



Rudanskolan, Håninge.

Change through Education

AcadeMedia AB (publ)

INTERIM REPORT July - September 2020

7.4 percent organic sales growth, partially driven by sharply rising demand for adult education

The adjusted operating profit increased to SEK 151 million (75)

Academedia

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Interim report quarter 1 2020/21

First quarter (July – September 2020)

- Net sales increased by 5.6 percent and amounted to SEK 2,641 million (2,502). Organic growth, including bolt-on acquisitions, was 7.4 percent.
- Operating profit (EBIT) amounted to SEK 221 million (129).
- Adjusted operating profit, adjusted for items affecting comparability and effects of IFRS 16, amounted to SEK 151 million (75). Items affecting comparability amounted to SEK 10 million (-).
- Net profit for the period amounted to SEK 91 million (16).
- Cash flow from operating activities amounted to SEK 399 million (326). Adjusted for the IFRS 16 effect, cash flow from operating activities was SEK 26 million (-29)
- Free cash flow amounted to SEK -42 million (-122).
- The average number of children and students in preschool, compulsory school, and upper secondary school during the first quarter was 85,642 (81,468), representing an increase of 5.1 percent. Growth was organic.
- Earnings per share was SEK 0.87 (0.15) after dilution. Adjusted for IFRS 16, earnings per share was SEK 1.11 (0.43) after dilution.
- From the start of the autumn term, most operations returned to normal despite the ongoing corona pandemic. Increased unemployment created strong demand for adult education, contributing to a substantial volume increase for all business areas in the Adult Education Segment. For the schooling segments, the financial impact from the corona pandemic continue to be limited.

First quarter Group

(SEK m)	First quarter			Rolling 12 m	Full year
	2020/21	2019/20	Change	Oct 19 - Sep 20	2019/20
Net sales	2,641	2,502	5.6%	12,410	12,271
Adjusted EBITDA ¹	235	153	53.6%	1,148	1,066
Adjusted EBITDA margin, %	8.9%	6.1%	2.8 p.p.	9.3%	8.7%
Operating profit	221	129	71.3%	1,065	973
EBIT margin, %	8.4%	5.2%	3.2 p.p.	8.6%	7.9%
Adjusted operating profit (EBIT) ¹	151	75	101.3%	805	728
Adjusted EBIT margin, %	5.7%	3.0%	2.7 p.p.	6.5%	5.9%
Total financial items	-104	-108	3.7%	-413	-417
Income before taxes	117	22	431.8%	652	556
Profit/loss for the period	91	16	468.8%	506	431
Earnings per share basic/diluted (SEK)	0.87	0.15	462.3%	4.81	4.09
Free cash flow	-42	-122	-65.6%	885	805
Number of children and students ²	85,642	81,468	5.1%	-	82,433
Number of FTEs	12,814	12,524	2.3%	n.m.	12,686

¹ The key performance indicators Adjusted EBITDA and Adjusted EBIT are performance measures adjusted for items affecting comparability and with lease agreements reported as it was applied in previous accounting periods (IAS 17). This means that leases of real estate are recognised as rent and not as finance leases. ² Excl. Adult Education. See definitions on pages 30 to 31.



From our CEO

The financial year started well with an increase of 5.1 percent in the number of children and students. Nine new units opened during the first quarter of 2020/21, four preschools, one integrated preschool, and four upper secondary schools. At the same time, sharply rising demand for our adult education services further boosted the upward trend. This contributed to good revenue growth and a solid start to the financial year.

The autumn start is always important in the world of education. Many expectant students embark on a new phase in their life when they change school levels, while others return to their school and the class they attended in the previous academic year. Last spring, our upper secondary students and adult participants studied remotely because of the Covid-19 pandemic, many were longing to get back to school and many were relieved when the Swedish government decided to re-open upper secondary schools and the adult education. Schools need to be full of students and energy – which they are now. Of course, the Covid-19 pandemic is still affecting the countries in which AcadeMedia operates, Norway, Sweden, and Germany. Our preschools, compulsory and upper secondary schools and adult education units comply with the official recommendations that are in place, although everyone strives to make activities as normal as possible.

Sharply higher demand in adult education

Towards the end of the previous financial year, we were pleased to see that many pieces had started to fall into place in our adult education segment, while demand in adult education increased.

Interest in higher vocational education was, as expected, strong. We had 45,000 applicants for our programme places and now have 7,691 students (6,638). This was an increase of 16 percent from the same time last year, and we are maintaining our market share of 15 percent. It is also satisfying to state that the capacity utilisation in our programmes is higher than before, having increased from 85 percent to just over 89 percent. Overall, this is the largest autumn start we have had in higher vocational education programmes, and our employees are working hard to provide everyone with the best start. Higher vocational education is a successful educational format based on the labour market's workforce needs.

Our municipal adult education activities also started well. In the beginning of the quarter, we signed a new agreement with the City of Stockholm for a further four years. Higher unemployment is mainly affecting young people, those born abroad, and those with a short educational background. Studying at upper secondary school via municipal adult education can make a major difference to people in these categories, especially as matching in the labour market was insufficient even before the crisis.

We are now seeing the results of our hard work during the spring and summer in meeting the increased demand. The operating profit for the Adult Education segment rose sharply from SEK 22 million to SEK 57 million. However, this sharp volume increase has

resulted in a cost lag, resulting in a temporary improvement in the profit margin. It remains our judgement that the EBIT margin in the Adult Education segment will over time maintain a level of 9-11 percent.

Continued focus on adult education programmes

The Swedish government's budget bill for 2021 and plans for 2022-2023, presented further measures for job and retraining support with funding of in all SEK 11 billion. The measures are intended to mitigate the financial consequences of the pandemic. In addition to providing direct investment for building up capacity in higher vocational education, vocational education, and matching via the Public Employment Service, the measures will also enable jobseekers to participate in regular educational programmes without loss of unemployment benefit. This in turn will enable more people financially to participate in a programme during their unemployment, not only benefiting the individual but also society.

AcadeMedia has the broadest contract portfolio in the market and in-depth experience. We are well equipped to continue contributing to the initiatives in adult education being made to meet the major challenges that society is now dealing with, and may continue to face, if the level of unemployment persists.

Strong organic growth of 5.1 percent in child and student numbers

As we announced earlier in the autumn, we had a very strong start to the term, with a 5.1 percent increase in the number of children and students enrolled. In all, nine new units opened during the first quarter of 2020/21, four preschools, one integrated preschool, and four upper secondary schools.

In the Preschool Segment, the number of children increased by 3.2 percent, with two new preschools opening in Sweden and one in Norway. In Germany, the plan for new establishments was delayed by the Covid-19 pandemic and only one new preschool opened in the quarter. In the Compulsory School Segment, the number of students rose by 6.0 percent, with the two acquisitions in the preceding year and higher numbers in existing units contributing to the increase. One of our compulsory school units, Rudanskolan situated just outside of Stockholm – which features on the cover of this report – was finally able to move into its new, larger premises. The unit has also expanded with the opening of a preschool, Lilla Rudan. In the Upper Secondary segment, four new schools opened, and new students were also admitted to new establishments from previous years. Student enrolment in the Upper Secondary segment increased by a total of 5.6 percent.

Continued shortage of preschool places in Germany

According to a new study by the German Economic Institute (Institut der Deutschen Wirtschaft, IW), just over 132,000 preschool places have been created in Germany for children below the age of three years over the past five years. Nevertheless, there is still a demand for just over 340,000 preschool places. The

reason why the gap has not shrunk is that more parents want to send their children to a preschool. The strongest demand is in North Rhine-Westphalia, which is also one of AcadeMedia's focus areas, with a shortage of nearly 100,000 preschool places, according to the IW study.

Before the turn of the year, AcadeMedia will establish three new units in Germany, with the hope that we will open a further seven during the spring. However, the Covid-19 pandemic has impacted our programme of new establishments and it may also affect when these new units will open. The plan is that AcadeMedia will within a few years have more than 7,000 preschool places in Germany, an increase by approximately 3,000 places compared to today. Negotiations on further new establishments is a constantly ongoing process.

New profiles in Compulsory School Segment

Shortly after the end of the quarter, we announced that the Compulsory School Segment is clarifying the pedagogical offering and increasing the number of educational profiles. The new profiles are Montessori Mondial and Noblaskolan. AcadeMedia's Compulsory School Segment previously consisted of three profiles Vittra, Pops Academy, and Pyslingen Skolor. As a

result, 28 of the 73 Pyslingen units are to be renamed, 22 as Noblaskolan and six as Montessori Mondial.

The Noblaskolan concept is that students who are challenged will go further. Through a combination of experienced teachers, clear structures, security and support, students obtain the best conditions for a good education. Montessori Mondial provides a modern, results-oriented Montessori educational philosophy with special teachers and good learning environments.

By broadening our portfolio, from three to five, we are clarifying our educational offering and what the concept represents to guardians and their children, as well as to present and future employees. This change, which means that schools with the same educational concept will work more closely together, will also create a better organisational cohesiveness for our employees and a solid foundation for stronger collegial learning.

I look forward with great enthusiasm to the journey of development ahead!

Marcus Strömberg

President and CEO

AcadeMedia AB (publ)



Development in the first quarter (July to September 2020)

Impact following the corona pandemic

Increased unemployment has created a strong demand for adult education, contributing to a substantial volume increase for all business areas in the Adult Education Segment. The Preschool Segment was affected in Germany, where new openings are delayed which has slowed down the growth in number of children. For the schooling segments, the financial impact from the corona pandemic continue to be limited.

Volume development and net sales

Net sales in the first quarter increased by 5.6 percent to SEK 2,641 million (2,502). Organic growth, including bolt-on acquisitions, amounted to 7.4 percent and exchange rate development impacted sales by -1.9 percent. No larger acquisitions affected sales in the quarter. The average number of children and students, excluding the Adult Education Segment, increased by 5.1 percent to 85,642 (81,468).

Operating profit (EBIT) and adjusted EBIT

Adjusted EBIT was SEK 151 million (75) with an adjusted EBIT margin of 5.7 percent (3.0). Operating profit (EBIT) was SEK 221 million (129) with an EBIT margin of 8.4 percent (5.2).

The improved earnings were mainly attributable to the Adult Education Segment following large volume growth in all business areas. The improved earnings were partially a consequence of expenses lagging during the expansion phase, creating a temporary positive operating margin effect. The Compulsory School and Upper Secondary School Segments also show a strong growth in student numbers, 6.0 and 5.6 percent, respectively. These segments were affected positively by employees taking more vacation days and thus lower personnel costs. This effect is expected to even out over the course of the year.

The growth in number of children in the Preschool Segment was affected as the pandemic caused delays in opening of new units in Germany. The improved earnings were attributable to the continued efforts to improve capacity utilization and staff planning in Sweden, as well as better cost coverage in Norway

Group overhead expenses declined compared to last year, partially an effect of more vacation days, but also an effect of cost reduction initiatives during last year.

First quarter in summary by segment

	Number of students (average)		Net sales, SEK m.		Adjusted operating profit/loss (EBIT), SEK m.		Adj. EBIT margin		Operating profit/loss (EBIT), SEK m		EBIT margin	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Preschool	20,664	20,015	755	755	7	-2	0.9%	-0.3%	7	-2	0.9%	-0.3%
Compulsory School	26,170	24,689	644	594	33	17	5.1%	2.9%	36	17	5.6%	2.9%
Upper Secondary School	38,808	36,764	856	814	73	60	8.5%	7.4%	81	60	9.5%	7.4%
Adult Education	- ¹	- ¹	385	339	57	22	14.8%	6.5%	57	22	14.8%	6.5%
Group adj., Parent Company	-	-	1	0	-18	-22	-	-	-18	-22	-	-
Impact from IFRS 16 ²	-	-	-	-	-	-	-	-	59	54	-	-
Total	85,642	81,468	2,641	2,502	151	75	5.7%	3.0%	221	129	8.4%	5.2%

¹ Adult education volume is not measured by the number of participants as the length of the programmes varies from single occasions to academic years.

² Please see note 2 for information on how application of IFRS 16 impact the financial reports.

Net financial items

Net financial items for the quarter amounted to SEK -104 million (-108) of which interest expense from property related lease liabilities was SEK -92 million (-92). Interest expense for the quarter, excluding interest expense from property related lease liabilities, was somewhat lower than last year SEK -10 million (-12).

Profit and comprehensive income for the period

Profit after tax increased and was SEK 91 million (16). Tax expense for the quarter was SEK -26 million (-5), representing an effective tax rate of 21.9 percent (24.7). Comprehensive income was SEK 88 million (15). Adjusted for property related lease expenses, profit for the period increased to SEK 117 million (46) and comprehensive income was SEK 114 million (44).

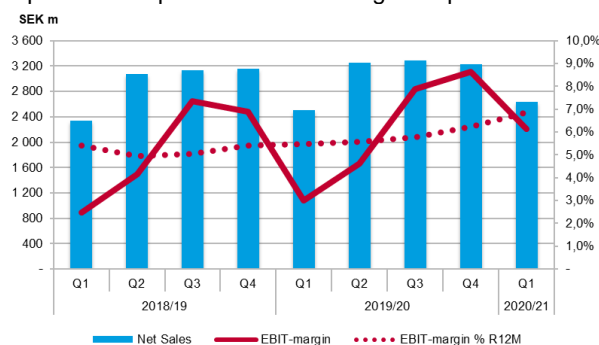
Items affecting comparability

Items affecting comparability was SEK 10 million (0).

Items affecting comparability	First quarter	
	2020/21	2019/20
SEK m		
Retroactive revenue from previous years (Compulsory School)	3	-
Retroactive revenue from previous years (Upper Secondary School)	8	-
Total	10	-

Acquisitions, divestments, new establishments, and discontinued operations

In the period, nine new units opened. Four upper secondary schools and four preschools. One compulsory school opened in new larger premises and expanded its operation with an integrated preschool.



In the graph, the EBIT-margin is presented excl. IFRS 16.



Cash flow and financial position

In the cash flow analysis below, lease payments attributable to property leasing are recognised as part of the operating activities. According to IFRS 16, lease payments are recognised as part of the financing activities. Please see note 2 for reconciliation with the financial reports.

Cash flow adjusted for lease payments

(SEK m)	First quarter		Rolling 12 months	Full year
	2020/21	2019/20	Oct 2019 – Sep 2020	2019/20
Cash flow from operating activities before changes in working capital	236	150	1,012	926
Cash flow from changes in working capital	-210	-179	111	142
Cash flow from operating activities	26	-29	1,123	1,069
Investments related to existing operations ¹	-69	-94	-239	-264
Investments related to expansion ²	57	-34	-20	-111
Cash flow from investing activities	-12	-128	-259	-375
Cash flow from financing activities	-58	-2	-733	-678
CASH FLOW FOR THE PERIOD	-43	-158	131	16
Free cash flow³	-42	-122	885	805

Cash flow from operating activities for the quarter amounted to SEK 26 million (-29). The increase was due to a higher operating profit in the quarter. The net working capital development had a negative impact on cash flow, SEK -210 million (-179) and was somewhat lower compared to last year.

Investment in existing operations¹ was lower compared to last year and amounted to SEK -69 million (-94) contributing to a free cash flow³ of SEK -42 million (-122). Expansion investments² in the period were SEK 57 million (-34). The sales proceeds from divestment of one property in Oslo in the previous quarter had a positive impact, SEK 62 million. In total, cash flow from investing activities amounted to SEK -12 million (-128).

Cash flow from financing activities totalled SEK -58 million (-2), following amortisation of debt. All in all, cash flow for the quarter amounted to SEK -43 million (-158).

¹ Investments related to existing operations include leasehold improvements, investments in equipment, investments in intangible non-current assets, investments in non-current financial assets, and divestment of non-current financial assets.

² Expansion investments include investments in own preschool buildings in Norway, as well as acquisitions.

³ Free cash flow before expansion investments consists of the cash flow from operating activities less investments in existing operations.



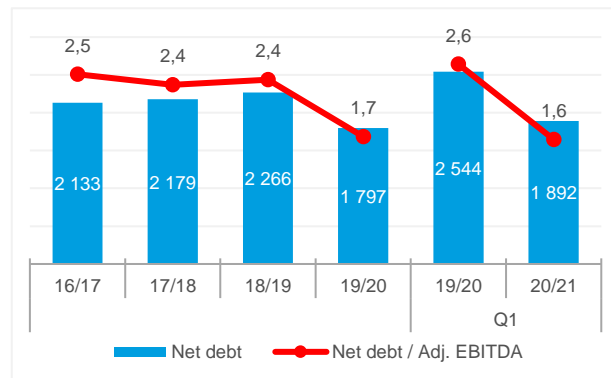
Financial position

The comments on financial position below excludes the effect from application of IFRS 16. See note 2 for reconciliation of the IFRS 16 effects on the financial reports.

Consolidated equity as per the 30 September amounted to SEK 5,038 million (4,634) and the equity/asset ratio increased to 51,5 percent (46.9).

Consolidated interest-bearing net debt¹ as of 30 September 2020 amounted to SEK 1,892 million (2,544). The decline in net debt over the past 12 months is due to amortisations, a weaker Norwegian krona, and an increase of cash and cash equivalents.

Excluding real estate loans, the adjusted net debt¹ amounted to SEK 1,210 million (1,780). The real estate loans, which consist of both non-current loans in the Norwegian State Housing Bank (Norw. Husbanken) and short-term construction loans, have, due to the weaker Norwegian krona, decreased by SEK 83 million over the past 12 months to SEK 681 million (764). Excluding the currency effects, amounting to SEK -91 million, the real estate loans decreased by SEK 8 million.



Building assets decreased during the equivalent period by SEK 159 million to SEK 989 million (1,148) as an effect of the weakening of the Norwegian krona and sale of one property to the Municipality of Oslo in June 2020.

Net debt in relation to adjusted EBITDA¹ (rolling 12 months) amounted to 1.6 (2.6), which meets the Group's financial target of a net debt in relation to adjusted EBITDA lower than 3.0. Property-adjusted net debt divided by adjusted EBITDA¹ (12m) was 1.1 (1.8).

¹ Implementation of IFRS 16 had a significant effect on AcadeMedia's financial statements. By excluding the effects of IFRS 16, continuity is achieved in the KPIs above. See pages 30 to 31 for definitions.



Preschool

- The number of children increased by 3.2 percent to 20,664 (20,015) in the first quarter.
- Sales amounted to SEK 755 million (755), negatively affected by currency translation effects. Adjusted for this, the net sales increased by 6.0 percent.
- Adjusted operating profit (adj. EBIT) improved to SEK 7 million (-2).

AcadeMedia's Preschool segment runs preschools in Sweden, Norway, and Germany. In Sweden, the business is conducted in many municipalities with a total of 111 units. In Norway, Espira is the third largest preschool provider with 105 units. In Germany we operate preschools at 50 units. The segment had a total of 266 units during the quarter.

Impact following the corona pandemic

All preschools in Sweden, Norway, and Germany are open. In Germany, the preschools reopened gradually during the summer, sometimes with shorter opening hours. The planned opening of new units has been delayed in Germany, only one new unit opened in the period which slowed down the growth in number of children.

Outcome for the first quarter

The average number of children increased by 3.2 percent compared with the previous year and amounted to 20,664 (20,015). The increase was driven by new establishments, acquisitions, and enrolment in existing units.

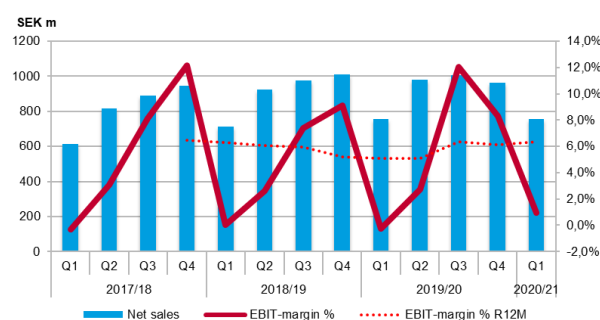
Sales was unchanged and amounted to SEK 755 million (755). Adjusted for negative currency effects, SEK -43 million, net sales increased by 6.0 percent.

Adjusted operating profit (EBIT) increased to SEK 7 million (-2) with a margin of 0.9 percent (-0.3). The margin improvement is partially explained by higher compensation for the increased personnel expenses in Norway that followed the staff density regulation. However, the positive effect in Norway is partly offset by higher pension costs attributable to the new pension plan that was implemented in January 2020. Continued efforts to improve capacity utilisation and staff planning in Sweden also had a positive impact. In Sweden, the use of more vacation days contributed positively to earnings. Operating profit (EBIT) was SEK 7 million (-2) and the margin was 0.9 percent (-0.3).

Operational changes

During the first quarter four new units opened, one in Germany, one in Norway, and two in Sweden.

The corona pandemic has delayed the planned new openings in Germany. The revised target for 2020/21 is to open 11 units, of which three during the second quarter and seven during the spring 2021. Depending on how the pandemic develops in Germany, the new openings can be further delayed.



(SEK m)	First quarter			Rolling 12 months	Full year
	2020/21	2019/20	Change	Oct 19 - Sep 20	2019/20
Net sales	755	755	-	3,706	3,707
EBITDA	28	19	47.4%	319	310
EBITDA margin	3.7%	2.5%	1.2 p.p.	8.6%	8.4%
Depreciation/amortization	-22	-21	-4.8%	-84	-83
Operating profit (EBIT)	7	-2	-450.0%	235	226
EBIT margin, %	0.9%	-0.3%	1.2 p.p.	6.3%	6.1%
Items affecting comparability	-	-	n.a.	53	53
Adjusted operating profit (EBIT)	7	-2	-450.0%	182	174
Adjusted EBIT margin, %	0.9%	-0.3%	1.2 p.p.	4.9%	4.7%
Number of children and students	20,664	20,015	3.2%	n.m.	20,854
Number of units	266	253	5.1%	n.m.	259

The segments report property leasing in accordance with previous accounting practice (IAS 17). This entails that property lease payments are recognised as rent and not as finance lease.



Compulsory School

- The number of students increased by 6.0 percent to 26,170 (24,689) in the quarter.
- Sales increased by 8.4 percent to SEK 644 million (594).
- Adjusted operating profit (EBIT) increased to SEK 33 million (17).

AcadeMedia's Compulsory School segment runs compulsory schools and integrated preschools in many municipalities in Sweden under the brands Pysslingen, Vittra and Pops Academy. Since 14 October 2020, the number of education profiles expanded with Noblaskolan and Montessori Mondial.

Operations are based entirely on the school voucher system. The segment had 112 units during the quarter, where of 37 integrated preschools.

Impact following the corona pandemic

Covid-19 has had no material operational or financial impact on the quarter.

Outcome for the first quarter

The average number of students increased by 6.0 percent compared with the previous year and amounted to 26,170 (24,689). Except for two smaller acquisitions during last year, the growth was entirely attributable to existing units which in some cases expanded capacity. Adjusted for acquisitions, growth in number of students was 2.6 percent. Net sales increased by 8.4 percent and amounted to SEK 644 million (594), which in addition to the volume increase was due to the annual adjustment of school vouchers and SEK 7 million in insurance compensation. Expenses relating to the insurance case was reported throughout the previous fiscal year.

Adjusted operating profit was SEK 33 million (17) with a margin of 5.1 percent (2.9). The higher result and

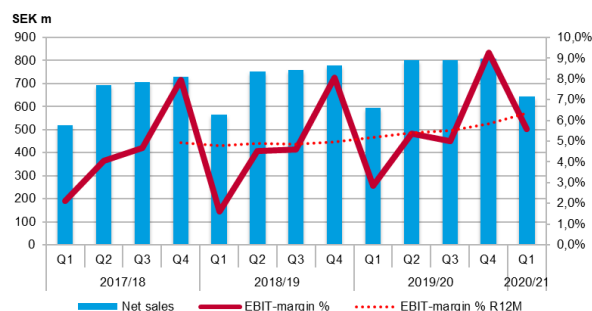
margin were mainly an effect of more students and a positive effect, SEK 5 million, from employees taking more vacation days. This positive vacation effect is expected to even out over the course of the year.

Items affecting comparability amounted to SEK 3 million relating to retroactive revenue from previous years. Operating profit (EBIT) increased compared with the previous year and was SEK 36 million (17). This gave an operating margin of 5.6 percent (2.9).

Operational changes

During the first quarter, one compulsory school, Rudanskolan, moved to new larger premises and expanded with an integrated preschool.

On October 14, the Compulsory School Segment took an important step towards clarifying the different pedagogical offerings and differences between existing units. Units with similar profiles and governance are gathered under the same educational profile. This has resulted in 28 of the Pysslingen units changing names – 22 to Noblaskolan and six to Montessori Mondial. From the next quarter, the Compulsory School Segment will consist of five brands.



(SEK m)	First quarter			Rolling 12 months	Full year
	2020/21	2019/20	Change	Oct 19 - Sep 20	2019/20
Net sales	644	594	8.4%	3,056	3,005
EBITDA	52	33	57.6%	261	242
EBITDA margin	8.1%	5.6%	2.5 p.p.	8.5%	8.1%
Depreciation/amortization	-16	-15	-6.7%	-67	-66
Operating profit (EBIT)	36	17	111.8%	194	176
EBIT margin, %	5.6%	2.9%	2.7 p.p.	6.3%	5.9%
Items affecting comparability	3	-	n.a.	3	-
Adjusted operating profit (EBIT)	33	17	94.1%	192	176
Adjusted EBIT margin, %	5.1%	2.9%	2.2 p.p.	6.3%	5.9%
Number of children and students	26,170	24,689	6.0%	n.m.	25,179
Number of units	112	108	3.7%	n.m.	109

The segments report property leasing in accordance with previous accounting practice (IAS 17). This entails that property lease payments are recognised as rent and not as finance lease.



Upper Secondary School

- The number of students increased by 5.6 percent in the first quarter, amounting to 38,808 (36,764).
- Sales increased 5.2 percent to SEK 856 million (814).
- Adjusted operating profit (adj. EBIT) increased to SEK 73 million (60).

AcadeMedia's Upper Secondary School Segment provides upper secondary education throughout Sweden under 13 different brands, offering both academic and vocational programmes. The schools operate entirely based on the school voucher system. The segment had 147 units during the quarter.

Impact following the corona pandemic

The recommendation to conduct distance education was revised during the summer 2020 and all our schools returned to in-classroom teaching at the start of the autumn term. Some distance education is still taking place following The Public Health Agency of Sweden's (Folkhälsomyndigheten) recommendation to limit the pressure on public transport. Some schools have during limited periods fully transitioned to distance education to minimize the spread of the infection at that specific unit following the advice of the local health experts. The corona pandemic has also meant that certain activities, such as student trips and conferences have been postponed. The pandemic has not had a material financial impact in the quarter.

Outcome for the first quarter

The number of students increased by 5.6 percent compared with the previous year, amounting to 38,808 (36,764). Growth was attributable to the opening of four new schools at the beginning of the fiscal year, as well as to additional students enrolled in the 14 new establishments that opened in the autumns of 2017,

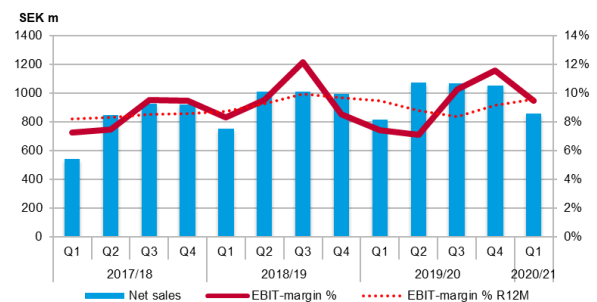
2018, and 2019. These 18 new establishments have in total admitted approximately 1,000 additional students compared to last year. Net sales increased by 5.2 percent to SEK 856 million (814), a result of increased student enrolment.

Adjusted operating profit was SEK 73 million (60), representing a margin of 8.5 percent (7.4). Improved result and margin were attributable to higher student numbers but also a positive effect, SEK 10 million, from employees taking more vacation days. The positive vacation effect is expected to even out over the course of the year.

Items affecting comparability amounted to SEK 8 million relating to retroactive revenue from previous years. Operating profit (EBIT) improved and amounted to SEK 81 million (60) and the margin was 9.5 percent (7.4).

Operational changes

At the start of the autumn term in 2020, four new upper secondary schools opened in Lund, Malmö, Nacka, and Uppsala. These schools have admitted a total of about 320 students.



(SEK m)	First quarter			Rolling 12 months	Full year
	2020/21	2019/20	Change	Oct 19 - Sep 20	2019/20
Net sales	856	814	5.2%	4,041	3,999
EBITDA	121	95	27.4%	556	530
EBITDA margin	14.1%	11.7%	2.4 p.p.	13.8%	13.3%
Depreciation/amortization	-40	-36	-11.1%	-169	-165
Operating profit (EBIT)	81	60	35.0%	387	365
EBIT margin, %	9.5%	7.4%	2.1 p.p.	9.6%	9.1%
Items affecting comparability	8	-	n.a.	19	11
Adjusted operating profit (EBIT)	73	60	21.7%	368	354
Adjusted EBIT margin, %	8.5%	7.4%	1.1 p.p.	9.1%	8.9%
Number of children and students	38,808	36,764	5.6%	n.m.	36,400
Number of units	147	143	2.8%	n.m.	143

The segments report property leasing in accordance with previous accounting practice (IAS 17). This entails that property lease payments are recognised as rent and not as finance lease.



Adult Education

- Sales increased 13.6 percent to SEK 385 million (339).
- Operating profit (EBIT) was SEK 57 million (22).

AcadeMedia's Adult Education Segment is Sweden's largest provider of adult education with a presence in about 150 locations in the country. The segment works in three main customer groups: Municipal Higher Education, Higher Vocational Education and Labour Market Services.

Impact following the corona pandemic

During the quarter, the Adult Education Segment has in dialogue with each customer gradually returned to normal operation.

Outcome for the first quarter

Net sales for the quarter increased by 13.6 percent and amounted to SEK 385 million (339). The increase is attributable to all business areas. AcadeMedia's Higher Vocational Education had a record number of applications for the autumn start. In total, the number of students increased by 16 percent to 7,691 (6,638). Higher Vocational Education business account for approximately 26 percent (24) of total sales.

The Municipal Adult Education business continued its positive development with growth in both net sales and earnings. For SFI (Swedish for immigrants), the pandemic has resulted in fewer dropouts as more students stay in Sweden. The business area account for 59 percent (62) of total sales.

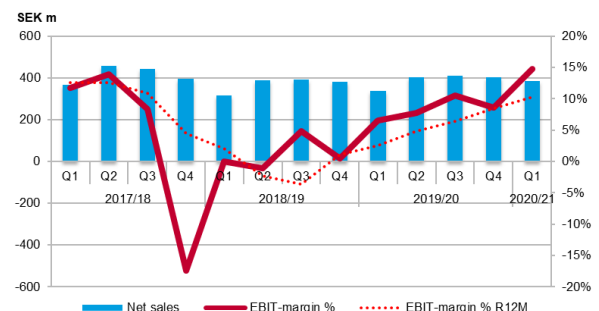
The business relating to Labour Market Services also developed positively as number of participants increased as a consequence of increased unemployment. The business area account for 14 percent (12) of total sales. As previously communicated, the contract for vocational and preparatory modules will be terminated in the second quarter 2020/21. This contract makes up a smaller part of this business area.

Operating profit (EBIT) increased to SEK 57 million (22), and the margin was 14.8 percent (6.5). The improvement was primarily attributable to the large volume growth within all business areas. But also, an effect from expenses lagging during the expansion phase, enhancing the operating margin temporarily.

Market development

The digital savvy of clients and participants has increased. We see a shift in demand from traditional in classroom teaching to more flexible forms of education. With the market's two best learning platforms and long experience of distance education, the readiness to scale up the digital delivery is good.

Unemployment in Sweden is at historically high levels and the government has made investments in adult education to meet the development. The autumn budget for 2021 and plans for 2022 and 2023, proposes continued investments and maintained levels for adult education. The budget is still to be approved, and plans can be changed, but this gives a good indication that adult education will continue to be a priority area until 2023. The capacity expansion in adult education takes place within higher vocational education, vocational adult education, and matching services via the Swedish Public Employment Service. These are areas where AcadeMedia, with the market's broadest contract portfolio and solid experience, is well positioned to contribute.



SEK, m	First quarter			Rolling 12 months	Full year
	2020/21	2019/20	Change	Oct 19-Sep 20	2019/20
Net sales	385	339	13.6%	1,603	1,557
EBITDA	61	26	134.6%	181	146
EBITDA margin	15.8%	7.7%	8.1 p.p.	11.3%	9.4%
Depreciation/amortization	-4	-4	-	-15	-15
Operating profit (EBIT)	57	22	159.1%	166	131
EBIT margin, %	14.8%	6.5%	8.3 p.p.	10.4%	8.4%
Items affecting comparability	-	-	n.a.	-	-
Adjusted operating profit (EBIT)	57	22	159.1%	166	131
Adjusted EBIT margin, %	14.8%	6.5%	8.3 p.p.	10.4%	8.4%

The segments report property leasing in accordance with previous accounting practice (IAS 17). This entails that property lease payments are recognised as rent and not as finance lease.



Quality

AcadeMedia's vision is to lead the development of education for the future. One of our goals in achieving this is to be a leader in learning, where the main indicator is '100% – everyone should achieve their educational objectives'. We can only accomplish this by providing the highest quality education in the areas in which the Group operates. To attain our goal, AcadeMedia maintains strong focus on systematic quality enhancing work. We have a group-wide quality management model, and our size enables us to pursue development initiatives and find ways for the structured exchange of experiences on a large scale. We are constantly developing as a learning organisation.

"By offering a superior learning environment, AcadeMedia helps people and communities develop and grow. All students have the same right to a quality education, regardless of place of residence or background. A good atmosphere for learning is also about determining the needs of and opportunities for each individual student. We will also be a learning organisation, where both employees and leaders can develop professionally." AcadeMedia's sustainability report 2018/19.

AcadeMedia's quality report for 2019/20 and AcadeMedia's annual and sustainability report for 2019/20 to be published

The 19th October 2020, AcadeMedia's quality report was published on the company website, <https://academedia.se/>. In the report, quality results on group level and future development areas are presented. In addition, the new quality assurance model, and the foundation for AcadeMedias quality work are described. The report also includes articles with good examples from AcadeMedia's different operations.

On 27 October 2020, AcadeMedia's annual and sustainability report for 2019/20 will be published. The statutory sustainability report can be found on the pages 26-53 and adheres to Global Reporting Initiatives Standards. In the report, the group's four main sustainability areas are presented, Learning, Employees, Environmental impact, and Transparency.

Quality results for the first quarter

Compulsory school

In the Year-end report from August, the preliminary grades for AcadeMedia's compulsory schools were presented. Since then, the Swedish National Agency for Education published national average. Previously, the Swedish National Agency for Education have at this time of year also published the grades on unit and principal organiser level. However, due to a change in legislation, the Swedish National Agency for Education ceased to publish this information on school level. Consequently, the comparison with national average below is based on AcadeMedia's own and preliminary grade compilations.

The proportion of students with a at least a passing grade in all subjects was 83.9 percent (82.3) and the national average was 76.1 percent (75.5). The preliminary grade point average among compulsory school students was 246.7 points (242.3) whereas the national average was 231.1 points (229.8). The preliminary proportion of students eligible for upper secondary school was during the spring 2020 91.8 percent (91.3), to be compared with the national average of 85.6 percent (84.3). The levels for AcadeMedia's compulsory schools continue to be higher than the national average.

AcadeMedia invite to a webcast seminar on open quality reporting

On Tuesday, 3 November, AcadeMedia will hold a webcast seminar on the importance of open and transparent quality reporting. The topic is in the spotlight after the changed legal situation that led to the National Agency for Education ceasing to publish official statistics about the country's schools earlier this autumn. The question of the importance of openness for quality work in the school system has thus been raised.

The presentation will be held in Swedish and can be followed on the web. To participate in the seminar, please sign up on AcadeMedia's homepage

<https://utbildning.academedia.se/2020/10/08/injudan-webbseminarium-om-kvalitet-och-oppenhet/>

Employees

The average number of full-time employees in the quarter was 12,814 (12,524) which represents an increase of 2.3 percent. The proportion of women in the Swedish operation was 67.6 percent (67.6) in the quarter. Employee turnover in Sweden, measured as the proportion of individuals who resigned, was 6.0 percent aggregated over the three-month July - September period, compared with 8.3 percent aggregated over the corresponding period in the previous year. Absence due to illness for AcadeMedia employees in Sweden (aggregated average short-term absence <90 days) was 3.6 percent (2.7) during quarter.



Parent Company

Sales during the full year amounted to SEK 2 million (2). Operating profit (EBIT) amounted to SEK -2 million (-3) and profit after tax was SEK -1 million (-8). The Parent Company's assets essentially consist of participations in Group companies and Group receivables. Operations are financed by equity, debt, and intra group loans. Equity in the Parent Company as of 30 September 2020 was SEK 2,722 million (2,730). The Parent Company's interest-bearing debt as of 30 September 2020 was SEK 957 million (1,357).

Owners and share capital

AcadeMedia AB (publ) is a public limited company listed on Nasdaq Stockholm since 2016. As of 30 September 2020, share capital was SEK 105,548,345 and the number of shares amounted to a total of 105,548,345 shares distributed among 105,300,103 ordinary shares and 248,242 Class C shares. The quota value is SEK 1.00 per share. Mellby Gård AB is the largest shareholder in AcadeMedia with 21.0 percent of the capital as of 30 September 2020.

Dividend

To the Annual General Meeting 2020, the Board of Directors proposes an ordinary dividend of SEK 1.50 per share (1.25) for the fiscal year 2019/20.

Significant events after the end of the reporting period

9 October. AcadeMedia announced higher operating profit than expected for the first quarter 2020/21

AcadeMedia announced that the first quarter had been stronger than expected by the market. Net sales estimated to be SEK 2,650 million (2,502), an increase of around 6 percent compared to last year. Operating profit adjusted for the effects of IFRS 16 estimated to be SEK 150 million (75).

14 October. AcadeMedia's Compulsory School Segment clarifies pedagogic offer and launches new educational profiles

AcadeMedia's Compulsory School Segment now take steps to provide clarity on the differences between the existing units, grouping those with similar pedagogies and governance under the same educational profile. In 2011 AcadeMedia acquired "Pysslingen förskolor och skolor", a group of well-run pre- and compulsory school units with a variety of pedagogical profiles. This shift result in 28 of the Pysslingen units change their names – 22 to Noblaskolan and six to Montessori Mondial from October 14, 2020.

Other

Risks and uncertainties

AcadeMedia categorises risks as operating, external and financial and they are described in detail in AcadeMedia AB's 2019/20 Annual Report. Operating risks are the most crucial risks for AcadeMedia and include variations in demand and number of students and participants, risk relating to the supply of qualified employees and payroll expenses, risk relating to quality deficiencies, contractual compliance within adult education, AcadeMedia's reputation and brand, permits, and liability and property risk. With declining demand in a specific unit, fixed expenses and thus rental costs are a risk.

The spread of the coronavirus has had a significant impact on AcadeMedia's operations as a result of decisions made by the governments in the countries where AcadeMedia operates. However, the financial impact during the 2019/20 fiscal year was limited. Since the start of the semester, all segments have returned to ordinary activities. However, depending on how the spread of the infection develop, there is uncertain how this pandemic will impact moving forward. There is a risk that operations again will close for periods, that new openings will be delayed, and that the future school voucher development is negatively affected as a result of the municipalities weaker economies.

Seasonal variations

AcadeMedia's four segments have different seasonal variations. The three school segments show a stable seasonal variation, while the Adult Education segment has a more irregular seasonal variation. The seasonal variations are described in detail in AcadeMedia AB's 2019/20 Annual Report.

The winter break, spring break and summer holiday periods have a major impact on the three school segments. Activity and revenue are lower during these periods. Leave has the greatest impact on the first quarter. Moreover, salary review for most teachers in Sweden takes place on 1 September and this also negatively impacts second quarter margins. School vouchers are adjusted at the beginning of each calendar year in Sweden, Norway, and Germany, which has a positive impact on revenue while costs remain relatively unchanged. Taken together, there is a fairly stable seasonal trend with lower earnings levels during the first six months of the year, followed by much stronger figures in the third and fourth quarters.



Adult education does not have recurring seasonal patterns in the same way as the school segments. Seasonal variation is influenced primarily by the contract portfolio and public spending. The number of working days or education days in the period may have some effect.

Outlook

AcadeMedia does not publish any forecasts.

Annual General Meeting 2020

The Annual General Meeting (AGM) will be held on 26 November 2020 at 2:00 pm at Näringslivets Hus, Storgatan 19, Stockholm, Sweden. Due to the current pandemic and with the safety and health of its shareholders in mind, AcadeMedia has decided to take, among other things, the following precautions in connection with the AGM:

- Postal voting is offered by virtue of the temporary law for general meetings.
- The board of directors proposes that the AGM is broadcasted over web link.
- Refreshments will not be served, and there will be no meeting with the board of directors or the management prior to the AGM.
- The CEO statement regarding AcadeMedia's operations will be kept very brief at the AGM. Instead, an extensive statement will be published on AcadeMedias's website on the day of the AGM.
- Shareholders are offered the opportunity to submit written questions prior to the AGM.
- The number of present members or the board of directors and the management, and other employees, will be severely limited and their participation may take place via video link or telephone.
- Only necessary officials will participate in the AGM and no external guests will be invited.

Considering the recommendations from the authorities, AcadeMedia would like to urge all shareholders to use the option of postal voting instead of physically attending the AGM.

AcadeMedia carefully monitors the development of the situation regarding the corona virus and strives to contribute to the work of limiting the spread of the virus in the best possible way. As part of this, AcadeMedia will comply with current restrictions and recommendations from the authorities.



Calendar

27 October 2020	Annual Report 2019/20
26 November 2020	Annual General Meeting 2020
3 February 2021	Interim report Q2
6 May 2021	Interim report Q3

For further information, please visit <https://corporate.academedia.se>

This report has not been reviewed by the company's auditors.

Stockholm October 23, 2020

Marcus Strömberg
Chief Executive Officer

AcadeMedia AB (publ)
Corp. reg. no. 556846-0231
Box 213, 101 24 Stockholm
Telephone- +46-8-794 42 00
www.academedia.se

For more information, please contact:

Marcus Strömberg, President and CEO
Telephone: +46-8-794 4200
E-mail: marcus.stromberg@academedia.se

Katarina Wilson, CFO
Telephone: +46-8-794 42 91
E-mail: katarina.wilson@academedia.se

This information is information that AcadeMedia AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CEST on 23 October 2020.



Consolidated statement of comprehensive income

SEK m	Note	First quarter		Rolling 12 months	Full year
		2020/21	2019/20	Oct 19-Sep 20	2019/20
Net Sales	3	2,641	2,502	12,410	12,271
Cost of services		-231	-224	-1,000	-993
Other external expenses		-266	-245	-1,257	-1,237
Personnel expenses		-1,551	-1,525	-7,618	-7,591
Depreciation/amortization		-382	-379	-1,516	-1,513
Items affecting comparability ¹⁾		10	-	46	36
TOTAL OPERATING EXPENSES		-2,420	-2,373	-11,346	-11,299
OPERATING INCOME		221	129	1,065	973
Interest income and similar profit/loss items		0	0	4	4
Interest expense and similar profit/loss items	6	-104	-108	-417	-421
Net financial items		-104	-108	-413	-417
INCOME BEFORE TAX		117	22	652	556
Tax		-26	-5	-145	-125
PROFIT/LOSS FOR THE PERIOD		91	16	506	431
Other comprehensive income					
<i>Items that will not be reclassified to profit/loss</i>					
Remeasurement of defined benefit pension plans		-	-	-18	-18
Deferred tax relating to defined benefit pension plans		-	-	4	4
		-	-	-14	-14
<i>Items that may be reclassified to profit/loss</i>					
Translation differences		-3	-1	-74	-72
Other comprehensive income for the period		-3	-1	-88	-86
COMPREHENSIVE INCOME FOR THE PERIOD		88	15	418	345
Profit for the period attributable to:					
Stockholders of the parent company		91	16	506	431
Comprehensive income for the period attributable to:					
Stockholders of the parent company		88	15	418	345
Earnings per share basic (SEK)		0.87	0.15	4.81	4.09
Earnings per share basic/diluted (SEK)		0.87	0.15	4.81	4.09
Earnings per share based on number of shares outstanding (SEK)		0.87	0.15	4.81	4.09

¹⁾ Items affecting comparability are specified on page 4. Key performance indicator definitions are on pages 30 to 31. Please see note 2 for information on how application of IFRS 16 impact the financial reports.



Consolidated statement of financial position in summary

SEK m	Note	Sep 30, 2020	Sep 30, 2019	June 30, 2020
ASSETS				
Intangible non-current assets		6,182	6,227	6,191
Buildings		989	1,148	1,001
Right-of-use assets ¹		7,542	7,553	7,347
Other property, plant, and equipment ¹		739	704	713
Other non-current assets		68	60	34
Total non-current assets		15,519	15,692	15,285
Current receivables		867	1,172	704
Cash and cash equivalents ²		483	368	528
Total current assets		1,350	1,540	1,232
TOTAL ASSETS		16,869	17,231	16,518
EQUITY AND LIABILITIES				
Total equity		4,895	4,604	4,807
Non-current liabilities to credit institutions		1,914	2,120	1,890
Long-term lease liability ¹		6,572	6,469	6,346
Provisions and other non-current liabilities ¹		250	352	231
Total non-current liabilities		8,737	8,941	8,466
Current interest-bearing liabilities ¹		218	547	270
Short-term lease liability ¹		996	1,124	1,010
Other current liabilities		2,023	2,014	1,965
Total current liabilities		3,237	3,685	3,244
TOTAL EQUITY AND LIABILITIES		16,869	17,231	16,518

¹Right-of-use assets have increased by SEK 219 million as per 30 September 2019 compared to the interim report 2019/20, following a reclassification of inventories that are financed with financial leasing from Other property, plant and equipment to Right-of-use assets. Corresponding lease liability of SEK 221 million is reclassified as Lease liability. Please see note 2 for information on how application of IFRS 16 impact the financial reports.

² Cash includes Cash related to payroll tax withholdings with SEK 26 million (SEK 27 million per 30 Sep 2019 and SEK 29 million per 30 June 2020.)

Consolidated statement of changes in equity in summary

Total equity attributable to owners of the Parent Company

SEK m	Jul-Sep 2020/2021	Jul-Sep 2019/2020	Jul-Jun 2019/2020
Opening balance	4,807	4,589	4,589
Profit/loss for the period	91	16	431
Other comprehensive income for the period	-3	-1	-86
Consolidated statement of comprehensive income	88	15	345
Dividend paid	-	-	-132
Other transactions with owners ¹	0	0	4
Closing balance	4,895	4,604	4,807

¹ Other transactions with owners in the current year includes a share-matching program of SEK +0.2 million. Transactions with owners in the previous year includes new share issue connected to warrants SEK 4,1 million and share-matching program of SEK 0.4 million.



Consolidated cash flow statement

SEK m	First quarter		Full year
	2020/21	2019/20	2019/20
Operating profit/loss (EBIT)	221	129	973
Depreciation/amortisation	382	379	1 513
Adjustment for items affecting cash flow	-4	23	-55
Tax paid	-5	-26	-120
Cash flow from operating activities before changes in working capital	594	505	2 311
Cash flow from changes in working capital	-194	-179	211
Cash flow from operating activities	399	326	2 521
Acquisition of subsidiaries	-	-1	-51
Investments in buildings	-6	-33	-60
Leasehold improvements	-28	-52	-134
Investments in equipment	-40	-39	-115
Investments in intangible non-current assets	-1	-2	-17
Divestment of tangible non-current assets	62	-	-
Investments in non-current financial assets	-	-1	0
Divestment of non-current assets	-	-	3
Cash flow from investing activities	-12	-128	-375
Interest received (+) and paid (-)	-10	-13	-44
Interest paid, lease liabilities	-93	-93	-365
Dividend paid	-	-	-132
New share issue	-	-	4
Increase (+)/decrease (-) of interest-bearing liabilities	-19	37	-378
Repayment of lease liabilities	-309	-289	-1 215
Cash flow from financing activities	-431	-357	-2 130
CASH FLOW FOR THE PERIOD	-43	-158	16
Cash and cash equivalents at beginning of period	528	527	527
Exchange-rate differences in cash and cash equivalents	-1	-0	-15
Cash and cash equivalents at end of period	483	368	528

Please see note 2 for information on how application of IFRS 16 impact the financial reports.



Parent company income statement in summary

SEK m	First quarter		Full year
	2020/21	2019/20	2019/20
Net sales	2	2	8
Operation expenses	-4	-5	-25
OPERATING PROFIT/LOSS	-2	-3	-17
Interest income and similar profit/loss items	5	1	12
Interest expense and similar profit/loss items	-5	-8	-31
Net financial items	-	-7	-19
Year-end appropriations	-	-	100
PROFIT/LOSS BEFORE TAX	-2	-10	64
Tax	1	2	-14
PROFIT/LOSS FOR THE PERIOD	-2	-8	50

Parent company other comprehensive income

SEK m	First quarter		Full year
	2020/21	2019/20	2019/20
Profit/Loss for the period	-2	-8	50
Other comprehensive income for the period	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	-2	-8	50

Parent company balance sheet in summary

SEK m	Sep 30 2020	Sep 30 2019	June 30 2020
ASSETS			
Participations in Group companies	3,261	2,247	3,261
Total non-current assets	3,261	2,247	3,261
Current receivables	2,840	3,840	2,840
Cash and cash equivalents	277	231	303
Total current assets	3,117	4,071	3,143
TOTAL ASSETS	6,379	6,318	6,405
EQUITY AND LIABILITIES			
Restricted equity	106	105	106
Non-restricted equity	2,616	2,625	2,618
Total equity	2,722	2,730	2,723
Non-current liabilities	952	1,245	951
Current liabilities	2,705	2,342	2,730
TOTAL EQUITY AND LIABILITIES	6,379	6,318	6,405



Parent Company statement of changes in equity

SEK m	Jul-Sep 2020/2021	Jul-Sep 2019/2020	Jul-Jun 2019/2020
Opening balance	2,723	2,738	2,738
Profit/loss for the period	-2	-8	51
Other comprehensive income for the period	-	-	-
Total profit/loss for the group	-2	-8	51
Merger related effects	-	-	62
Dividend	-	-	-132
Other transactions with owners ¹	0	0	4
Closing balance	2 722	2,730	2,723

¹ Other transactions with owners in the current year includes a share-matching program of SEK +0.2 million. Transactions with owners in the previous year includes new share issue connected to warrants SEK 4,1 million and share-matching program of SEK 0.4 million.



Notes and accounting policies

The interim report includes pages 1 to 31 and pages 1 to 14 are an integrated part of this financial report.

Significant events after the end of the reporting period are presented on page 12. Segment reporting is presented on pages 7 to 10. Disclosures about risk factors and seasonality are presented on page 12-13.

Note 1: Accounting policies

This Interim Report for the Group is prepared in accordance with IAS 34 Interim Financial Reporting, as well as applicable stipulations in the Annual Accounts Act. The Interim report for the Parent Company is prepared in accordance with chapter 9 Interim report in the Annual Accounts Act.

The accounting policies and basis of calculation applied are the same as those described in AcadeMedia's 2019/20 Annual Report, which was prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU.

New and amended accounting standards applied from 1 July 2020

New and amended standards and interpretations applicable from 1 July 2020 have not and will not have any significant effect on the financial reports.



Note 2: Financial reports disclosing the impact from implementation of IFRS 16

Below, the effects on the financial reports from implementation of IFRS 16 Leasing are disclosed.

Consolidated statement of comprehensive income

SEK m	First quarter 20/21			First quarter 19/20			Full year 19/20		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
Net Sales	2,641	-	2,641	2,502	-	2,502	12,271	-	12,271
Cost of services	-231	-	-231	-224	-	-224	-993	-	-993
Other external expenses	-266	358	-623	-245	355	-600	-1,237	1,384	-2,621
Personnel expenses	-1,551	-	-1,551	-1,525	-	-1,525	-7,591	-	-7,591
Depreciation/amortization	-382	-298	-84	-379	-301	-78	-1,513	-1,175	-338
Items affecting comparability	10	-	10	-	-	-	36	-	36
TOTAL OPERATING EXPENSES	-2,420	59	-2,479	-2,373	54	-2,427	-11,299	209	-11,509
OPERATING INCOME	221	59	162	129	54	75	973	209	763
Interest income and similar profit/loss items	0	-	0	0	-	0	4	-	4
Interest expense and similar profit/loss items	-104	-92	-12	-108	-92	-16	-421	-360	-61
Net financial items	-104	-92	-12	-108	-92	-16	-417	-360	-56
INCOME BEFORE TAX	117	-33	150	22	-38	59	556	-151	707
Tax	-26	7	-33	-5	8	-14	-125	33	-159
PROFIT/LOSS FOR THE PERIOD	91	-25	117	16	-29	46	431	-117	548
Other comprehensive income for the period	-3	-	-3	-1	-	-1	-86	-	-86
COMPREHENSIVE INCOME FOR THE PERIOD	88	-25	114	15	-29	44	345	-117	462
Earnings per share basic (SEK)	0.87	-0.24	1.11	0.15	-0.28	0.43	4.09	-1.12	5.21
Earnings per share basic/diluted (SEK)	0.87	-0.24	1.11	0.15	-0.28	0.43	4.09	-1.12	5.21
Earnings per share based on number of shares outstanding (SEK)	0.87	-0.24	1.11	0.15	-0.28	0.43	4.09	-1.12	5.21



Consolidated cash flow statement

SEK m	First quarter 20/21			First quarter 19/20		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
Operating profit/loss (EBIT)	221	59	162	129	54	75
Depreciation/amortisation	382	298	84	379	301	78
Adjustment for items affecting cash flow	-4	-	-4	23	-	23
Tax paid	-5	-	-5	-26	-	-26
Cash flow from operating activities before changes in working capital	594	358	236	505	355	150
Cash flow from changes in working capital	-194	16	-210	-179	-	-179
Cash flow from operating activities	399	373	26	326	355	-29
Cash flow from investing activities	-12	-	-12	-128	-	-128
Cash flow from financing activities	-431	-373	-58	-357	-355	-2
CASH FLOW FOR THE PERIOD	-43	-0	-43	-158	-0	-158

Consolidated statement of financial position in summary

SEK m	30 Sep 2020			30 Sep 2019		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
ASSETS						
Intangible non-current assets	6,182	-	6,182	6,227	-	6,227
Buildings	989	-	989	1,148	-	1,148
Right-of-use assets	7,542	7,326	215	7,553	7,334	219
Other property, plant, and equipment	739	-	739	704	-	704
Other non-current assets	68	40	27	60	8	52
Total non-current assets	15,519	7,366	8,153	15,692	7,342	8,350
Current receivables	867	-277	1,143	1,172	-	1,172
Cash and cash equivalents	483	-	483	368	-	368
Total current assets	1,350	-277	1,627	1,540	-	1,540
TOTAL ASSETS	16,869	7,090	9,779	17,231	7,342	9,889
EQUITY AND LIABILITIES						
Total equity	4,895	-143	5,038	4,604	-29	4,634
Non-current liabilities to credit institutions	1,914	-	1,914	2,120	-	2,120
Long-term lease liability	6,572	6,473	99	6,469	6,365	104
Provisions and other non-current liabilities	250	-	250	352	-	352
Total non-current liabilities	8,737	6,473	2,263	8,941	6,365	2,577
Current interest-bearing liabilities	218	-	218	547	-	547
Short-term lease liability	996	877	119	1,124	1,007	117
Other current liabilities	2,023	-117	2,140	2,014	-	2,014
Total current liabilities	3,237	759	2,477	3,685	1,007	2,679
TOTAL EQUITY AND LIABILITIES	16,869	7,090	9,779	17,231	7,342	9,889



Note 3: Revenue

SEK m	First quarter		Full Year
	2020/21	2019/20	2019/20
Education-related income	2,565	2,438	11,939
State subsidies	36	35	176
Other income	40	29	157
Net Sales	2,641	2,502	12,272

Income related to education consists of school vouchers and participant fees. Tuition fees are recognised as revenue and allocated in line with the degree of completion over the period during which the instruction is provided, including time for planning and grading of student learning. Revenue for preschool operations is recognised based on the same fundamental principle. Revenue for services sold is recognised upon delivery to students. Revenue in the adult education operation is based on the same fundamental principles, but also takes into account the empirical estimate of the number of participants not completing the programme started, as well as estimates of compensation received based on the number of participants completing the programme.

State subsidies include State subsidies for the primary school initiative, smaller classes, skills development and before and after school care initiatives. State subsidies are recognised at fair value in the case that there is reasonable certainty that they will be received and that AcadeMedia will meet the conditions attached to the grant. Subsidies received to cover costs are recognised as an expense reduction for the relevant expense item, for example teacher salary premiums, head teacher premiums and other salary subsidies.

Other income refers to income not directly related to education.

Note 4: Related-party transactions

Related party transactions are described in detail in the 2019/20 Annual Report. Related party transactions take place at an arm's length basis. During the first quarter no significant related-party transactions took place.

Note 5: Acquisitions

No acquisitions in the period

Note 6: Specification of financial income and expenses

SEK m	First quarter		Full Year
	2020/21	2019/20	2019/20
Interest expense and similar profit/loss items			
Interest expense	-9	-11	-41
Borrowing costs *	-1	-2	-7
Interest expense on the lease liability	-93	-93	-365
Exchange rate losses	-0	-0	-3
Other	-1	-2	-5
Interest expense and similar profit/loss items	-104	-108	-421
<i>Interest expense on property related lease liability</i>	<i>-92</i>	<i>-92</i>	<i>-360</i>

* Setup charges for new loans are expensed over the term of the loan.

Note 7: Financial instruments

AcadeMedia's financial instruments consist of accounts receivable, other receivables, accrued income, cash and cash equivalents, accounts payable, accrued trade payables, interest-bearing liabilities, and deferred consideration. Since loans to credit institutions are at variable interest, which essentially are deemed to correspond to current market interest rates, the book value excluding loan expenses is considered to correspond to fair value. Other financial assets and liabilities have short terms. It is therefore deemed that the fair values of all of the financial instruments are approximately equal to their book values.



Multi-year review

SEK million, unless otherwise stated	First quarter		Full year				
	2020/21	2019/20	2019/20	2018/19 ¹	2017/18 ¹	2016/17 ¹	2015/16 ¹
Profit/loss items, SEK m							
Net sales	2,641	2,502	12,271	11,715	10,810	9,520	8,611
Items affecting comparability	10	-	36	1	-48	-23	-32
EBITDA	603	508	2,486	931	872	827	722
Depreciation/amortization	-382	-379	-1,513	-296	-250	-212	-186
Operating profit/loss (EBIT)	221	129	973	635	622	615	535
Net financial items	-104	-108	-417	-69	-68	-80	-127
Profit/loss for the period before tax	117	22	556	566	555	535	408
Profit/loss for the period after tax	91	16	431	431	430	416	319
Balance sheet items, SEK m							
Non-current assets	15,519	15,692	15,285	8,218	7,823	6,574	6,141
Current receivables and inventories	867	1,172	704	976	860	695	697
Cash and cash equivalents	483	368	528	527	699	579	331
Non-current interest-bearing liabilities	1,939	2,148	1,914	2,205	2,209	2,200	2,116
Long-term lease liability	6,572	6,469	6,346	-	-	-	-
Non-current non-interest-bearing liabilities	226	325	207	305	135	114	113
Current interest-bearing liabilities	218	547	270	592	673	516	568
Short-term lease liability	996	1,124	1,010	-	-	-	-
Current non-interest-bearing liabilities	2,023	2,014	1,965	2,030	2,103	1,577	1,382
Equity	4,895	4,604	4,807	4,589	4,262	3,443	2,990
Total assets	16,869	17,231	16,518	9,720	9,383	7,849	7,169
Capital employed*	7,413	7,550	7,250	7,386	7,144	6,158	5,674
Net debt*	1,892	2,544	1,797	2,266	2,179	2,133	2,342
Property adjusted net debt*	1,210	1,780	1,138	1,533	1,528	1,550	1,866
Key ratios							
Net sales, SEK m	2,641	2,502	12,271	11,715	10,810	9,520	8,611
Organic growth incl. Bolt-on acquisitions, %	7.4%	6.8%	5.4%	4.4%	5.8%	9.0%	6.4%
Acquired growth, larger acquisitions, %	-	-	-	3.2%	7.9%	0.8%	0.4%
Change in currency, %	-1.9%	0.0%	-0.7%	0.8%	-0.1%	0.8%	-1.3%
Operating margin (EBIT), %	8.4%	5.2%	7.9%	5.4%	5.8%	6.5%	6.2%
Adjusted EBIT, SEK m	151	75	728	634	670	638	567
Adjusted EBIT margin, %	5.7%	3.0%	5.9%	5.4%	6.2%	6.7%	6.6%
Adjusted EBITDA, SEK m	235	153	1,066	930	920	850	754
Adjusted EBIT margin, %	8.9%	6.1%	8.7%	7.9%	8.5%	8.9%	8.8%
Return on capital employed, %, (12 months)*	10.8%	8.8%	10.0%	8.7%	10.1%	10.9%	10.1%
Return on equity, %(12 months)*	12.8%	10.0%	11.4%	9.7%	11.2%	12.9%	12.1%
Equity/assets ratio, %*	51.5%	46.9%	51.5%	47.2%	45.4%	43.9%	41.7%
Interest coverage ratio, times*	18.4	13.3	15.9	12.5	10.9	9.4	4.8
Net debt/Adjusted EBITDA (12 months)*	1.6	2.6	1.7	2.4	2.4	2.5	3.1
Adjusted net debt/adjusted EBITDA (12 months)*	1.1	1.8	1.1	1.6	1.7	1.8	2.5
Free cash flow	-42	-122	805	356	688	658	394
Cash flow from investing activities	-12	-128	-375	-559	-970	-374	-386
Number of full-time employees	12,814	12,524	12,686	12,405	11,863	10,564	9,714

¹ Relates to financial statements with application of accounting policies for financial years earlier than 1 July 2019. This entails accounting with application of leases under IAS 17, i.e. effects from leases of real estate are recognised as rent and not as finance leases. Key performance indicator definitions are on pages 30 to 31.



Quarterly data, Group

Quarterly data SEK million, unless otherwise stated	2020/21		2019/20			2018/19			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	2,641	3,227	3,284	3,258	2,502	3,162	3,135	3,076	2,343
EBITDA	603	713	700	565	508	290	310	205	126
Depreciation/amortization	-382	-379	-391	-364	-379	-72	-80	-77	-68
Items affecting comparability	10	-	36	-0	-	-14	20	-11	5
Operating income (EBIT)	221	334	309	201	129	218	231	128	58
Total financial items	-104	-105	-101	-103	-108	-14	-14	-23	-17
Income before taxes	117	229	208	98	22	204	216	105	41
Tax for the current period	-26	-50	-47	-23	-5	-56	-45	-25	-10
Profit/loss for the period	91	179	161	75	16	148	172	79	31
Number of children/students, schools	85,642	82,999	82,940	82,325	81,468	79,994	79,873	79,335	78,770
Number of full-time employees	12,814	12,738	12,759	12,723	12,524	12,487	12,605	12,473	12,055
Number of education units	525	516	512	511	504	511	507	505	505
Key ratios									
Operating margin (EBIT), %	8.4%	10.4%	9.4%	6.2%	5.2%	6.9%	7.4%	4.2%	2.5%
Adjusted EBIT	151	279	224	150	75	232	210	139	52
Adjusted EBIT, %	5.7%	8.6%	6.8%	4.6%	3.0%	7.3%	6.7%	4.5%	2.2%
Adjusted EBITDA	235	363	313	237	153	304	290	216	120
Adjusted EBITDA, %	8.9%	11.2%	9.5%	7.3%	6.1%	9.6%	9.3%	7.0%	5.1%
Net margin, %	3.4%	5.5%	4.9%	2.3%	0.6%	4.7%	5.5%	2.6%	1.3%
Return on equity, % (12 months) ¹	12.8%	11.4%	10.6%	10.5%	10.0%	9.7%	9.1%	9.0%	10.6%
Return on capital employed, % (12 Months) ¹	10.8%	10.0%	9.3%	9.1%	8.8%	8.7%	8.5%	8.8%	9.5%
Equity/assets ratio, % ¹	51.5%	51.5%	49.6%	47.0%	46.9%	47.2%	46.8%	45.6%	44.3%
Net debt/Adjusted EBITDA (12 months) ¹	1.6	1.7	2.3	2.5	2.6	2.4	2.8	2.7	2.9
Interest coverage ratio ¹	18.4	15.9	15.3	13.9	13.3	12.5	10.8	10.3	10.6
Other									
Free cash flow	-42	560	107	260	-122	362	21	270	-296
Cash flow from operating activities	26	634	139	325	-29	425	129	348	-219
Cash flow from investing activities	-12	-97	-38	-112	-128	-130	-170	-103	-156

¹ Net debt/EBITDA and interest coverage ratio are important key performance indicators in AcadeMedia's business which from 1 July 2019 are calculated adjusted for the effect of IFRS 16 Leases to reflect a comparable measure to key performance indicators from previous periods.



Quarterly data, segment

SEK million, unless otherwise stated	2020/21	2019/20				2018/19			
Preschool Segment	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	20,664	21,404	21,310	20 686	20 015	21 319	20 975	20 267	19 741
Net sales	755	964	1,007	981	755	1 009	974	924	712
Net sales Sweden	247	338	332	329	242	356	348	336	251
Net sales Norway	364	499	533	514	389	544	519	490	369
Net sales Germany	144	127	142	137	123	108	107	99	91
EBITDA	28	99	142	49	19	106	92	44	20
EBITDA margin, %	3.7%	10.3%	14.1%	5.0%	2.5%	10.5%	9.4%	4.8%	2.8%
Depreciation/amortization	-22	-19	-22	-22	-21	-14	-20	-20	-19
Operating profit/loss (EBIT)	7	80	121	27	-2	92	72	24	0
EBIT margin, %	0.9%	8.3%	12.0%	2.8%	-0.3%	9.1%	7.4%	2.6%	0.0%
Items affecting comparability	-	-	53	-	-	-	-	-	-
Adjusted operating profit/loss (EBIT)	7	80	68	27	-2	92	72	24	0
Adjusted EBIT margin, %	0.9%	8.3%	6.8%	2.8%	-0.3%	9.1%	7.4%	2.6%	0.0%
Number of preschool units	266	262	260	259	253	257	254	252	252

SEK million, unless otherwise stated	2020/21	2019/20				2018/19			
Compulsory School Segment	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	26,170	25,706	25,339	24 983	24 689	24 482	24 417	24 195	23 964
Net sales	644	809	801	801	594	780	760	752	565
EBITDA	52	92	58	60	33	79	51	50	23
EBITDA margin, %	8.1%	11.4%	7.2%	7.5%	5.6%	10.1%	6.7%	6.6%	4.1%
Depreciation/amortization	-16	-17	-17	-17	-15	-16	-16	-16	-14
Operating profit/loss (EBIT)	36	75	40	43	17	63	35	34	9
EBIT margin, %	5.6%	9.3%	5.0%	5.4%	2.9%	8.1%	4.6%	4.5%	1.6%
Items affecting comparability	3	-	-	-	-	-8	-	4	-
Adjusted operating profit/loss (EBIT)	33	75	40	43	17	71	35	30	9
Adjusted EBIT margin, %	5.1%	9.3%	5.0%	5.4%	2.9%	9.1%	4.6%	4.0%	1.6%
Number of education units	112	111	109	109	108	110	110	110	110

SEK million, unless otherwise stated	2020/21	2019/20				2018/19			
Upper Secondary School Segment	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	38,808	35,889	36,291	36 656	36 764	34 194	34 481	34 873	35 065
Net sales	856	1,049	1,064	1 072	814	990	1 006	1 011	750
EBITDA	121	163	153	119	95	121	160	133	92
EBITDA margin, %	14.1%	15.5%	14.4%	11.1%	11.7%	12.2%	15.9%	13.2%	12.3%
Depreciation/amortization	-40	-42	-44	-43	-36	-37	-39	-37	-30
Operating profit/loss (EBIT)	81	121	109	76	60	84	122	96	62
EBIT margin, %	9.5%	11.5%	10.2%	7.1%	7.4%	8.5%	12.1%	9.5%	8.3%
Items affecting comparability	8	-	11	-0	-	-6	20	-	5
Adjusted operating profit/loss (EBIT)	73	121	98	76	60	90	102	96	56
Adjusted EBIT margin, %	8.5%	11.5%	9.2%	7.1%	7.4%	9.1%	10.1%	9.5%	7.5%
Number of education units	147	143	143	143	143	144	143	143	143



SEK million, unless otherwise stated	2020/21	2019/20				2018/19			
Adult Education Segment	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	385	405	410	403	339	382	392	388	315
EBITDA	61	39	47	34	26	6	22	-1	4
EBITDA margin, %	15.8%	9.6%	11.5%	8.4%	7.7%	1.6%	5.6%	-0.3%	1.3%
Depreciation/amortization	-4	-4	-4	-4	-4	-4	-4	-4	-4
Operating profit/loss (EBIT)	57	35	43	31	22	2	19	-4	0
EBIT margin, %	14.8%	8.6%	10.5%	7.7%	6.5%	0.5%	4.8%	-1.0%	0.0%
Items affecting comparability	-	-	-	-	-	-	-	-15	-
Adjusted operating profit/loss (EBIT)	57	35	43	31	22	2	19	11	0
Adjusted EBIT margin, %	14.8%	8.6%	10.5%	7.7%	6.5%	0.5%	4.8%	2.8%	0.0%

SEK million, unless otherwise stated	2020/21	2019/20				2018/19			
Group-OH and adjustments	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	1	1	3	0	0	0	4	0	0
EBITDA	342	320	300	302	335	-22	-15	-21	-13
Depreciation/amortization	-301	-298	-305	-279	-303	-2	-1	-1	-1
Operating profit/loss (EBIT)	41	23	-4	23	32	-24	-16	-22	-14
Items affecting comparability	-	-	-28	-	-	-	-	-0	-
Adjusted operating profit/loss (EBIT)	-18	-32	-26	-27	-22	-24	-16	-22	-14

SEK million, unless otherwise stated	2020/21	2019/20				2018/19			
Group	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	85,642	82,999	82,940	82,325	81 468	79 994	79 873	79 335	78 770
Net sales	2,641	3,227	3,284	3,258	2 502	3 162	3 135	3 076	2 343
EBITDA	603	713	700	565	508	290	310	205	126
EBITDA margin, %	22.8%	22.1%	21.3%	17.3%	20.3%	9.2%	9.9%	6.7%	5.4%
Depreciation/amortization	-382	-379	-391	-364	-379	-72	-80	-77	-68
Operating profit/loss (EBIT)	221	334	309	201	129	218	231	128	58
EBIT margin, %	8.4%	10.4%	9.4%	6.2%	5.2%	6.9%	7.4%	4.2%	2.5%
Items affecting comparability	10	-	36	-0	-	-14	20	-11	5
Effect of IFRS 16 on operating profit	59	55	50	51	54	-	-	-	-
Adjusted operating profit/loss (EBIT)	151	279	224	150	75	232	210	139	52
Adjusted EBIT margin, %	5.7%	8.6%	6.8%	4.6%	3.0%	7.3%	6.7%	4.5%	2.2%
Net financial items	-104	-105	-101	-103	-108	-14	-14	-23	-17
Profit/loss after financial items	117	229	208	98	22	204	216	105	41
Tax	-26	-50	-47	-23	-5	-56	-45	-25	-10
Profit/loss for the period	91	179	161	75	16	148	172	79	31
Number of full-time employees (period)	12,814	12,738	12,759	12,723	12 524	12 487	12 605	12 473	12 055
Number of units	525	516	512	511	504	511	507	505	505



Reconciliation of alternative key performance indicators

The table below presents the data from which the alternative performance indicators used in the report are calculated. See definitions for more information.

SEK million, unless otherwise stated	First quarter		Full year				
	2020/21	2019/20	2019/20	2018/19	2017/18	2016/17	2015/16
Adjusted operating profit							
Operating profit	221	129	973	635	622	615	973
- Items affecting comparability	10	-	36	1	-48	-23	36
- IFRS 16 impact	59	54	209	-	-	-	209
= Adjusted operating profit	151	75	728	634	670	638	728
Adjusted EBIT margin							
Adjusted operating profit	151	75	728	634	670	638	728
Divided by /Net sales	2,641	2,502	12,271	11,715	10,810	9,520	12,271
= Adjusted EBIT margin	5.7%	3.0%	5.9%	5.4%	6.2%	6.7%	5.9%
Adjusted EBITDA							
Adjusted operating profit	151	75	728	634	670	638	728
- Depreciation excluding depreciation relating to property rental agreements	-84	-78	-338	-296	-250	-212	-338
= Adjusted EBITDA	235	153	1,066	930	920	850	1,066
Net debt							
Non-current interest-bearing liabilities	8,511	8,617	8,260	2,205	2,209	2,200	8,260
+ Current interest-bearing liabilities	1,214	1,671	1,279	592	673	516	1,279
- Non-current interest-bearing receivables*	-	4	-	4	4	4	-
- Cash and cash equivalents	483	368	528	527	699	579	528
- IFRS 16 Non-current and current lease liabilities ¹	7,350	7,372	7,214	-	-	-	7,214
= Net debt	1,892	2,544	1,797	2,266	2,179	2,133	1,797
Property-adjusted net debt							
Net debt (as described above)	1,892	2,544	1,797	2,266	2,179	2,133	1,797
- non-current property loans	623	633	597	644	603	467	597
- current property loans	58	131	62	89	48	116	62
= Property adjusted net debt	1,210	1,780	1,138	1,533	1,528	1,550	1,138
Return on capital employed %, 12 months							
EBIT (12 months)	805	656	728	634	670	638	728
+ Interest income	0	1	0	1	2	7	0
divided by							
Average equity (12 months)	4,750	4,427	4,698	4,426	3,853	3,216	4,698
+ average non-current interest-bearing liabilities (12 months)	8,564	5,478	5,232	2,207	2,204	2,158	5,232
+ average current interest-bearing liabilities (12 months)	1,443	1,200	935	632	594	542	935
- IFRS 16 average equity ¹	-86	-15	-59	-	-	-	-59
- IFRS 16 average non-current and current lease liabilities ¹	7,361	3,686	3,607	-	-	-	3,607
= Return on capital employed %, 12 months	10.8%	8.8%	10.0%	8.7%	10.1%	10.9%	10.0%
Return on equity %, 12 months							
Profit/loss after tax (12 months)	506	415	431	431	430	416	431
- IFRS 16 profit/loss after tax (12 months)	-113	-29	-117	-	-	-	-117
divided by							
Average equity (12 months)	4,750	4,427	4,698	4,426	3,853	3,216	4,698
- IFRS 16 average equity ¹	-86	-15	-117	-	-	-	-117
= Return on equity %, 12 months	12.8%	10.0%	11.4%	9.7%	11.2%	12.9%	11.4%



SEK million, unless otherwise stated	2020/21		2019/20				2018/19			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Interest coverage ratio										
Adjusted operating profit EBIT (12 months)	805	728	681	667	656	634	609	613	641	
+ Interest income (12 months)	0	0	1	1	1	1	1	2	2	
+ Other financial income (12 months)	4	4	4	2	2	2	2	4	4	
divided by										
Interest expense (12 months)	-404	-406	-316	-229	-142	-51	-57	-60	-61	
- Interest expense (12 months) IFRS 16	-360	-360	-271	-180	-92	-	-	-	-	
= Interest coverage ratio (Excl. IFRS 16)	18.4	15.9	15.3	13.9	13.3	12.5	10.8	10.3	10.6	

¹ Amounts relate to adjustments and reclassifications made to reverse the adjustments associated with implementation of the new accounting standard, IFRS 16 Leases, to reflect an accounting practice applied in previous accounting periods (IAS 17).

² Relates to financial statements with application of accounting policies for financial years earlier than 1 July 2019. This entails accounting with application of leases under IAS 17, i.e. effects from leases of real estate are recognised as rent and not as finance leases.

³ Included in the line item Other non-current assets in the consolidated balance sheet



Definitions of key performance indicators

Implementation of IFRS16 has a major impact on AcadeMedia in that all leases must be capitalised as lease assets and liabilities, respectively. Several important key performance indicators have the same definition as previously and are not affected by IFRS 16. AcadeMedia uses prospective application from 1 July 2019, which means that the previous year's accounts have not been restated.

KPIs	Definition	Purpose ¹
Number of children/students	Average number of children/students enrolled during the specified period. Adult education participants are not included in the Group's total figures for number of children/students.	The number of children/students is the most important driver for revenue.
Number of education units	Refers to the number of preschools, compulsory schools and/or upper secondary schools operating in the period. Integrated units where preschools and compulsory schools are combined are counted as two units as they each hold their own permit.	The number of education units indicates how the Company grows over time through new establishments and acquisitions minus discontinued units.
Number of full-time employees	Average number of full-time employees during the period, full-time equivalent (FTE).	The number of employees is the main cost driver for the Company.
Return on equity ²	Profit/loss for the most recent 12-month period according to IAS 17 i.e. excluding the effects of the implementation of IFRS16, divided by average equity applying IAS 17 (opening balance + closing balance)/2.	Return on equity is a profitability measure used to set profit (loss) in relation to shareholders' paid-in and earned capital.
Return on capital employed ²	Adjusted operating profit/loss (EBIT) for the most recent 12-month period plus interest income, divided by average capital.	Adjusted return on capital employed is used to set adjusted operating profit/loss in relation to total tied up capital regardless of type of financing.
EBITDA	Operating profit/loss before depreciation/amortisation and impairment of non-current assets and right-of-use assets. This KPI is only used for monitoring the segments which accounts for leasing of properties in accordance with IAS 17.	EBITDA is used to measure profit (loss) from operating activities, regardless of depreciation/amortisation.
EBITDA margin	EBITDA as a percentage of net sales.	EBITDA margin is used to set EBITDA in relation to sales.
Equity excl. IFRS16 ²	Equity according to IAS 17 i.e. excluding the effects of the implementation of IFRS16.	Equity excluding IFRS16 is used to be able to calculate return on equity consistently.
Net financial items	Financial income less financial expenses.	The measure Net financial items is used to illustrate the outcome of the Company's financial activities.
Free cash flow ²	Cash flow from operating activities and changes in working capital inclusive of property lease payments less investments in operating activities. Investments in operating activities relate to all investments in property, plant and equipment and intangible assets except buildings and acquisitions.	This measure shows how much cash flow the business generates after the necessary investments have been made. This cash flow can be used for purposes such as expansion, amortisation, or dividends.
Acquired growth	Increase of net sales due to larger acquisitions during the last 12 months.	Indicates growth generated from acquisitions in contrast to organic growth and currency effects.
Adjusted EBITDA ²	Operating profit/loss according to the previous standard IAS 17 i.e. excluding the effects of IFRS16 and before amortisation/depreciation of intangible assets and property, plant, and equipment, and excluding items affecting comparability.	Adjusted EBITDA is used to measure underlying profit from operating activities, excluding depreciation/amortisation and items affecting comparability.
Adjusted EBITDA margin ²	Adjusted EBITDA as a percentage of net sales.	Adjusted EBIT margin sets underlying operating profit excluding amortisation in relation to sales.
Adjusted net debt ²	Net debt less real estate-related	Adjusted net debt shows the portion of loans that finance the business, while property loans are linked to a building asset that can be separated off and sold.
Adjusted net debt/Adjusted EBITDA ²	Adjusted net debt divided by adjusted EBITDA for the past 12 months	Net debt/adjusted EBITDA is a theoretical measure of how many years it would take, with current earnings (adjusted EBITDA), to pay off the Company's liabilities, including property-related loans. It shows the loan-to-value ratio of the business excluding real assets such as real estate.
Adjusted EBIT ²	Operating profit/loss (EBIT) according to the previous standard IAS 17 i.e. excluding the effects of the implementation of IFRS 16, adjusted for items affecting comparability.	Adjusted EBIT is used to get a better picture of the underlying operating profit.
Adjusted EBIT margin ²	Adjusted EBIT as a percentage of net sales.	Adjusted EBIT margin sets underlying operating profit in relation to sales.
Items affecting comparability	Items affecting comparability are income and cost of an irregular nature such as larger (>SEK 5 million) retroactive income related to prior financial years, to property-related items such as capital gains, major property damage not covered by insurance, advisory costs relating to larger acquisitions or fundraising, major integration costs resulting from	Items affecting comparability are used to illustrate the profit/loss items that are not included in ongoing operating activities, to obtain a clearer picture of the underlying profit trend.

¹ According to ESMA guidelines on performance measures, each performance measure must be motivated.

² The key indicator was calculated applying IAS 17 ie excluding effects from implementing IFRS 16, as the implementation had a significant impact on assets and liabilities as well as items in the income statement. By excluding the IFRS 16 effects continuity is achieved.



	acquisitions or reorganisations according to plan, as well as costs arising from strategic decisions and major restructuring that result in closing units.	
Net debt ²	Interest-bearing debt excluding property-related lease liabilities net of cash and cash equivalents and interest-bearing receivables.	Net debt is used to illustrate the size of the debt less current cash and cash equivalents (which in theory could be used to repay loans).
Net debt/ Adjusted EBITDA ²	Net debt (closing balance for the period) divided by adjusted EBITDA for the past 12 months. .	Net debt/EBITDA is a theoretical measure of how many years it would take, with current earnings (EBITDA), to pay off the Company's liabilities, including property-related loans.
Organic growth incl. smaller bolt-on acquisitions	Increase of net sales excluding larger acquisitions and changes in currency.	The Company's growth target is to increase net sales including smaller bolt-on acquisitions by 5-7 percent per year. The purpose of the key performance indicator is thus to follow up on this target.
Employee turnover	The average number of employees who left the company during the year, in relation to the average number of employees. (Number of permanent and probationary employees who quit) / (Average number of permanent and probationary employees) Calculated on an aggregated basis over the reporting period.	Employee turnover is used to measure the proportion of employees who leave the company and who must be replaced every year.
Earnings per share	Profit/loss for the period in SEK, divided by the average number of shares outstanding, basic/diluted calculated according to IAS 33. The key performance indicator is affected by IFRS16 because net profit is affected by elimination of rent and the addition of amortisation and interest expense related to right-of-use assets.	Earnings per share is used to clarify the amount of profit for the period to which each share is entitled.
Interest coverage ratio ²	Adjusted EBIT for the past 12 months plus financial income, in relation to interest expense excluding interest expense attributable to property-related leasing liabilities.	Interest coverage ratio is used to measure the Company's ability to pay interest costs.
Operating margin (EBIT margin)	Operating profit/loss as a percentage of net sales.	The operating margin shows the percentage of sales remaining after operating expenses, which can be allocated to other purposes.
Operating profit/loss (EBIT)	Operating profit/loss before net financial items and tax. .	Operating profit/loss (EBIT) is used to measure operating profit before financing and tax.
Absence due to illness	Short-term and long-term absence due to illness recalculated to full-time divided by the number of full-time employees (FTE). Calculated as an average over the reporting period.	Absence due to illness is used to measure employee absence and provide indications as to employee health.
Equity/assets ratio ²	Equity according to IAS 17 i.e. excluding the effects of the implementation of IFRS16 in percent of total assets excluding property-related right of use assets.	The equity/assets ratio shows the proportion of the Company's total assets financed by shareholders' equity. A high equity/assets ratio is a measure of financial strength.
Capital employed excl. IFRS16 ²	Total assets, less non-interest-bearing current liabilities, provisions, and deferred tax liabilities adjusted for property-related lease liabilities. Or: Equity plus interest-bearing liabilities but excluding property-related lease liabilities.	Capital employed indicates how much capital is needed to run the business regardless of type of financing (borrowed or equity). By excluding the IFRS16 effect, continuity can be achieved in the return figure.

General

All amounts in tables are in SEK million unless otherwise stated. All figures in parentheses () are comparative figures for the same period in the previous year, unless otherwise stated. Totals of amounts in whole figures do not always match reported totals due to rounding. The reported total amounts are correct.

