creation of essential parts of what tweeting party leaders now insist on calling Sweden's literary canon. Perhaps this minor detail is worth reflecting on now, two hundred years after the birth of Albert Bonnier.

Per T. Ohlsson
Author, journalist, Senior Columnist at *Sydsvenskan* and honorary doctor at the Faculty of Humanities, Lund University.

This article was previously published in *Dagens Nyheter* in September 2020.



*"I went with you,
for you were most
fearless."*

August Strindberg, 1884, in a letter
to his publisher, Albert Bonnier



*Interior of Albert Bonnier's
Förlag just after the turn of
the last century.*



*Betty and Albert
with the children.*

BONNIER GROUP

Investment activities

BONNIER GROUP holds various types of investments, including wholly owned companies, as well as stocks, funds, and investments of excess liquidity. Bonnier Skog owns and manages approximately 3,500 hectares of forest land in Dalsland.

CLIO is a company that sells digital teaching materials for primary schools. Course materials are supplied through a proprietary platform adapted for use in classrooms and via distance learning. Clio is currently the market leader in both Denmark and Sweden.

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 niche assets.

In addition to investments in Boninvest and Bonnier Ventures, during the year, Bonnier Group invested in unlisted shares and funds, such as Klarna, In-Farm and Messagebird.

In 2020, an agreement was signed to divest the 30 percent holding in Bishnode and the shares were delisted in January 2021.

The Bonnier Group invests part of its excess liquidity in commercial paper and corporate bonds.

Operating profit for Bonnier's operations more than tripled in 2020

Bonnier's operating profit increased in a manner that exceeded expectations for the unusual year that was 2020. The EBITA improved by SEK 1 billion for comparable divisions, to SEK 1.4 billion, with an unchanged revenue level. Operating cash flow improved by SEK 1.7 billion to SEK 2 billion. The Group is now debt-free.

Bonnier Group CEO Erik Haegerstrand says:

“Our way of working for the past few years, with strong and more independent companies, has proven successful, with improved profits across the board. The swift adaptations to this year's challenges were impressive and the demand for journalism and stories, not least in digital formats, inspired confidence. A strong financial position provides the foundation for future investments.”

BONNIER BOOKS PERFORMED extremely well in 2020. Sales amounted to SEK 6.1 billion (5.8), where the increase is mainly attributable to the publishing business and the audio and e-book service BookBeat. The year was characterized by improved EBITA amounting to SEK 392 million (250) and a corresponding operating cash flow, despite increased marketing investments in BookBeat. During a year marked by the pandemic, the publishing segment was particularly strong and reached an EBITA margin of over 12 percent, driven by increased market shares, accelerated sales of digital formats and consistent cost reductions.

On the individual publishers' level, operations in Germany reached new heights with their highest sales and best results ever. Werner Söderström in Finland also achieved record results and the Swedish Bonnierförlagen showed increases compared to the previous year with critical highlights that included winning the August Prize, among other things. In the British operations, positive results were reported despite the stringent lockdown measures as a result of the pandemic. The 50 percent-owned Cappelen Damm in Norway showed stable results where, above all, general literature and educational titles showed a positive development, while the bookstore chain Tanum, which was sold during the year, continued to show a loss. Naturally, the effects of the pandemic hit hardest on an already exposed physical retail trade, where Pocket Shop's sales declined markedly. Akademiska Bokhandeln in Finland also suffered in terms of sales, but managed to improve its result compared to the previous year.

During the year, Bonnier Books launched extensive sustainability efforts with high climate goals, established a new publishing business in Denmark, and acquired Strawberry Publishing in Sweden and Denmark. As in the previous year, there was a major investment focus on BookBeat, which maintained its planned growth rate in both sales and subscriptions, while expanding its market presence to Denmark and Poland. The number of paying members for the service amounted to just over 420,000

at the end of the year, an increase of 167,000.

BONNIER NEWS HAD SALES for 2020 of SEK 7.7 billion (7.6), which included revenue of SEK 280 million from the newly acquired Hall Media. The EBITA amounted to SEK 647 million (211), with Hall Media accounting for SEK 3 million.

The Corona pandemic i releasen had a negative impact on operations in 2020, and mainly affected advertising revenues, single-issue sales and event and training operations. In total, Bonnier News Sweden lost 22 percent of its advertising revenue and 12 percent of single-issue sales compared with the previous year. Part of the reduction in advertising revenue was countered by lower costs in the advertising business, allowing for the contribution margin for the advertising business to be maintained.

At the same time, the Corona pandemic led to an increased pace of digitalization, which had a positive impact on the subscriber business. The total number of subscribers increased by 7 percent compared to the previous year, driven by an increase in digital products that rose by 26 percent.

In 2020, the business continued to propel the digital transformation forward, which meant continued investments in the technical platform and reduced costs for, among other things, printing and distribution. Cost reductions were primarily driven by streamlining.

Bonnier News continued to reduce the cost base in newly acquired and newly integrated businesses, such as MittMedia, Hall Media and Bonnier Magazines & Brands. Both MittMedia and Hall Media turned to growth in the number of subscribers and profit in 2020 after several years of declining editions and losses.

The international B2B business was affected by the Corona pandemic in a similar way to the Swedish business. However, the healthcare business was not affected to the same extent as the Media & Services business, thanks to

high activity in the healthcare sector. Cost-saving measures initiated in the spring meant that the results from operations could be maintained on a par with last year, despite reduced revenues.

In 2020, government subsidies for public news media in Sweden were temporarily increased due to the large revenue losses from the Corona pandemic. Local newspaper titles were the main recipients of the support, while the national news and business dailies Dagens Nyheter and Dagens industri abstained.

During the year, three acquisitions were made: Hall Media, which is a local publisher in south-eastern Sweden, Estate Media, a Norwegian/Danish business in real estate media and Hakon Media, with a focus on retail.

BONNIER FASTIGHETER DELIVERED stable results for the year 2020. Sales increased to SEK 740 million (712) with an EBITA of SEK 506 million (474). Positive changes in the value of properties amounted to SEK 703 million (824), of which SEK 219 million was realized. The market value of the properties was estimated at SEK 14 billion at the end of the year. Bonnier Fastigheter's financial position remained very good, with a loan-to-value ratio of 21 percent (25).

Bonnier Fastigheter continued to grow in Uppsala and acquired the centrally located block Kvarngärdet 27: 2, known as “Cykelfabriken,” which complements the company's existing property holdings in Uppsala. During the year, the industrial property Vanda 3 in Akalla was sold.

Bonnier Fastigheter continued to have a strong focus on its own project and property development. During the year, Bonnier Fastigheter's first new construction project in Uppsala, Munin NXT, started. The project comprises 3,600 square meters of office space in the southern part of the city and is expected to be ready for occupancy by the summer of 2022.

Bonnier Fastigheter is planning several projects in the Värtahamnen neighborhood of Stockholm and can now take the next steps in the development of these, as the City Planning Board approved the

first new detailed development plan for urban development there at the end of the year.

The operations of HållBo AB, which is owned together with ByggVesta, are developing according to plan. Two additional residential properties were acquired during the year and Håll-Bo AB now owns a total of 307 apartments. In addition, the company's first joint new construction project started in Barkarbystaden in suburban Stockholm, comprising a total of 260 apartments with the project expected to be complete in spring/summer 2022.

BONNIER VENTURES FOCUSES on minority investments in digital fast-growing startups. The companies have a large presence in the Nordic region and an ambition to grow globally. The holdings in these companies were valued at more than SEK 900 million at the end of 2020. Since the start in 2014, the investments have had an average value increase of 22 percent per year before management costs and 19 percent after management costs.

In 2020, Bonnier Ventures invested SEK 78 million in existing portfolio companies, primarily in Acast and Doktor.se. In addition, three new investments were made for a total of SEK 65 million: We Are Voice, an app for choirs; Winningtemp, a platform to strengthen employee well-being and commitment and Future Ordering, a cloud service for restaurant orders. With the sale of the agency network Real Agency Group, Bonnier Ventures' operations have been streamlined into start-up investments. During the year, Bonnier Ventures also divested its holdings in Abios and Kitab Sawti, and entered into an agreement to sell all shares in Refunder.

SF STUDIOS was severely affected by the pandemic, which had consequences for the financial results. The EBITA amounted to SEK 20 million (36). The business was affected by restrictions mainly linked to cinemas, which affected the ability to launch films. The main titles distributed during the year were Tenet and Greenland. Sales of physical products such as DVDs and Blu-rays increased compared to 2019, mainly because SF Studios now also distrib-

utes Warner's titles. During the year, agreements were concluded with the American film companies Sony and Universal for the distribution of physical products in the Nordic and Baltic countries.

The production business had a high level of activity, and during the year the collaboration with Netflix was expanded and FLX collaborated with a new partner, Discovery+. Despite challenges from and adaptations to the pandemic, strong titles produced during the year included *Utvandrarna*, *Sagan om Karl-Bertil Jonssons Julafton* and the Danish production *Margrete den Første*, as well as TV series such as *Badehotellet* in Denmark and *Snabba cash* for Netflix in Sweden. During the year, the first international production, Horizon Line, was delivered. Part-owned FLX delivered its best year to date, mainly due to the large demand for TV and streaming productions. The streaming service SF Anytime developed strongly.

THE ADLIBRIS GROUP made major improvements in profitability in 2020. Sales totaled SEK 2.7 billion, which is an increase of 19 percent compared with the previous year. Book sales increased by 22 percent and were mainly driven by private customers' increased digital purchases in connection with the pandemic and increased investment in marketing in digital channels.

Sales of items other than books also increased during the year by 4 percent, with yarn, board games and puzzles on the Adlibris sites, garden products on Odlanu and gift cards via Morot & Co doing particularly well. The EBITA for the year amounted to SEK 50 million, which is an improvement of SEK 267 million compared with 2019 and was mainly due to higher sales, a stronger margin, inventory optimization and a more efficient logistics chain.

In December 2020, Campusbokhandeln was acquired, a company offering used and new textbooks via e-commerce and on campuses in Sweden.

BONNIER PUBLICATIONS, THE LEADING Nordic publisher of special-interest

media, reported an EBITA of SEK 86 million, lower than the previous year's SEK 142 million. Continued high profitability in traditional print media enabled a higher level of investment in digital products. A reorganization will result in cost savings as early as 2021 as a basis for even more focused work. The EBITA margin amounted to 8 percent compared with 12 percent last year. Demand for print media is declining, affecting the magazine market. Sales for Bonnier Publications amounted to SEK 1.1 (1.2) billion for the year 2020.

During the year, a digital edition of another brand – *Gør Det Selv* – was launched and work on digital editions of the magazine titles continued. Although the pandemic had a negative effect on this year's results, the crisis has also shown that there is an interest and willingness to pay for the type of high-quality digital journalism that Bonnier Publications offers.

OTHER INCLUDES a number of smaller businesses, such as Bonnier Skog, Clio and Bonnier Corporation, as well as group-wide activities and functions. Costs for central functions continued to be reduced, in 2020 by approximately SEK 250 million compared with the previous year.

Parts of the business within Bonnier Corporation, with titles published in New York and California, were divested during the year.

An agreement was signed for the sale of Bonnier Group's 30 percent holding in Bisnode to Dun & Bradstreet, which generated a profit of SEK 1.2 billion. Investments in funds and growth companies such as Klarna, Infarm and MessageBird of approximately SEK 300 million were made in 2020.

Pension liabilities were amortized by SEK 1.4 billion during the year and amounted to 0.6 at the end of the year. Net debt amounted to SEK 0 (1.2) billion and included accounting debt attributable to leased premises of SEK 1.4 billion.

NET SALES BY COMPANY [SEKM]	2020	2019
Bonnier Books	6,112	5,770
Bonnier News	7,655	7,582
Bonnier Fastigheter	740	712
Bonnier Ventures	197	386
SF Studios	1,876	1,899
Adlibris	2,705	2,282
Bonnier Publications	1,080	1,208
Other and eliminations	406	833
Bonnier Group total	20,771	20,671

OPERATING PROFIT/LOSS (EBITA) BY COMPANY [SEKM]	2020	2019
Bonnier Books	392	250
Bonnier News	647	211
Bonnier Fastigheter	506	474
Bonnier Ventures	-35	-6
SF Studios	20	36
Adlibris	50	-217
Bonnier Publications	86	142
Other and eliminations	-234	-486
Bonnier Group total	1,432	402

FINANCIAL RESULTS, BONNIER GROUP [SEKM]	2020	2019
Net sales	20,771	20,671
EBITA	1,432	402
EBIT	2,325	3,697
Net financial results	1,240	180
Financial results before tax	3,565	3,816
Year-end financial results	3,338	4,221

BALANCE SHEET, BONNIER GROUP [SEKM]	2020	2019
Goodwill	2,793	2,576
Buildings and property	15,444	15,052
Tangible and intangible fixed assets	1,342	1,575
Film and program rights	389	379
Working Capital	-2,778	-2,037
Other	3,483	1,408
Operating capital	20,673	18,953
Net debt	32	1,232
Shareholder equity including minority holdings	20,640	17,721
Financing of operating capital	20,673	18,953

The comparative year 2019 refers to comparable entities and excludes Bonnier Broadcasting

The Board

In fall 2018, governance at Bonnier changed, moving to independent companies and a clearer focus on profitability and growth. Following streamlining, the Bonnier Group is now an owner company with operating companies such as Fastigheter, Boninvest and Ventures, as well as the media-related businesses of Books, News, SF Studios, Publications and Adlibris. Bonnier Group got a new Board of Directors, in which **Bengt Braun** is chairman and **Erik Haegerstrand** is CEO.

BENGT BRAUN, CHAIRMAN OF THE BOARD

Joined the listed Tidnings AB Marieberg as CEO in 1989 after two decades at Procter & Gamble, half of which was spent internationally. President and CEO of Bonnier from 1998 until 2008, following Bonnierföretagen's acquisition of Marieberg. Bengt also currently sits on the boards of Storskogen AB and Mertzig Asset Management AB.

GUN NILSSON, BOARD MEMBER

CEO of Melker Schörling AB since 2017. Prior to that, Gun served as CFO for listed companies such as Sanitec and Duni and as CEO of Gambro Holding. She has combined her operational roles with important board positions. Currently chairman of the board of Hexagon and board member of AAK, Hexpol, Einar Mattsson and the Swedish Corporate Governance Board.

ULRIKA AF BURÉN, BOARD MEMBER

Ulrika af Burén is Managing Director at Patricia Industries, a part of Investor AB. She was previously Head of Group M&A strategy at SEB and has held similar positions in AFRY, Saab and Gambro. Board member of Vectura and Synchron. She has also been a board member of the Wallenberg Foundation's holding company FAM.

ERIK ENGSTRÖM, BOARD MEMBER

Since 2009, CEO of RELX Group, an information and analytics company with sales of approximately SEK 90 billion, and which is listed on the London, New York and Amsterdam stock exchanges. Erik was previously chief operating officer of Random House, the world's largest English-language publishing house, and has been active in private equity.

JENS MÜFFELMANN, BOARD MEMBER

Investor based in New York. Served as chief digital officer at Axel Springer while digital revenue grew from USD 30 million to USD 2 billion. He was then CEO of Axel Springer Digital Ventures and a key individual behind the company's development into Europe's leading digital media player. Chairman of the Board of Bonnier Ventures and Bonnier Corporation.

ANDERS FORSSTRÖM, BOARD MEMBER AND EMPLOYEE REPRESENTATIVE

Anders has covered areas including housing, crime and finance as a journalist at Dagens Nyheter since 1993. Since 2011, he has been chairman of Dagens Nyheter's union branch for journalists, Journalistklubben. He is an employee representative on the boards of Dagens Nyheter and Bonnier News.

FELIX BONNIER, BOARD MEMBER

Currently head of analysis and business development at Hennes & Mauritz, where he has worked since 2009, including as head of sales in South Korea. He has an MBA from the Stockholm School of Economics and he is also a board member for Bonniers Konsthall.

PEDER BONNIER, BOARD MEMBER

Co-founder and former CEO of the trendsetting digital and data-driven site KIT. Co-founder and current CEO of the rapidly growing video platform Storykit. Peder was previously Head of Digital at Bonnier Tidskrifter. He holds a BS from the London School of Economics and an MBA from the Stanford Graduate School of Business.

MARTIN HARRIS, BOARD MEMBER AND EMPLOYEE REPRESENTATIVE

Sales representative at Bonnierförlagen with a focus on specialized sales and business development. Editor/project manager for certain children's books at Bonnier Carlsen. He has extensive experience with union positions and is also an employee representative on the board of Bonnier Books.



Bengt Braun



Erik Engström



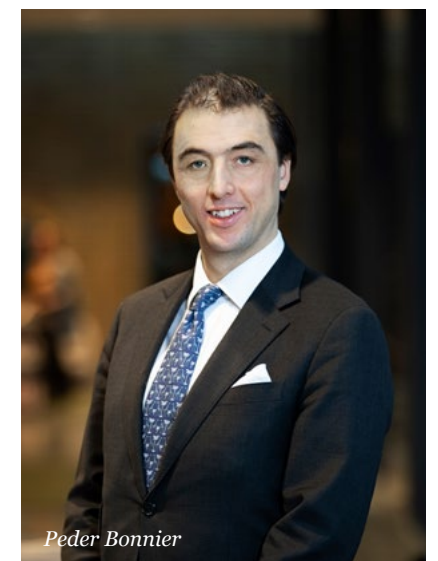
Felix Bonnier



Gun Nilsson



Jens Müffelman



Peder Bonnier



Ulrika af Burén



Anders Forsström



Martin Harris

Photo: Peter Jönsson



Ylva Lindgren, Emelie Rosén



Emanuel Karlsten



Johanna Bäckström Lerneby

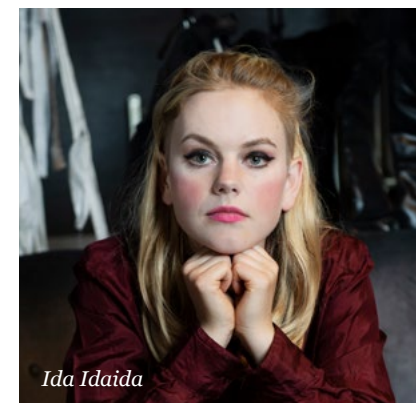


Henrik Evertsson



Jacob Hård

Photo: Pontus Englund, Monster/Paal Wilhelm Nessel



Ida Idaida



Fathia Mohidin

Photo: Christofer Dracke and John Guthed

The prestigious award in honor of journalism

When Bonnier established the Grand Prize for Journalism, few people thought that over 50 years later, it would be more important than ever. The prize is now an institution in the media industry and a way to pay tribute to the best journalism.

Bonnier first presented the Grand Prize for Journalism in 1966. It is the most prestigious award in the Swedish media industry, especially today, when highlighting excellent examples of independent, high-quality journalism is more important than ever. The media industry faces challenges, not only in the form of bias and social media, but also when those in power hide behind the concept of “fake news” when subjected to scrutiny.

The Grand Prize for Journalism is divided into five categories: Storyteller of the Year, Innovator of the Year, Voice of

the Year, Scoop of the Year and Lukas Bonnier’s Grand Prize for Journalism.

The jury had many choices

The prize was founded and is made possible by Bonnier, but the independent jury appoints the winners. The jury consists of twelve full members and three alternates.

Although the media industry is sometimes portrayed as an industry in crisis, the jury had many choices when it came time to name the best journalism of 2020.

The award-winners have covered everything from why the M/S Estonia sank to what is happening beneath the surface in the gaming world. Or what happens when a family runs an entire neighborhood, as explored by **Johanna Bäckström Lerneby** in her book *Familjen (The Family)*, for which she won the

Grand Prize for Journalism in the Voice of the Year category.

From the jury's statement:

“With courage and integrity, she has inspired all of us to have a necessary conversation about the role of family ties in serious crime.”

Winners of the 2020 Grand Prize for Journalism

Storyteller of the Year:

Emelie Rosén and **Ylva Lindgren**, Sveriges Radio.

Innovator of the Year:

Emanuel Karlsten, freelancer.

Scoop of the Year:

Henrik Evertsson, freelancer.

Voice of the Year:

Johanna Bäckström Lerneby, SVT

Lukas Bonnier’s Grand Prize for Journalism: **Jacob Hård**, SVT.

Where art has the power to interpret the present

Since Bonniers Konsthall first opened its doors in 2006, it has created space for contemporary art and artists. Dialogue with artists gives the art hall a unique energy, and artistic technique is the focus of the gallery.

2020 was marked by the coronavirus, but Bonniers Konsthall was still able to present several high-profile exhibitions. The year began with *The Trees, Light Green* which became a favorite among the gallery's visitors and broke visitor records. Then, by changing some practices, **Éva Mag's** exhibition *There is a Plan for This* was able to open with caution in late April. The exhibition garnered significant attention and was beloved by reviewers, who felt it captured the experience of that spring in many ways. The same circumstances prevailed during the major fall exhibition, *The Work of Mourning*, which presented works created through or in

the process of grief. Bonniers Konsthall's digital presence was developed during the year and a new audience had the opportunity to take part in everything from live viewings in the form of “5-minute art” to longer, more in-depth artist talks.

Largest grant-winner exhibition to date

The gallery's roots are in the Maria Bonnier Dahlin Foundation, which was founded in 1985 by **Jeanette Bonnier** in memory of her daughter, **Maria**. Every year, the foundation awards grants to young Swedish artists. Work with and development of the grant is run by Maria's cousin, Chairman of the Board **Christel Engelbert**. The 2020 grant recipients are **Ida Idaida** and **Fathia Mohidin** who, in addition to receiving SEK 100,000 each, showed their works in the largest grant-winner exhibition at the gallery to date.

“In the past thirty years, the Maria Bonnier Dahlin Foundation Grant has become one of the most important grants for young Swedish artists,” says **Theodor Ringborg**, Artistic Director of Bonniers Konsthall.

“It therefore feels natural for the exhibition to grow in scale and for it to now take up the entire gallery space. Furthermore, continued involvement with local culture and young artists is particularly important right now, given the crisis that Swedish cultural life is experiencing.”

“Most of my career has been about creating the conditions for artistic work. Contemporary art is facing a number of challenges in a changed landscape. Bonniers Konsthall's approach to these challenges will be my primary task,” says **Ellen Wettmark**, the new Executive Director of Bonniers Konsthall.

How Bonnier wants to contribute to a sustainable society

BONNIER CAN HAVE the biggest impact on sustainability by helping to make society more open and interesting.

As a family-owned company with a history of over 200 years, a long-term approach is the basis for how we run our businesses. We have a responsibility for our impact on the world, and we want to be a positive force in the communities in which we are present.

WE WANT TO CONTRIBUTE TO A SUSTAINABLE SOCIETY. The world faces major challenges related to health, equality, climate change and more. The UN's 17 Sustainable Development Goals (SDGs) define the path forward in terms of the three dimensions of sustainable development: economic, social and environmental.

Given our traditional core business, we feel particularly responsible for fostering more open, interesting, fun and better-informed societies. This is where Bonnier can have the greatest positive impact on sustainability.

We have identified five key areas for Bonnier's work with sustainability and long-term societal benefit.

The first area involves a unique obligation for Bonnier. We have carried this issue with us throughout the company's history, but in recent years it has become even more important and higher-profile.

FREEDOM OF SPEECH. Bonnier will be a leading force for wide-ranging freedom of speech and for freedom of the press. Freedom of speech and open mindedness will also characterize our internal corporate cultures.

We share the other four areas with most enterprising companies.

THE ENVIRONMENT AND EFFICIENT USE OF RESOURCES. Although Bonnier's environmental impact is relatively limited and varies among the different operations, we will work to reduce our direct impact where relevant in our value chain.

DIVERSITY. Our companies should offer fair career conditions, regardless of gender or background, and our operations will contribute to an inclusive society in which more people can participate.

OUR EMPLOYEES. Attracting, developing and retaining the right skills is a crucial factor for success.

Creating environments in which people can grow and successfully manage the pressures of the changing media industry is a central challenge for our businesses.

GOVERNANCE. As a family-owned company, we consider it important for our businesses to be run with a long-term approach, with well-established ethical guidelines and functioning alarm systems in place in the event that those guidelines are violated.

We consider open societies and free speech to be crucial issues of sustainability. Bonnier has excellent opportunities to make a difference in these areas. This is also where we can have the greatest impact.





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