



Change through education

AcadeMedia AB (publ)

Interim report July – September 2021

Growth in the Adult Education Segment driven by solid increase in the higher vocational education

A record number of students started in the Upper Secondary School Segment

Eight new preschools opened in Germany in the quarter

AcademeMedia

Interim report quarter one, July – September 2021

Summary of the first quarter 2021/22

- Net sales increased by 10.2 percent and amounted to SEK 2,911 million (2,641). Organic growth, including bolt-on acquisitions, was 6.8 percent.
- Operating profit (EBIT) amounted to SEK 233 million (221).
- Adjusted operating profit, adjusted for items affecting comparability and effects of IFRS 16, amounted to SEK 194 million (151). Items affecting comparability amounted to SEK -30 million (10) relating to a fire in a compulsory school.
- Net profit for the period amounted to SEK 100 million (91).
- Earnings per share was SEK 0.94 (0.87) after dilution. Adjusted for IFRS 16, earnings per share was SEK 1.15 (1.11) after dilution.
- The average number of children and students in preschool, compulsory school, and upper secondary school during the first quarter was 91,431 (85,642), representing an increase of 6.8 percent.

First quarter summary

SEK m	First quarter			Rolling 12 m	Full year
	2021/22	2020/21	Change	Oct 20 – Sep 21	2020/21
Net sales	2,911	2,641	10.2%	13,611	13,340
Organic growth, %	6.8%	7.4%	-0.6 p.p	8.0%	8.1%
Operating profit (EBIT)	233	221	5.4%	1,181	1,169
EBIT margin, %	8.0%	8.4%	-0.4 p.p	8.7%	8.8%
Adjusted EBIT ¹	194	151	28.5%	976	934
Adjusted EBIT margin, %	6.7%	5.7%	1.0 p.p	7.2%	7.0%
Profit for the period	100	91	9.9%	602	594
Earnings per share, diluted (SEK)	0.94	0.87	8.9%	5.70	5.62
Free cash flow	-99	-42	135.7%	1,060	1,117
Number of children and students ²	91,431	85,642	6.8%	-	87,823
Number of FTEs	13,543	12,814	5.7%	-	13,360

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 28-29.

From our CEO

In 2021/22 we welcome more children, students and participants than ever before, demand for AcadeMedia's educations have never been greater. Eleven new units opened during the first quarter, three upper secondary schools in Sweden and eight preschools in Germany. The number of children and students increased by 6.8 percent. Demand for adult education remains high, with our higher vocational education (HVE) programmes seeing a 25 percent increase in the number of participants.

Strong growth in higher vocational education

AcadeMedia's adult education segment continues to grow, in terms of both sales and earnings. The strongest growth was in AcadeMedia's HVE programmes, which at autumn start welcomed 10,200 students, 25 percent more participants than in the previous year. Existing operations as well as the acquisition of KYH contributed to the growth. HVE is a form of education that benefits both the individual and society as the programmes reflect the needs of the labour market, with around 90 per cent of graduates finding jobs after graduation.

Record number of students start at our upper secondary schools

We are pleased to highlight that almost 16,000 year one students started at one of AcadeMedia's upper secondary schools at the beginning of the autumn term. That's more than ever before. Many of those students entered one of our upper secondary schools with vocational focus, on programmes that train for jobs – many in sectors facing a labour shortage.

Three new upper secondary schools also opened their doors: Klara Teoretiska Gymnasium in Västerås, Designgymnasiet Malmö, and Praktiska Gymnasiet in Norrköping.

Continued strategic development of Compulsory School Segment

A year ago, we renamed 28 units in our Compulsory School Segment. The aim was to clarify the educational offering to guardians and to enable schools with a common educational concept and similar working methods to work and develop together.

Since the name change, the cooperation between the schools with the same profile has worked well. The profiles have served as a solid base for joint development and enhanced cooperation which has benefited both staff and students. It has strengthened our conviction that this is the right strategy, and against that background we launched a new compulsory school profile, Innovitaskolan, shortly after the end of the quarter.

Innovitaskolan combine traditional teaching with modern tools and methods. 41 units, all former Pysslingensolor, are part of Innovitaskolan. We are confident that Innovitaskolan make a good fit with our other four educational profiles, Noblaskolan, Montessori Mondial, Pops Academy, and Vittra.

Rapid growth in our operations in Germany

In Germany, growth has returned to the expansionary level that was curbed by the pandemic. During the quarter, we opened eight new preschools with a total of 415 children. Currently, a total of 4,400 children attend one of our German preschools, an increase of 23 percent from last year. In the coming three quarters, we plan to open seven more units, which will provide an additional 330 places.

Ten years of transparent reporting on quality

On 21 October, AcadeMedia published its annual quality report for the tenth consecutive year. To report quality results so consistently and transparently using the same model is unique in the world of schools in Sweden.

This reporting has provided a basis for analysis and improvements in the organisation, where we now make ongoing grade forecasts and conduct major training initiatives in grades and assessment for employees. Please read more about our quality report on page 11 in this interim report.

We would like to see the introduction of independent knowledge tests and digital centrally marked national tests in Sweden. We believe that this is an important key to improve and develop the Swedish school system.

The political debate intensifies

The 2022 elections in Sweden are now less than a year away. Various political parties launch different proposals that affect both schools in general and the conditions for independent schools.

The debate is centring on the need to improve the results of Swedish schools, and the need of schools to become more equal – in other words, that every student should have the same opportunities to achieve their goals. Most people agree that these are important issues; the disagreement is on how best to resolve them, and what the problems are due to.

Regulatory changes in the school sector take time, which is a good thing. In addition, no proposals currently have political majority. Schools need long-term solutions where responsible politicians and school providers (whether independent or municipal) can develop the system in the right direction. The Swedish education system is crucial if Sweden is to remain a competitive country. That is why politicians, researchers, and representatives of the sector need to agree on the rules of the game. Independent schools constitute a large and important part of Swedish education.

Marcus Strömberg

President and CEO

AcadeMedia AB (publ)



Development in the first quarter (July 2021 – September 2021)

Volume development and net sales

Net sales in the first quarter increased by 10.2 percent to SEK 2,911 million (2,641). The acquisition of Swedish Education Group AB (Segab) contributed with 3.3 percentage points. Organic growth, including bolt-on acquisitions, was 6.8 percent and changes in exchange rates impacted sales by 0.1 percent. The average number of children and students, excluding the Adult Education Segment, increased by 6.8 percent to 91,431 (85,642)

Adjusted operating profit and operating profit (EBIT)

Adjusted EBIT was SEK 194 million (151) with an adjusted EBIT margin of 6.7 percent (5.7). Operating profit (EBIT) was SEK 233 million (221) with an EBIT margin of 8.0 percent (8.4). Earnings increased due to a higher number of children and students and by employees taking more vacation days leading to lower personnel costs of approximately SEK 35 million. This effect is expected to even out over the course of the year.

The significant increase in number of participants in AcadeMedia's higher vocational education contributed to improved earnings within the Adult Education segment.

Group overhead expenses increased compared to last year due to higher activity levels.

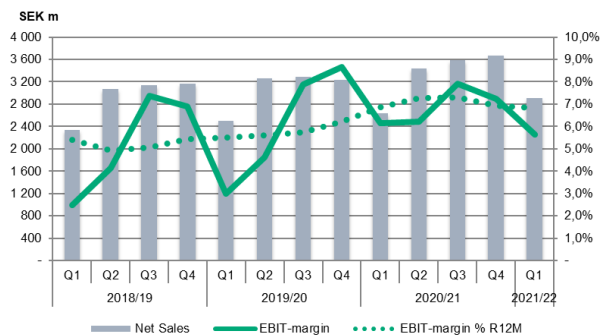
Items affecting comparability

Items affecting comparability amounted to SEK -30 million (10) and is related to a fire. Insurance compensation is expected to cover the main part of the expenses.

SEK m	First quarter	
	2021/22	2020/21
Retroactive revenue (Comp.)	-	3
Retroactive revenue (Upp. Sec.)	-	8
Fire, Vittra Kungshagen (Comp.)	-30	-
Total	-30	10

Acquisitions, divestments, new establishments, and discontinued operation

Twelve new units were added in the quarter. One compulsory school was acquired and eleven new units opened of which three upper secondary schools and eight preschools in Germany. The number of units also decreased by six in the quarter from units merging, closing and the loss of a contract with Oslo municipality.



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

First quarter in summary by segment

	Number of students (average)		Net sales, SEK m		Adj. operating profit. (EBIT), SEK m		Adj. EBIT margin		Operating profit (EBIT), SEK m		EBIT margin	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
Preschool	20,999	20,664	808	755	9	7	1,1%	0,9%	9	7	1,1%	0,9%
Compulsory School	27,697	26,170	713	644	54	33	7,6%	5,1%	24	36	3,4%	5,6%
Upper Secondary School	42,735	38,808	964	856	87	73	9,0%	8,5%	87	81	9,0%	9,5%
Adult Education	- ¹	- ¹	427	385	67	57	15,7%	14,8%	67	57	15,7%	14,8%
Group adj. Parent company	-	-	0	1	-23	-18	-	-	-23	-18	-	-
Impact from IFRS 16 ²	-	-	-	-	-	-	-	-	69	59	-	-
Total	91,431	85,642	2,911	2,641	194	151	6,7%	5,7%	233	221	8,0%	8,4%

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.

Cash flow and financial position

In the cash flow analysis below, lease payments attributable to property leasing are reported as part of operating activities. According to IFRS 16, lease payments are reported 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
	2021/22	2020/21	Oct 2020 – Sep 2021	2020/21
Cash flow from operating activities before changes in working capital	246	236	1 178	1 168
Cash flow from changes in working capital	-272	-210	127	190
Cash flow from operating activities	-26	26	1 305	1 357
Investments related to existing operations ¹	-73	-69	-258	-241
Investments related to expansion ²	-34	57	-273	-196
Cash flow from investing activities	-106	-12	-531	-437
Cash flow from financing activities	0	-58	-429	-487
CASH FLOW FOR THE PERIOD	-133	-43	344	433
Free cash flow³	-99	-42	1 067	1 117

Cash flow from operating activities for the quarter amounted to SEK -26 million (26). The decrease was due to a more negative net working capital development, which affected cash flow negatively SEK -272 (-210) million. The development for the net working capital in the first quarter is affected by seasonality following holidays and higher accounts receivable relating to the start of the academic year.

Investments in existing operations¹ were higher compared to last year and amounted to SEK -73 million (-69) contributing to a free cash flow³ of SEK -99 million (-42). Expansion investments² in the period were SEK -34 million (+57), where previous years expansion investments were positively affected by the sales proceeds from divestment of one property in Oslo, SEK 62 million. In total, cash flow from investing activities amounted to SEK -106 million (-12).

Cash flow from financing activities totalled SEK 0 million (-58). All in all, cash flow for the quarter amounted to SEK -133 million (-43).

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 acquisitions and investments in own preschool buildings in Norway, as well as divestments of such assets.

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

Financial position¹

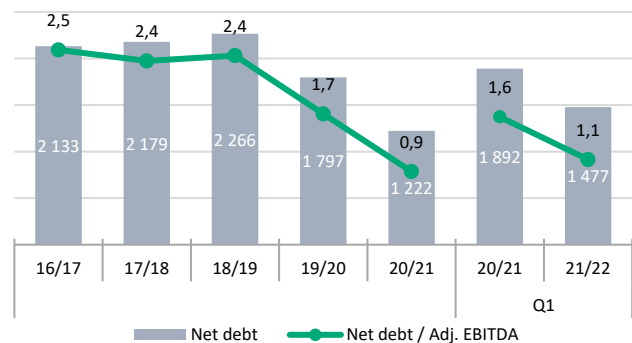
SEK m	2021-09-30	2020-09-30	2021-06-30
Equity/asset-ratio (%) (excluding IFRS 16)	53.5%	51.5%	53.3%
Net debt (inclusive of IFRS 16)	9,225	9,242	8,650
Property-related leasing liabilities	7,747	7,350	7,428
Net debt (excluding IFRS 16)	1,477	1,892	1,222
Net debt/ adjusted EBITDA	1.1	1.6	0.9
Buildings ²	1,047	989	1,044

Consolidated interest-bearing net debt including property-related leasing liabilities amounted to SEK 9,225 million (9,242), of which property-related leasing liabilities amounts to SEK 7,747 million (7,350). Financial expenses increased to SEK -106 million (-104) following the increased leasing liabilities. Interest expenses related to property-related leasing liabilities amounted to SEK -98 million (-93).

Consolidated interest-bearing net debt¹ excluding property-related leasing liabilities amounted to SEK 1,477 million (1,892) as of 30 September 2021. The decline in net debt over the past 12 months is due to positive cash flows following strong results.

The property loans, consisting of both non-current loans in the Norwegian State Housing Bank (Norw. Husbanken) and short-term construction loans, have, increased by SEK 47 million over the past 12 months to SEK 728 million (681). Excluding the currency effects of a stronger Norwegian krona, the property loans increased by SEK 33 million. Buildings increased by SEK 58 million to SEK 1,047 million (989) during the equivalent period.

Net debt in relation to adjusted EBITDA¹ (rolling 12 months) amounted to 1.1 (1.6), 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 0.6 (1.1).



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.

² As of 30 September 2021, AcadeMedia owns 38 preschool properties in Norway, which are funded by long-term liabilities in the Norwegian State Housing Bank and short-term construction loans.

Preschool

- The number of children increased by 1.6 percent to 20,999 (20,664) in the first quarter.
- Sales increased by 7,0% and amounted to SEK 808 million (755), positively affected by currency changes. Adjusted for this, net sales increased by 6.6 percent.
- Adjusted operating profit (adj. EBIT) improved to SEK 9 million (7).

AcadeMedia's Preschool segment runs preschools in Sweden, Norway, and Germany. In Sweden, the business is conducted in many municipalities with a total of 109 units. In Norway, Espira is the third largest preschool provider with 104 units. In Germany we operate preschools at 65 units. The segment had a total of 278 units during the quarter

Outcome for the first quarter

The average number of children increased by 1.6 percent compared with the previous year and amounted to 20,999 (20,664). The increase was mainly driven by new establishments in Germany and negatively impacted by the termination of two preschools in Oslo with 310 children.

Sales increased by 7.0 percent and amounted to SEK 808 million (755). Adjusted for positive currency effects, SEK +3 million, net sales increased by 6.6 percent.

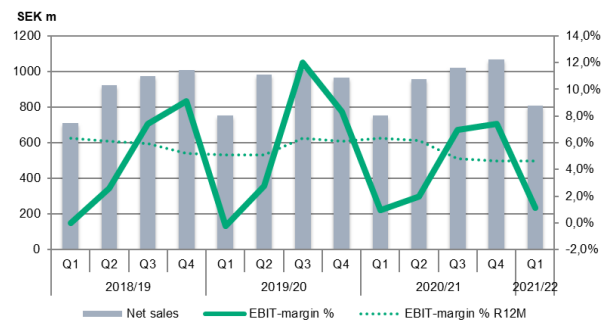
Adjusted operating profit (EBIT) increased to SEK 9 million (7) with a margin of 1.1 percent (0.9). The improved profit and margin were a result of continued efficient staff planning in Sweden and return to normal operations in Germany following the pandemic.

Operational changes

During the first quarter eight new units opened in Germany. The plan to open 15 units in Germany during 2021/22 remains unchanged.

In Sweden a preschool with 40 children will be acquired in the second quarter of 2021/22. A new opening with 77 children is planned for the third quarter.

After the end of the quarter, it was announced that the salary review in Norway for 2021 will be 4.1 percent applied retroactively from May 2021. This will impact the second quarter 21/22 with higher personnel expenses of approximately NOK 10 million. The full year effect is estimated at NOK 20 million. Following the Norwegian model, the cost increase will be compensated with a two-year delay. The 2022 voucher increase is decided at the end of the 2021.



Financial overview¹

SEK m	First quarter			Rolling 12 months	Full year
	2021/22	2020/21	Change	Oct 20 - Sep 21	2020/21
Net sales	808	755	7.0%	3,853	3,800
Operating profit (EBIT)	9	7	28.6%	178	176
EBIT margin, %	1.1%	0.9%	0.2 p.p	4.6%	4.6%
Items affecting comparability	-	-	-	-	-
Adjusted operating profit	9	7	28.6%	178	176
Adjusted EBIT margin, %	1.1%	0.9%	0.2 p.p	4.6%	4.6%
Number of children and students	20,999	20,664	1.6%	-	21,447
Number of units	278	266	4.5%	-	269

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.

¹ Additional financial information per segment is presented on pages 24-25.

Compulsory School

- The number of students increased by 5.8 percent to 27,697 (26,170) in the first quarter.
- Sales increased by 10.7 percent to SEK 713 million (644).
- Adjusted operating profit (EBIT) increased to SEK 54 million (33).

AcadeMedia's Compulsory School segment runs compulsory schools and integrated preschools in many municipalities in Sweden under the brands Pyslingen Skolor, Montessori Mondial, Noblaskolorna, Pops Academy, Snitz and Vittra. Operations are based entirely on the school voucher system. The segment had 116 units during the quarter, whereof 38 integrated preschools.

Outcome for the first quarter

The average number of students increased by 5.8 percent compared with the previous year and amounted to 27,697 (26,170). The increase relates to acquisitions in the last twelve months, as well as growth in existing units which in some cases expanded capacity. The acquisitions of Segab and Stockholms internationella montessoriskola contributed with 3.9 percentage points to the growth.

Net sales increased by 10.7 percent and amounted to SEK 713 million (644), which in addition to the increase in number of students, also was due to the annual adjustment of school vouchers and increased government grants.

Adjusted operating profit was SEK 54 million (33) with a margin of 7.6 percent (5.1). Operating income and margin were affected by a higher number of students as well as a positive effect of SEK 15 million following

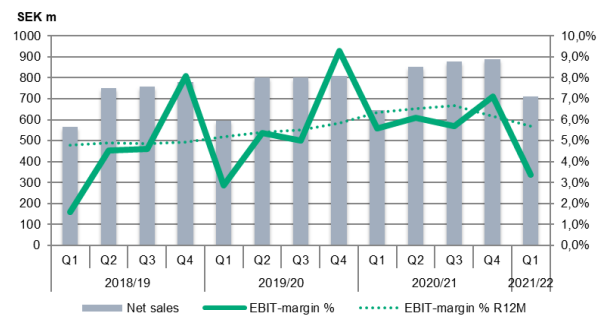
employees taking more vacation days leading to lower personnel expenses. The positive effect from vacation is expected to even out over the year.

Non-recurring items amounted to SEK -30 million (3) and relates to expenses following a fire in July at Vittra Kungshagen. Insurance compensation is expected to cover most of the expenses. Operating income (EBIT) decreased due to the above and amounted to SEK 24 million (36). This corresponds to an EBIT-margin of 3.4 percent (5.6).

Operational changes

A compulsory school with 190 students, Friskolan Lyftet, was acquired in the first quarter.

The Compulsory School segment has continued the strategic work to bring together units with similar pedagogies and governance under common education profiles. In October Innovitaskolorna was launched. The change means that the brand Pyslingen Skolor will no longer be used within AcadeMedia Compulsory Schools.



Financial overview¹

SEK m	First quarter			Rolling 12 months	Full year
	2021/22	2020/21	Change	Oct 20 - Sep 21	2020/21
Net sales	713	644	10,7%	3 328	3 260
Operating profit (EBIT)	24	36	-33,3%	189	201
EBIT margin, %	3,4%	5,6%	-2,2 p.p	5,7%	6,2%
Items affecting comparability	-30	3	-	-30	3
Adjusted operating profit	54	33	63,6%	219	198
Adjusted EBIT margin, %	7,6%	5,1%	2,5 p.p	6,6%	6,1%
Number of children and students	27 697	26 170	5,8%	-	26 696
Number of units	116	112	3,6%	-	114

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.

¹ Additional financial information per segment is presented on pages 24-25.

Upper Secondary School

- The number of students increased by 10.1 percent in the first quarter, amounting to 42,735 (38,808).
- Sales increased 12.6 percent to SEK 964 million (856).
- Adjusted operating profit increased to SEK 87 million (73).

AcadeMedia's Upper Secondary School Segment provides upper secondary education throughout Sweden under 16 different brands, offering both academic and vocational programmes. The schools operate entirely based on the school voucher system. The segment had 151 units during the quarter.

Outcome for the first quarter

The number of students increased by 10.1 percent compared with the previous year, amounting to 42,735 (38,808). The acquisition of Segab contributed with 6,2 percentage points to the growth. Growth was also attributable to the opening of three new schools at the beginning of the fiscal year, as well as to additional students enrolled in the 18 new establishments that opened from 2017 to 2020. These 21 new establishments have in total admitted approximately 1,100 additional students compared to last year.

Net sales increased by 12.6 percent to SEK 964 million (856), following increased student enrolment and the annual school voucher revision.

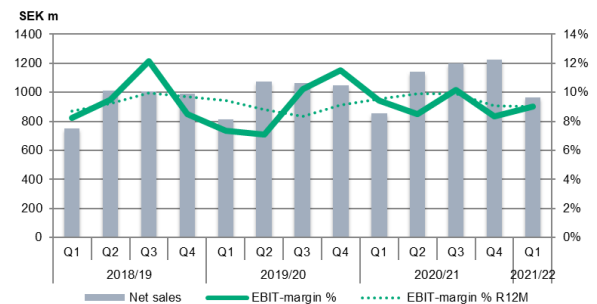
Adjusted operating profit was SEK 87 million (73), representing a margin of 9.0 percent (8.5). Improved

operating income and margin were attributable to growth in number of students but also to a positive effect from employees taking more vacation resulting in lower personnel expenses of SEK 15 million. The positive vacation effect is expected to even out over the course of the year.

Operating profit (EBIT) increased and amounted to SEK 87 million (81) and the margin was 9.0 percent (9.5).

Operational changes

At the start of the autumn term 2021, three new upper secondary schools opened, in Malmö, Norrköping, and Västerås. These schools have in total admitted over 200 students. In June a small upper secondary school in Karlskrona was closed, and two units in Kristianstad merged to one, affecting the number of units in the first quarter.



Financial overview¹

SEK m	First quarter			Rolling 12 months	Full year
	2021/22	2020/21	Change	Oct 20 - Sep 21	2020/21
Net sales	964	856	12.6%	4,532	4,424
Operating profit (EBIT)	87	81	7.4%	408	402
EBIT margin, %	9.0%	9.5%	-0,5 p.p	9.0%	9.1%
Items affecting comparability	-	8	-	-4	4
Adjusted operating profit	87	73	19.2%	412	398
Adjusted EBIT margin, %	9.0%	8.5%	0.5 p.p	9.1%	9.0%
Number of children and students	42,735	38,808	10.1%	-	39,680
Number of units	151	147	2.7%	-	148

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.

¹ Additional financial information per segment is presented on pages 24-25.

Adult Education

- Sales increase 10.9 percent to SEK 427 million (385).
- Operating profit (EBIT) was SEK 67 million (57).

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 (50 percent of sales), Higher Vocational Education (35) and Labour Market Services (12).

Outcome for the first quarter

Net sales increased by 10.9 percent and amounted to SEK 427 million (385). The increase is attributable to AcadeMedia's Higher Vocational Education (HVE). The acquisition of KYH during last financial year contributed 6.3 percentage points of the total increase.

Within **AcadeMedia HVE** the number of participants increased by 25 percent compared to last year, to 10,200. Existing operations as well as the acquisition of KYH contributed to the growth. Capacity utilization and more students completing their education also impacted earnings positively. In the quarter, HVE accounted for 35 (26) percent of total sales.

In the period, the **Municipal Adult Education**, started to return to more normal volumes. Fewer participants within the SFI-operation (Swedish for immigrants) resulted in lower profitability and operating income compared to previous year. With lower capacity utilization, operating income is expected to decrease further and approach more normal levels. Municipal Adult Education account for 50 (59) percent of sales.

The **Labour Market Services** business was in line with previous year, both regarding sales and operating profit. At the same time, unemployment is decreasing and volumes are lower than last year and will continued to decrease over the coming months. The transition from the old contracts (STOM) to the new matching contracts (KROM), continues but at a slow pace. Labour Market Services account for 12 percent (14) of the segments total sales.

Operating profit (EBIT) for the segment increased and amounted to SEK 67 million (57), corresponding to an operating margin of 15.7 percent (14.8). The

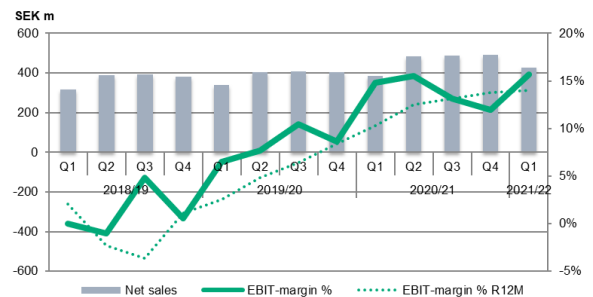
improvement in earnings were related to AcadeMedia's Higher Vocational Education, as well as a positive effect from employees taking more vacation resulting in lower personnel expenses of SEK 5 million. The other business areas reported results in line with or lower than previous year. EBIT-margin is estimated to decrease to normal levels of between 9 and 11 percent.

Operational changes and market development

The Swedish Tax Agency has revised its interpretation and application of VAT on subcontractors providing education services. The view of the Government is that independent education providers should be compensated for increased cost following the additional VAT, a decision is expected by the parliament in December. The Swedish National Agency for Higher Vocational Education is currently working on a remuneration model, planned to come into force from 2022. Expenses due to VAT are expected to increase with approximately SEK 15 million in the second quarter.

The labour market has developed positively and the number of unemployed registered with the Swedish Public Employment Services has decreased to pre pandemic levels. However, the number of long-term unemployed continued to rise. A significant part of the unemployed lack an upper secondary school degree.

The Government Budget Bill for 2022, including a plan for 2023-24, contains additional measures directed at Adult Education. Regional vocational education will receive additional funding, whereas the funding for Higher Vocational Education remains in line with last year's Budget Bill.



Financial overview¹

SEK m	First quarter			Rolling 12 months	Full year
	2021/22	2020/21	Change	Oct 20 - Sep 21	2020/21
Net sales	427	385	10.9%	1,891	1,850
Operating profit (EBIT)	67	57	17.5%	265	255
EBIT margin, %	15.7%	14.8%	0.9 p.p	14.0%	13.8%
Items affecting comparability	-	-	-	-	-
Adjusted operating profit	67	57	17.5%	265	255
Adjusted EBIT margin, %	15.7%	14.8%	0.9 p.p	14.0%	13.8%

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.

¹ Additional financial information per segment is presented on pages 24-25.

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." AcadeMedia's sustainability report.

AcadeMedia's quality report for 2020/21 and AcadeMedia's annual and sustainability report for 2019/20 to be published

On the 21 October 2021, 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 AcadeMedia-model and the foundation for AcadeMedia's quality work are described. The report also includes articles with good examples from AcadeMedia's different operations.

Extracts from: *"Many people probably thought we would see falling grades as a result of the pandemic. Instead, quite the reverse transpired, both for us at AcadeMedia and for large parts of the rest of the country. National statistics for the 2020/21 school year show that more compulsory school pupils qualified for upper secondary school and that the proportion of upper secondary school pupils graduating within three years also increased.*

While it is encouraging that more and more students are moving on to the next stage of the education staircase, it is also important to get a clearer picture of the impact of the pandemic on grades and the educational development of students in this period. Given that the national exams were cancelled for the second year in a row, analysis has become more difficult and everyone should probably wait before drawing definitive conclusions from this year's grading results." Ingela Gullberg, quality manager at AcadeMedia.

On 29 October 2021, AcadeMedia's Annual and sustainability report is published. The sustainability report can be found on pages 23-48 and is inspired by Global Reporting Initiatives Standards. In the report, the group's main sustainability areas are presented, Learning, Employees and Environmental impact.

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, in the end of September, the Swedish National Agency for Education published national statistics for average grades for the schoolyear 2020/21 with only minor deviations. The final gradings for AcadeMedia's compulsory schools for the school-year 2020/21 showed that the proportion of students with at least passing grade (E) in all subjects was 85.0 percent (83.9) and the national average was 76.1 (76.1). The proportion of students eligible for upper secondary school increased with 0.5 percentage points and was 92.8 percent (92.3) compared to the national average of 86.2 percent (85,6). The grade point average for Compulsory school based on 17 subjects was 249.5 points (247.3) and the national average was 232.1 (231.1). The levels for AcadeMedia's compulsory schools remain higher than the national average.

AcadeMedia hosted a webcast seminar on the theme evaluation and grading

On Thursday 21 October, AcadeMedia hosted a webcast seminar on the theme assessment and grading. The issue arose, among other things, following a report from the National Agency for Education criticizing the current grading system. During the seminar discussion regarding what can be learnt from international and national studies took place, but also what is required to ensure fair and correct grades.

Employees

The average number of full-time employees in the quarter was 13,543 (12,814) which represents an increase of 5.7 percent. The proportion of women in the Swedish operation was 67.3 percent (67.6) in the quarter. Employee turnover in Sweden, measured as the proportion of individuals who resigned, was 6,5 percent aggregated over the three-month July - September period, compared with 6.0 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 4.5 percent (3.6) during quarter.

Parent Company

Revenue in the quarter amounted to SEK 4 million (2). Operating profit (EBIT) amounted to SEK -1 million (-2) and profit after tax was SEK 0 million (-1). The Parent Company's assets essentially consist of participations in Group companies and intercompany receivables. Operations are financed by equity, debt, and intra group loans. Equity in the Parent Company as of 30 September 2021 was SEK 2,594 million (2,722). The Parent Company's interest-bearing debt as of 30 September 2021 was SEK 808 million (957).

Owners and share capital

AcadeMedia AB (publ) is a public limited company listed on Nasdaq Stockholm since 2016. As of 30 September 2021, share capital was SEK 105,788,845 and the number of shares amounted to a total of 105,788,845 shares distributed among 105,582,940 ordinary shares and 205,905 Class C shares, where the C-shares are held by AcadeMedia AB. The quota value is SEK 1.00 per share. Mellby Gård AB is the largest shareholder in AcadeMedia with 21.3 percent of the capital as of 30 September 2021.

Dividend

To the Annual General Meeting, the Board of Directors proposes an ordinary dividend of SEK 1.75 per share (1.50) for the fiscal year 2020/21.

Significant events after the end of the reporting period

No significant events have occurred since the end of the reporting period.

Other

Risks and uncertainties

AcadeMedia categorises risks as operating, external and financial and they are described in detail in AcadeMedia AB's 2020/21 Annual Report. Operating risks 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.

External risks include risks relating to school voucher funding and the general economy, political risk, changes in laws or regulations as well as the dependence on national authorities in the education sector. A common factor for various political proposals is that the processes are usually long and proposals must be in a legally enforceable format and must ultimately be approved by the respective national parliament. In addition, there are financial risks such as credit and currency risks.

The spread of the coronavirus since spring 2020 and the decisions made by the governments in the countries where AcadeMedia operates due to the pandemic has had a significant impact on AcadeMedia's operations. As of the start of the autumn term in August 2021, all segments have returned to normal operations. However, there is a risk that operations again will have to close for periods, that new openings will be delayed, and that the future school voucher development is negatively affected following weaker economies in the municipalities.

Seasonal variations

AcadeMedia's four segments show different seasonal variations. The three school segments show recurring seasonal variations, in which the first half of the year, July til December, typically reports weaker sales and earnings. This is mainly due to school holidays, annual leave and the annual salary review. The second half, January to June, is stronger, as sales typically rise because of the annual school voucher funding reviews and higher numbers of children and students. The Adult education segment shows more irregular seasonal variations. However, with a stable portfolio of contracts, the fourth and first quarters are typically weaker, while the second and third quarters are stronger due to the distribution of training days over the year. However, the seasonal variations in the Adult Education segment may show sharp deviations from this pattern in the event of major contractual changes or changes in public initiatives.

Also, Covid-19 have had a significant impact on our operations and so 2019/20 and 2020/21 were untypical years. However, from a financial perspective the impact was limited. If the pandemic becomes prolonged this may change seasonal variations.

Outlook

AcadeMedia does not publish any forecasts.

Annual General Meeting 2021

The Annual General Meeting (AGM) will be held on Tuesday 30 November 2021 at 2:00 pm at Näringslivets Hus, Storgatan 19, Stockholm.

Calendar

30 November 2021	Annual General Meeting 2021
31 January 2022	Interim report, second quarter
4 May 2022	Interim report, third quarter

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

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

Stockholm 29 October 2021

Marcus Strömberg
Chief Executive Officer

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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 29 October 2021.

Consolidated income statement

SEK m	Note	First quarter		Rolling 12 Months	Full year
		2021/22	2020/21	Oct 20- Sep 21	2020/21
Net Sales	3	2,911	2,641	13,611	13,340
Cost of services		-272	-231	-1,161	-1,120
Other external expenses		-267	-266	-1,353	-1,351
Personnel expenses		-1,688	-1,551	-8,243	-8,106
Depreciation/amortization		-421	-382	-1,627	-1,587
Items affecting comparability ¹⁾		-30	10	-48	-7
TOTAL OPERATING EXPENSES		-2,678	-2,420	-12,430	-12,172
OPERATING INCOME		233	221	1,181	1,169
Financial income		0	0	3	3
Financial expenses	6	-106	-104	-407	-405
Net financial items		-106	-104	-404	-402
INCOME BEFORE TAX		127	117	777	767
Tax	7	-27	-26	-175	-173
PROFIT FOR THE PERIOD		100	91	602	594
Profit for the period attributable to:					
Owners of the parent company		100	91	602	594
Basic earnings per share (SEK)		0.94	0.87	5.71	5.64
Diluted earnings per share (SEK)		0.94	0.87	5.70	5.62
Earnings per share based on number of shares outstanding (SEK)		0.94	0.87	5.70	5.62

¹ Items affecting comparability are specified on page 4. Key performance indicator definitions are on pages 28 to 29. Please see note 2 for information on how application of IFRS 16 impact the financial reports.

Consolidated statement of comprehensive income

SEK m	Note	First quarter		Rolling 12 months	Full year
		2021/22	2020/21	Oct 20- Sep 21	2020/21
PROFIT FOR THE PERIOD		100	91	602	594
Other comprehensive income					
<i>Items that will not be reclassified to profit/loss</i>					
Actuarial gains and losses		-10	-	46	55
Deferred tax relating to actuarial gains and losses		2	-	-10	-12
		-7	-	36	43
<i>Items that may be reclassified to profit/loss</i>					
Translation differences		6	-3	23	14
Other comprehensive income for the period		-2	-3	59	57
COMPREHENSIVE INCOME FOR THE PERIOD		98	88	660	651
Comprehensive income for the period attributable to:					
Owners of the parent company		98	88	660	651

Consolidated statement of financial position in summary

SEK m	Note	Sep 30, 2021	Sep 30, 2020	June 30, 2021
ASSETS				
Intangible non-current assets		6,444	6,182	6,426
Buildings		1,047	989	1,044
Right-of-use assets		7,854	7,542	7,489
Other property, plant, and equipment		798	739	791
Other non-current assets		61	68	41
Total non-current assets		16,203	15,519	15,790
Current receivables		858	867	658
Cash and cash equivalents ¹		836	483	966
Total current assets		1,694	1,350	1,624
TOTAL ASSETS		17,897	16,869	17,414
EQUITY AND LIABILITIES				
Total equity		5,415	4,895	5,317
Non-current liabilities to credit institutions		1,559	1,914	1,824
Long-term lease liabilities		6,866	6,572	6,495
Provisions and other non-current liabilities		193	250	187
Total non-current liabilities		8,619	8,737	8,506
Current interest-bearing liabilities		506	218	195
Short-term lease liabilities		1,104	996	1,077
Other current liabilities		2,254	2,023	2,319
Total current liabilities		3,864	3,237	3,591
TOTAL EQUITY AND LIABILITIES		17,897	16,869	17,414

¹ Cash includes Cash restricted for payroll tax withholdings with SEK 27 million (SEK 26 million per 30 Sep 2020 and SEK 34 million per 30 June 2021).

Summary of consolidated statement of changes in equity

Equity attributable to the owners of the Parent Company

SEK m	Jul - Sep 2021/22	Jul - Sep 2020/21	Jul-Jun 2020/21
Opening balance	5,317	4,807	4,807
Profit for the period	100	91	594
Other comprehensive income for the period	-2	-3	57
Consolidated statement of comprehensive income	98	88	650
Dividend paid	-	-	-158
Other transactions with owners ¹	-	0	17
Closing balance	5,415	4,895	5,317

¹) Transactions with owners in the previous year includes new share issue connected to warrants SEK +17,1 million in the third and fourth quarter and share-matching program of SEK +0.2 million.

Consolidated cash flow statement

SEK m	First quarter		Full year
	2021/22	2020/21	2020/21
Operating profit (EBIT)	233	221	1,169
Depreciation/amortization	421	382	1,587
Adjustment for other non-cash items	3	-4	24
Tax paid	-11	-5	-146
Cash flow from operating activities before changes in working capital	646	594	2,634
Cash flow from changes in working capital	-277	-194	238
Cash flow from operating activities	369	399	2,872
Acquisition of subsidiaries	-14	-	-235
Investments in buildings	-6	-6	-23
Leasehold improvements	-33	-28	-107
Investments in equipment	-39	-40	-128
Investments in intangible non-current assets	-0	-1	-3
Divestment of tangible non-current assets	-	62	62
Investments in non-current financial assets	-14	-	-7
Divestment of non-current financial assets	-	-	3
Cash flow from investing activities	-106	-12	-437
Interest received (+) and paid (-)	-9	-10	-31
Interest paid, lease liabilities	-97	-93	-368
Dividend paid	-	-	-158
New share issue	-	-	17
Increase (+)/decrease (-) of interest-bearing liabilities	37	-19	-182
Repayment of lease liabilities	-326	-309	-1,281
Cash flow from financing activities	-395	-431	-2,003
CASH FLOW FOR THE PERIOD	-133	-43	433
Cash and cash equivalents at beginning of period	966	528	528
Exchange-rate differences in cash and cash equivalents	2	-1	5
Cash and cash equivalents at end of period	836	483	966

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

Notes and accounting policies

The interim report includes pages 1 to 29 and pages 1 to 12 are an integrated part of this financial report.

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

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 2020/21 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 2021

New and amended standards and interpretations applicable from 1 July 2021 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 income statement

SEK m	First quarter 21/22			First quarter 20/21			Full year 20/21		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
Net Sales	2 911	-	2 911	2 641	-	2 641	13 340	-	13 340
Cost of services	-272	-	-272	-231	-	-231	-1 120	-	-1 120
Other external expenses	-267	400	-667	-266	358	-623	-1 351	1 466	-2 817
Personnel expenses	-1 688	-	-1 688	-1 551	-	-1 551	-8 106	-	-8 106
Depreciation/amortization	-421	-331	-90	-382	-298	-84	-1 587	-1 224	-364
Items affecting comparability	-30	-	-30	10	-	10	-7	-	-7
TOTAL OPERATING EXPENSES	-2 678	69	-2 747	-2 420	59	-2 479	-12 172	243	-12 415
OPERATING INCOME	233	69	164	221	59	162	1 169	243	926
Financial income	0	-	0	0	-	0	3	-	3
Financial expenses	-106	-97	-9	-104	-92	-12	-405	-365	-40
Net financial items	-106	-97	-9	-104	-92	-12	-402	-365	-37
INCOME BEFORE TAX	127	-28	155	117	-33	150	767	-122	889
Tax	-27	6	-33	-26	7	-33	-173	27	-201
PROFIT FOR THE PERIOD	100	-22	121	91	-25	117	594	-95	689
Other comprehensive income for the period	-2	-	-2	-3	-	-3	57	-	57
COMPREHENSIVE INCOME FOR THE PERIOD	98	-22	120	88	-25	114	651	-95	746
Earnings per share basic (SEK)	0,94	-0,21	1,15	0,87	-0,24	1,11	5,64	-0,90	6,54
Earnings per share basic/diluted (SEK)	0,94	-0,20	1,15	0,87	-0,24	1,11	5,62	-0,90	6,52
Earnings per share based on number of shares outstanding (SEK)	0,94	-0,21	1,15	0,87	-0,24	1,11	5,62	-0,90	6,52

Consolidated statement of financial position in summary

SEK m	30 sep 2021			30 sep 2020		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
ASSETS						
Intangible non-current assets	6,444	-	6,444	6,182	-	6,182
Buildings	1,047	-	1,047	989	-	989
Right-of-use assets	7,854	7,634	220	7,542	7,326	215
Other property, plant, and equipment	798	-	798	739	-	739
Other non-current assets	61	17	43	68	40	27
Total non-current assets	16,203	7,652	8,552	15,519	7,366	8,153
Current receivables	858	-308	1,166	867	-277	1,143
Cash and cash equivalents	836	-	836	483	-	483
Total current assets	1,694	-308	2,002	1,350	-277	1,627
TOTAL ASSETS	17,897	7,344	10,554	16,869	7,090	9,779
EQUITY AND LIABILITIES						
Total equity	5,415	-234	5,649	4,895	-143	5,038
Non-current liabilities to credit institutions	1,559	-	1,559	1,914	-	1,914
Long-term lease liabilities	6,866	6,764	102	6,572	6,473	99
Provisions and other non-current liabilities	193	-49	242	250	-	250
Total non-current liabilities	8,619	6,715	1,904	8,737	6,473	2,263
Current interest-bearing liabilities	506	-	506	218	-	218
Short-term lease liabilities	1,104	983	120	996	877	119
Other current liabilities	2,254	-121	2,375	2,023	-117	2,140
Total current liabilities	3,864	863	3,001	3,237	759	2,477
TOTAL EQUITY AND LIABILITIES	17,897	7,344	10,554	16,869	7,090	9,779

Consolidated cash flow statement

SEK m	First quarter 21/22			First quarter 20/21		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
Operating profit/loss (EBIT)	233	69	164	221	59	162
Depreciation/amortization	421	331	90	382	298	84
Adjustment for other non-cash items	3	-	3	-4	-	-4
Tax paid	-11	-	-11	-5	-	-5
Cash flow from operating activities before changes in working capital	646	400	246	594	358	236
Cash flow from changes in working capital	-277	-5	-272	-194	16	-210
Cash flow from operating activities	369	395	-26	399	373	26
Cash flow from investing activities	-106	-	-106	-12	-	-12
Cash flow from financing activities	-395	-395	0	-431	-373	-58
CASH FLOW FOR THE PERIOD	-133	-	-133	-43	-	-43

NOTE 3: REVENUE

SEK m	First quarter		Full year
	2021/22	2020/21	2020/21
Education-related income	2,829	2,565	12,967
State subsidies	49	36	164
Other income	33	40	209
Net Sales	2,911	2,641	13,340

Education-related income 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 education is provided, including time for planning and grading of student learning. Revenue for preschool operations is recognised based on the same fundamental principles. 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 2020/21 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 significant acquisitions or adjustment of purchase price allocations took place in the quarter.

NOTE 6: FINANCIAL EXPENSES

SEK m	First quarter		Full year
	2021/22	2020/21	2020/21
Financial expenses			
Interest expense	-7	-9	-28
Borrowing costs *	-1	-1	-2
Interest expense on the lease liability	-98	-93	-370
Exchange rate losses	-	-0	-0
Other	-1	-1	-4
Financial expenses	-106	-104	-405
<i>Interest expense on property related lease liability</i>	<i>-97</i>	<i>-92</i>	<i>-365</i>

¹ Acquisition costs for loans are expensed over the term of the loan.

The financial expenses are somewhat higher than previous year, following increased property-related leasing liabilities as the operations grow.

NOTE 7: TAXES

The tax expense for the period amounted to SEK 27 (26) million, corresponding to an effective tax rate of 21.5 percent (21.9). The lower effective tax rate follows the lower nominal tax rate in Sweden, 20.6 percent 2021/2022 vs 21.4 percent in 2020/2021.

NOTE 8: FINANCIAL INSTRUMENTS

AcadeMedia's financial instruments consist of accounts receivable, other receivables, accrued income, cash and cash equivalents, accounts payable, accrued expenses, 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 carrying amount 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 carrying amounts.

NOT 9: LEASING COMMITMENTS

In addition to the leasing contracts reported in the balance sheet, AcadeMedia has entered into leasing contracts which have not yet commenced. The total commitment for these contracts as per 30 September 2021 amounts to SEK 3,205 million (3,493 as per 30 June 2021). The decrease in the quarter is an effect of leasing contracts commencing at the start of the autumn term.

Parent company – financial reports

Parent company income statement in summary

SEK m	First quarter		Full year
	2021/22	2020/21	2020/21
Net sales	4	2	8
Operating expenses	-5	-4	-22
OPERATING PROFIT	-1	-2	-14
Interest income and similar items	5	5	18
Interest expense and similar items	-4	-5	-15
Net financial items	1	-0	3
Year-end appropriations	-	-	25
PROFIT BEFORE TAX	0	-2	14
Tax	-0	1	-3
PROFIT FOR THE PERIOD	0	-2	11

Parent company other comprehensive income

SEK m	First quarter		Full year
	2021/22	2020/21	2020/21
Profit for the period	0	-2	11
Other comprehensive income for the period	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	0	-2	11

Parent company balance sheet in summary

SEK m	Sep 30, 2021	Sep 30, 2020	Jun 30, 2021
ASSETS			
Participations in Group companies	3,261	3,261	3,261
Total non-current assets	3,261	3,261	3,261
Current receivables	3,023	2,840	3,017
Cash and cash equivalents	556	277	662
Total current assets	3,579	3,117	3,679
TOTAL ASSETS	6,841	6,379	6,941
EQUITY AND LIABILITIES			
Restricted equity	106	106	106
Non-restricted equity	2,488	2,616	2,488
Total equity	2,594	2,722	2,593
Non-current liabilities	354	802	653
Current liabilities	3,893	2,855	3,694
TOTAL EQUITY AND LIABILITIES	6,841	6,379	6,941

Parent company statement of changes in equity

SEK m	Jul -Sep 2021/22	Jul -Sep 2020/21	Jul-jun 2020/21
Opening balance	2,593	2,723	2,723
Profit for the period	0	-2	11
Other comprehensive income for the period	-	-	-
Total profit for the period	0	-2	11
Dividend	-	-	-158
Other transactions with owners ¹	-	0	17
Closing balance	2,594	2,722	2,593

¹) Transactions with owners in the previous year includes new share issue connected to warrants SEK +17,1 million in the third and fourth quarter and share-matching program of SEK +0.2 million.

Multi-year review

SEK million, unless otherwise stated	First quarter			Full year				
	2021/22	2020/21	2020/21	2019/20	2018/19 ¹	2017/18 ¹	2016/17 ¹	2015/16 ¹
PROFIT/LOSS ITEMS								
Net sales	2,911	2,641	13,340	12,271	11,715	10,810	9,520	8,611
Items affecting comparability	-30	10	-7	36	1	-48	-23	-32
EBITDA	655	603	2,756	2,486	931	872	827	722
Depreciation/amortization	-421	-382	-1,587	-1,513	-296	-250	-212	-186
Operating profit/loss (EBIT)	233	221	1,169	973	635	622	615	535
Net financial items	-106	-104	-402	-417	-69	-68	-80	-127
Profit/loss for the period before tax	127	117	767	556	566	555	535	408
Profit/loss for the period after tax	100	91	594	431	431	430	416	319
BALANCE SHEET ITEMS								
Non-current assets	16,203	15,519	15,790	15,285	8,218	7,823	6,574	6,141
Current receivables and inventories	858	867	658	704	976	860	695	697
Cash and cash equivalents	836	483	966	528	527	699	579	331
Non-current interest-bearing liabilities	1,585	1,939	1,850	1,914	2,205	2,209	2,200	2,116
Long-term lease liabilities	6,866	6,572	6,495	6,346	-	-	-	-
Non-current non-interest-bearing liabilities	168	226	162	207	305	135	114	113
Current interest-bearing liabilities	506	218	195	270	592	673	516	568
Short-term lease liabilities	1,104	996	1,077	1,010	-	-	-	-
Current non-interest-bearing liabilities	2,254	2,023	2,319	1,965	2,030	2,103	1,577	1,382
Equity	5,415	4,895	5,317	4,807	4,589	4,262	3,443	2,990
Total assets	17,897	16,869	17,414	16,518	9,720	9,383	7,849	7,169
Capital employed*	7,962	7,413	7,718	7,250	7,386	7,144	6,158	5,674
Net debt*	1,477	1,892	1,222	1,797	2,266	2,179	2,133	2,342
Property adjusted net debt*	750	1,210	526	1,138	1,533	1,528	1,550	1,866
KEY RATIOS								
Net sales, SEK m	2,911	2,641	13,340	12,271	11,715	10,810	9,520	8,611
Organic growth incl. Bolt-on acquisitions, %	6.8%	7.4%	8.1%	5.4%	4.4%	5.8%	9.0%	6.4%
Acquired growth, larger acquisitions, %	3.3%	-	1.6%	-	3.2%	7.9%	0.8%	0.4%
Change in currency, %	0.1%	-1.9%	-1.1%	-0.7%	0.8%	-0.1%	0.8%	-1.3%
Operating margin (EBIT), %	8.0%	8.4%	8.8%	7.9%	5.4%	5.8%	6.5%	6.2%
Adjusted EBIT, SEK m	194	151	934	728	634	670	638	567
Adjusted EBIT margin, %	6.7%	5.7%	7.0%	5.9%	5.4%	6.2%	6.7%	6.6%
Adjusted EBITDA, SEK m	285	235	1,297	1,066	930	920	850	754
Adjusted EBITDA margin, %	9.8%	8.9%	9.7%	8.7%	7.9%	8.5%	8.9%	8.8%
Net profit margin, %	3.4%	3.4%	4.5%	3.5%	3.7%	4.0%	4.4%	3.7%
Return on capital employed, %, (12 months)	12.7%	10.8%	12.5%	10.0%	8.7%	10.1%	10.9%	10.1%
Return on equity, % (12 months)	13.0%	12.8%	13.2%	11.5%	9.7%	11.2%	12.9%	12.1%
Equity/assets ratio, %	53.5%	51.5%	53.3%	51.5%	47.2%	45.4%	43.9%	41.7%
Interest coverage ratio, times	30.9	18.4	27.7	15.9	12.5	10.9	9.4	4.8
Net debt/Adjusted EBITDA (12 months)	1.1	1.6	0.9	1.7	2.4	2.4	2.5	3.1
Adjusted net debt/adjusted EBITDA (12 months)	0.6	1.1	0.4	1.1	1.6	1.7	1.8	2.5
Free cash flow	-99	-42	1,117	805	356	688	658	394
Cash flow from investing activities	-106	-12	-437	-375	-559	-970	-374	-386
Number of full-time employees	13,543	12,814	13,360	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, see pages 28 to 29.



Quarterly data, Group

Quarterly data	2021/22		2020/21				2019/20			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
SEK million, unless otherwise stated										
Net sales	2,911	3,672	3,591	3,436	2,641	3,227	3,284	3,258	2,502	
EBITDA	655	742	750	661	603	713	700	565	508	
Depreciation/amortization	-421	-413	-405	-387	-382	-379	-391	-364	-379	
Items affecting comparability	-30	-14	6	-9	10	-	36	-0	-	
Operating income (EBIT)	233	329	345	273	221	334	309	201	129	
Total financial items	-106	-100	-98	-100	-104	-105	-101	-103	-108	
Income before taxes	127	229	247	173	117	229	208	98	22	
Tax for the current period	-27	-50	-58	-40	-26	-50	-47	-23	-5	
Profit/loss for the period	100	180	190	133	91	179	161	75	16	
Number of children/students, schools	91,431	90,032	89,691	85,927	85,642	82,999	82,940	82,325	81,468	
Number of full-time employees	13,543	13,733	13,767	13,127	12,814	12,738	12,759	12,723	12,524	
Number of education units	545	539	536	525	525	516	512	511	504	
Key ratios										
Operating margin (EBIT), %	8.0%	9.0%	9.6%	7.9%	8.4%	10.4%	9.4%	6.2%	5.2%	
Adjusted EBIT	194	280	278	224	151	279	224	150	75	
Adjusted EBIT, %	6.7%	7.6%	7.7%	6.5%	5.7%	8.6%	6.8%	4.6%	3.0%	
Adjusted EBITDA	285	374	373	315	235	363	313	237	153	
Adjusted EBITDA, %	9.8%	10.2%	10.4%	9.2%	8.9%	11.2%	9.5%	7.3%	6.1%	
Net margin, %	3.4%	4.9%	5.3%	3.9%	3.4%	5.5%	4.9%	2.3%	0.6%	
Return on equity, % (12 months) ¹	13.0%	13.2%	13.8%	14.0%	12.8%	11.5%	10.7%	10.6%	10.0%	
Return on capital employed, % (12 Months) ¹	12.7%	12.5%	12.3%	11.7%	10.8%	10.0%	9.3%	9.1%	8.8%	
Equity/assets ratio, % ¹	53.5%	53.3%	52.1%	50.3%	51.5%	51.5%	49.6%	47.0%	46.9%	
Net debt/Adjusted EBITDA (12 months) ¹	1.1	0.9	1.2	1.4	1.6	1.7	2.3	2.5	2.6	
Interest coverage ratio ¹	30.9	27.7	23.4	21.5	18.4	15.9	15.3	13.9	13.3	
Other										
Free cash flow	-99	341	246	572	-42	560	107	260	-122	
Cash flow from operating activities	-26	435	275	621	26	634	139	325	-29	
Cash flow from investing activities	-106	-128	-61	-236	-12	-97	-38	-112	-128	

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	2021/22		2020/21		2019/20				
Preschool (SE, NO, DE)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	20,999	22,265	21,891	20,969	20,664	21,404	21,310	20,686	20,015
Net sales	808	1,068	1,020	958	755	964	1,007	981	755
of which Sweden	253	349	343	328	247	338	332	329	242
of which Norway	377	552	524	481	364	499	533	514	389
of which Germany	178	168	153	149	144	127	142	137	123
EBITDA	33	104	93	40	28	99	142	49	19
EBITDA margin, %	4.1%	9.7%	9.1%	4.2%	3.7%	10.3%	14.1%	5.0%	2.5%
Depreciation/amortization	-24	-24	-22	-20	-22	-19	-22	-22	-21
Operating profit/loss (EBIT)	9	79	71	19	7	80	121	27	-2
EBIT margin, %	1.1%	7.4%	7.0%	2.0%	0.9%	8.3%	12.0%	2.8%	-0.3%
Items affecting comparability	-	-	-	-	-	-	53	-	-
Adjusted operating profit/loss (EBIT)	9	79	71	19	7	80	68	27	-2
Adjusted EBIT margin, %	1.1%	7.4%	7.0%	2.0%	0.9%	8.3%	6.8%	2.8%	-0.3%
Number of preschool units	278	273	270	267	266	262	260	259	253

SEK million, unless otherwise stated	2021/22		2020/21		2019/20				
Compulsory School	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	27,697	27,374	27,046	26,193	26,170	25,706	25,339	24,983	24,689
Net sales	713	888	877	851	644	809	801	801	594
EBITDA	43	81	68	69	52	92	58	60	33
EBITDA margin, %	6.0%	9.1%	7.8%	8.1%	8.1%	11.4%	7.2%	7.5%	5.6%
Depreciation/amortization	-18	-18	-18	-18	-16	-17	-17	-17	-15
Operating profit/loss (EBIT)	24	63	50	52	36	75	40	43	17
EBIT margin, %	3.4%	7.1%	5.7%	6.1%	5.6%	9.3%	5.0%	5.4%	2.9%
Items affecting comparability	-30	-	-	-	3	-	-	-	-
Adjusted operating profit/loss (EBIT)	54	63	50	52	33	75	40	43	17
Adjusted EBIT margin, %	7.6%	7.1%	5.7%	6.1%	5.1%	9.3%	5.0%	5.4%	2.9%
Number of education units	116	116	116	112	112	111	109	109	108

SEK million, unless otherwise stated	2021/22		2020/21		2019/20				
Upper Secondary School	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	42,735	40,394	40,753	38,765	38,808	35,889	36,291	36,656	36,764
Net sales	964	1,223	1,202	1,142	856	1,049	1,064	1,072	814
EBITDA	129	147	170	144	121	163	153	119	95
EBITDA margin, %	13.4%	12.0%	14.1%	12.6%	14.1%	15.5%	14.4%	11.1%	11.7%
Depreciation/amortization	-41	-45	-48	-47	-40	-42	-44	-43	-36
Operating profit/loss (EBIT)	87	102	122	97	81	121	109	76	60
EBIT margin, %	9.0%	8.3%	10.1%	8.5%	9.5%	11.5%	10.2%	7.1%	7.4%
Items affecting comparability	-0	-10	6	-	8	-	11	-	-
Adjusted operating profit/loss (EBIT)	87	112	116	97	73	121	98	76	60
Adjusted EBIT margin, %	9.0%	9.2%	9.7%	8.5%	8.5%	11.5%	9.2%	7.1%	7.4%
Number of education units	151	150	150	146	147	143	143	143	143

SEK million, unless otherwise stated	2021/22		2020/21				2019/20			
Adult Education	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Net sales	427	492	488	484	385	405	410	403	339	
EBITDA	71	63	68	79	61	39	47	34	26	
EBITDA margin, %	16.6%	12.8%	13.9%	16.3%	15.8%	9.6%	11.5%	8.4%	7.7%	
Depreciation/amortization	-4	-4	-4	-4	-4	-4	-4	-4	-4	
Operating profit/loss (EBIT)	67	59	64	75	57	35	43	31	22	
EBIT margin, %	15.7%	12.0%	13.1%	15.5%	14.8%	8.6%	10.5%	7.7%	6.5%	
Items affecting comparability	-	-	-	-	-	-	-	-	-	
Adjusted operating profit/loss (EBIT)	67	59	64	75	57	35	43	31	22	
Adjusted EBIT margin, %	15.7%	12.0%	13.1%	15.5%	14.8%	8.6%	10.5%	7.7%	6.5%	

SEK million, unless otherwise stated	2021/22		2020/21				2019/20			
Group-OH and adjustments	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Net sales	0	0	4	1	1	1	3	0	0	
EBITDA	380	347	351	329	342	320	300	302	335	
Depreciation/amortization	-333	-321	-313	-298	-301	-298	-305	-279	-303	
Operating profit/loss (EBIT)	46	26	38	31	41	23	-4	23	32	
Items affecting comparability	-	-4	-	-9	-	-	-28	-	-	
Adjusted operating profit/loss (EBIT)	-23	-33	-23	-19	-18	-32	-26	-27	-22	

SEK million, unless otherwise stated	2021/22		2020/21				2019/20			
Group	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Number of children/students (average)	91,431	90,032	89,691	85,927	85,642	82,999	82,940	82,325	81,468	
Net sales	2,911	3,672	3,591	3,436	2,641	3,227	3,284	3,258	2,502	
EBITDA	655	742	750	661	603	713	700	565	508	
EBITDA margin, %	22.5%	20.2%	20.9%	19.2%	22.8%	22.1%	21.3%	17.3%	20.3%	
Depreciation/amortization	-421	-413	-405	-387	-382	-379	-391	-364	-379	
Operating profit/loss (EBIT)	233	329	345	273	221	334	309	201	129	
EBIT margin, %	8.0%	9.0%	9.6%	7.9%	8.4%	10.4%	9.4%	6.2%	5.2%	
Items affecting comparability	-30	-14	6	-9	10	-	36	-	-	
Effect of IFRS 16 on operating profit	69	63	61	59	59	55	50	51	54	
Adjusted operating profit/loss (EBIT)	194	280	278	224	151	279	224	150	75	
Adjusted EBIT margin, %	6.7%	7.6%	7.7%	6.5%	5.7%	8.6%	6.8%	4.6%	3.0%	
Net financial items	-106	-100	-98	-100	-104	-105	-101	-103	-108	
Profit/loss after financial items	127	229	247	173	117	229	208	98	22	
Tax	-27	-50	-58	-40	-26	-50	-47	-23	-5	
Profit/loss for the period	100	180	190	133	91	179	161	75	16	
Number of full-time employees (period)	13,543	13,733	13,767	13,127	12,814	12,738	12,759	12,723	12,524	
Number of units	545	539	536	525	525	516	512	511	504	

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			
	2021/20	2020/21	2020/21	2019/20	2018/19 ²	2017/18 ²	2016/17 ²
Adjusted operating profit							
Operating profit	233	221	1,169	973	635	622	615
- Items affecting comparability	-30	10	-7	36	1	-48	-23
- IFRS 16 impact	69	59	243	209	-	-	-
= Adjusted operating profit	194	151	934	728	634	670	638
Adjusted EBIT margin							
Adjusted operating profit	194	151	934	728	634	670	638
Divided by /Net sales	2,911	2,641	13,340	12,271	11,715	10,810	9,520
= Adjusted EBIT margin	6.7%	5.7%	7.0%	5.9%	5.4%	6.2%	6.7%
Adjusted EBITDA							
Adjusted operating profit	194	151	934	728	634	670	638
- Depreciation excluding depreciation relating to property rental agreements	-90	-84	-364	-338	-296	-250	-212
= Adjusted EBITDA	285	235	1,297	1,066	930	920	850
Net debt							
Non-current interest-bearing liabilities	8,451	8,511	8,344	8,260	2,205	2,209	2,200
+ Current interest-bearing liabilities	1,609	1,214	1,272	1,279	592	673	516
- Interest-bearing receivables	-	-	-	-	4	4	4
- Cash and cash equivalents	836	483	966	528	527	699	579
- IFRS 16 Non-current and current lease liabilities ¹	7,747	7,350	7,428	7,214	-	-	-
= Net debt excluding IFRS 16²	1,477	1,892	1,222	1,797	2,266	2,179	2,133
Property-adjusted net debt							
Net debt (as described above)	1,477	1,892	1,222	1,797	2,266	2,179	2,133
- non-current property loans	703	623	671	597	644	603	467
- current property loans	25	58	25	62	89	48	116
= Property adjusted net debt excluding IFRS 16²	750	1,210	526	1,138	1,533	1,528	1,550
Return on capital employed %, 12 months							
Adjusted EBIT	976	805	934	728	634	670	638
+ Interest income	0	0	0	0	1	2	7
divided by							
Average equity	5,155	4,750	5,062	4,698	4,426	3,853	3,216
+ average non-current interest-bearing liabilities	8,481	8,564	8,302	5,232	2,207	2,204	2,158
+ average current interest-bearing liabilities	1,412	1,443	1,276	935	632	594	542
- IFRS 16 average equity ¹	-188	-86	-165	-59	-	-	-
- IFRS 16 average non-current and current lease liabilities ¹	7,549	7,361	7,321	3,607	-	-	-
= Return on capital employed excluding IFRS 16², %	12.7%	10.8%	12.5%	10.0%	8.7%	10.1%	10.9%
Return on equity %, 12 months							
Profit/loss after tax	602	506	594	431	431	430	416
- IFRS 16 profit/loss after tax	-91	-113	-95	-117	-	-	-
divided by							
Average equity	5,155	4,750	5,062	4,698	4,426	3 853	3 216
- IFRS 16 average equity ¹	-188	-86	-165	-59	-	-	-
= Return on equity², %	13.0%	12.8%	13.2%	11.5%	9.7%	11.2%	12.9%

SEK million, unless otherwise stated	2021/22		2020/21			2019/20			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Interest coverage ratio									
Adjusted operating profit EBIT (12 months)	976	934	933	878	805	728	681	667	656
+ Interest income (12 months)	0	0	0	0	0	0	1	1	1
+ Other financial income (12 months)	3	3	3	4	4	4	4	2	2
divided by									
Interest expense (12 months)	-402	-399	-403	-404	-404	-406	-316	-229	-142
- Interest expense (12 months) IFRS 16 ¹	-370	-365	-363	-363	-360	-360	-271	-180	-92
= Interest coverage ratio (excl. IFRS 16)	30.9	27.7	23.4	21.5	18.4	15.9	15.3	13.9	13.3

¹ Amounts relate to adjustments and reclassifications made to reverse the adjustments associated with implementation of the 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.

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 ⁴
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 ⁵	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.

⁴ According to ESMA guidelines on performance measures, each performance measure must be motivated.

⁵ 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.

