

## The quarter in brief

### April – June 2024

- Net Sales decreased by 1% to 258,252 (262,180) TSEK, of which 1% is exchange rate related and 2% is negative organic growth.
- EBITDA amounted to -176,707\*\* (13,875) TSEK, adjusted\* EBITDA decreased 18% to 11,334 (13,875) TSEK.
- EBITA amounted to -185,031\*\* (6,677) TSEK, adjusted\* EBITA amounted to 3,010 (6,677) TSEK.
- EBITA margin amounted to -71.6% (2.5), adjusted\* EBITA-margin amounted to 1.2% (2.5).
- Net Profit for the period amounted to 174,719\*\*\* (-18,318) TSEK.
- Cash Flow from operations was 5,359 (11,610) TSEK.

### January – June 2024

- Net Sales decreased by 2% to 506,053 (517,614) TSEK, of which rounded 0% is exchange rate related and 2% is negative organic growth.
- EBITDA decreased to -178,225\*\* (25,970) TSEK, adjusted\* EBITDA decreased 39% to 15,740 (25,970) TSEK.
- EBITA decreased to -195,147\*\* (11,130) TSEK, adjusted\* EBITA amounted to -1,181 (11,130) TSEK.
- EBITA margin amounted to -38.6% (2.2), adjusted\* EBITA margin amounted to -0.2% (2.2).
- Net Profit for the period amounted to 139,914\*\*\* (-27,139) TSEK.
- Cash Flow from operations was -22,275 (7,389) TSEK.

\*Adjusted amounts exclude non-recurring items and aim to give a picture of the underlying development; see note 8.

\*\*Largely impacted by an impairment of assets in relation to business area FMG, see significant events after the second quarter.

\*\*\*Significantly impacted by the restructuring of bonds, see significant events during the second quarter.

### Significant events during the second quarter

- 2024-04-02 Caybon appointed Daniel Grufman as new CFO for the group.
- 2024-04-26 Caybon announced the approval of the written procedure and issuance of new super senior bonds.
- 2024-05-02 Caybon had an Extraordinary General Meeting and voted in favour of actions needed to finalize the new capital structure.
- 2024-05-02 Election of board members. At the Extraordinary General Meeting, it was decided to re-elect board members Eola Änggård Runsten and Johan Kinnander. Johan Janing was elected as member of the board. Eola Änggård Runsten was appointed chairman of the board. Richard Båge resigns from the board.
- 2024-05-10 Caybon announced the final time plan of the written procedure of its bonds and issuance of new preference shares.
- During May the previously communicated framework agreement for the restructuring of bonds was executed and actions finalized. The actions resulted in a recognized gain of approximately 380,6 million SEK, which had a significant positive impact on the net profit.
  - I. 365 MSEK was converted from debt to shares.
  - II. Caybon's own bond holdings of 25 MSEK was cancelled.
  - III. Caybon received a cash supplement of 65 MSEK, which was converted to a Super Senior bond debt. This was paid on three different occasions from March to May.
  - IV. The convertible loan set out by Priveq during 2023 was converted to shares.
  - V. Accrued interest due for payment in December 2023 and March 2024 was waived by the bondholders.
  - VI. The Super Senior bonds' maturity date was set to 3<sup>rd</sup> of June 2027. The maturity date for the amended existing bond was extended to 3<sup>rd</sup> of December 2027.
  - VII. The bondholders are now owning about 85% of the shares of Caybon Holding post restructuring. 12% of the shares are owned by key personnel, 2% by Priveq and 1% of previous shareholders.
  - VIII. The interest rate will amount 10% PIK (or with the option of 7% cash interest for the period 3<sup>rd</sup> of March 2026 until 3<sup>rd</sup> of June 2027).



- 2024-06-14 At the Annual General Meeting, it was decided to re-elect board members Eola Änggård Runsten and Johan Kinnander. Three additional members were elected: Adam Fors, Martin Ingemansson and Jakob Söderbaum. Eola Änggård Runsten was re-elected as chairman of the board.

### Significant events after the second quarter

- Caybon announced the divestment of business area Future Media Group (FMG) to focus on Growth, Profitability, and Forward-Looking Investments. The payment for the shares will be made through an earn-out model based on FMG's EBIT over the next seven fiscal years, with a maximum amount payable of 15 million SEK. A preliminary impairment of 175,137 TSEK was reflected in the income statement in the second quarter and impacting EBITA and EBITDA, for more information see note 9.



TSEK	2024		Chg, %	2023		Chg, %	LTM	2023 Full year
	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun			
Net Sales	258 252	262 180	-1%	506 053	517 614	-2%	990 486	1 002 047
Gross profit	122 808	131 767	-7%	243 383	265 850	-8%	486 395	508 369
<i>Gross profit margin, %</i>	47,6%	50,3%	-5%	48,1%	51,4%	-6%	49,1%	50,7%
EBITDA	-176 707	13 875	-1374%	-178 225	25 970	-786%	-163 653	40 542
<i>EBITDA-margin, %</i>	-68,4%	5,3%	-1393%	-35,2%	5,0%	-802%	-16,5%	4,0%
Adjusted EBITA	3 010	6 677	-55%	-1 181	11 130	-111%	1 395	13 706
<i>Adjusted EBITA-margin, %</i>	1,2%	2,5%	-54%	-0,2%	2,2%	-111%	0,1%	1,4%
Net Profit	174 719	-18 318	-1054%	139 914	-27 139	-616%	102 343	-64 711
Cash flow from operations	5 359	11 610	-54%	-22 275	7 389	-401%	-18 899	10 766

Non-recurring items amounting to 188,041 (0) TSEK for the period Apr-Jun and 193,966 (0) for the period Jan-Jun affect EBITDA, EBITA and Net Profit. For further explanation see note 8.

## Financial structure complete and slight business improvement

In the second quarter of 2024, the media market showed modest signs of recovery, though challenges persist. While the economic uncertainty continues to affect our industry, we've seen a slight business improvement vs Q1. The second quarter has also been busy on the Group level with a financial restructuring and new shareholders in order to secure the financial stability of the Group.

### Mixed picture on sales development

The previous strong momentum in business area N365 continued, with particularly impressive performance in the US. This performance led to net sales growth in the Campaign segment. However, due to a decline in the Network segment, the group as a whole experienced a slight decrease in net sales.

### Campaign segment

The US market demonstrated significant potential for both business area N365 and Mediaplanet in the second quarter. Business area N365 continued to deliver strong results, building on previous positive outcomes in this market. Additionally, business area Mediaplanet experienced positive momentum in their US operations, which have historically been a strong contributor to profitability in the business area. Business areas FMG, Mediaplanet and Appelberg continued to experience negative year-over-year deltas. However, the positive signals from Mediaplanet's operations in the US market strengthen confidence that the leadership will have a positive impact on the business area.

The segment's net sales increased by 2% since last year and amounted to 198,147 (194,314) TSEK, which still is mainly driven by the performance from N365. The segment reported an adjusted EBITA of 8,911 (6,940) TSEK.

### Network segment

In the Network segment, net sales declined by 10% to 62,493 (69,750) TSEK, while adjusted EBITA was 2,160 (7,393) TSEK. The decrease in net sales has had a significant impact on the profitability of the segment, as business area Newsner operates with relatively higher incremental margins. This year-over-year decline was still largely driven by last year's changes on Facebook, including the discontinuation of Facebook Instant Articles (FBIA) and Facebook's reductions in referral traffic to external news sites. Splay One experienced temporary decline in profitability due to efforts to streamline operations and enhance profitability in certain operations outside of Sweden, while continuing to maintain a strong presence and position in the Nordic region.

### Financial stability

The second quarter has been intense with regard to executing the financial restructuring agreement announced on March 18. I am pleased to say that all the formal processes have been completed according to plan and Caybon now has new owners and a viable capital structure. In addition, Caybon announced the divestment of FMG. Both these transactions have considerable impact on the financials of the Group as explained in this report.

Since May, Caybon has 3 new members on the board of directors. They bring expertise and experience in management and the media sector and will be a great asset for the company.



### Outlook

As we progress through 2024 a key focus will be on developing our strategy. This work is essential in maximizing the potential of our core businesses while also exploring new growth opportunities as the market recovers.

The divestiture of business area FMG will allow us to concentrate more on growth, profitability, and forward-looking investments. Our team is fully committed to ensuring we are in a strong position to benefit from the market's recovery as it accelerates.

Johan Janing, CEO



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## About Caybon

Caybon is a group of scalable, digitally focused marketing companies specialised in content and distribution. The purpose is to offer advertisers and organisations a way to communicate with their target group in an editorial and relevant context. The various offerings include a range of solutions from online media, videos, performance-related advertising and events, as well as printed products. Revenues in turn are derived from content production as well as various forms of advertising solutions. The clients range from small to medium-sized companies up to multinational groups. The client base is thus diversified in terms of both size, sector and geography. The five brands within the Group are grouped into two business segments: Campaign and Network.

Find out more at [www.caybon.com](http://www.caybon.com)