



Foto: Pyslingen, Förskolor Sverige

Change Through Education

AcadeMedia AB (publ)

Interim report July – December 2022

- 5.9 percent increase in number of children and students, 13.0 percent in the Preschool Segment
- AcadeMedia received good allocation of vocational programmes and gain market share
- Preliminary school voucher increase of about 4 percent in Sweden for 2023

AcademeMedia

Interim report quarter 2 2022/23

Summary of the second quarter (October - December 2022)

- Net sales increased by 7.1 percent and amounted to SEK 4,041 million (3,774). Organic growth, including bolt-on acquisitions, was 4.3 percent.
- Operating profit (EBIT) amounted to SEK 266 million (342).
- Adjusted operating profit, adjusted for items affecting comparability and effects of IFRS 16, amounted to SEK 203 million (263). Items affecting comparability amounted to SEK -21 million (7).
- Net profit for the period amounted to SEK 109 million (186).
- Earnings per share was SEK 1.16 (1.76) after dilution. Adjusted for IFRS 16, earnings per share was SEK 1.38 (1.96) after dilution.
- The average number of children and students in preschool, compulsory school, and upper secondary school during the second quarter was 97,767 (92,363), representing an increase of 5.9 percent.
- In November, AcadeMedia's board of directors communicated a clarified dividend policy and introduced new financial key performance indicators.

Summary the first six months (July – December 2022)

- Net sales increased by 6.9 percent to SEK 7,146 million (6,685). Organic growth, including bolt-on acquisitions, was 4.4 percent.
- Operating profit (EBIT) amounted to SEK 504 million (575).
- Operating profit, adjusted for items affecting comparability and effects of IFRS 16, amounted to SEK 354 million (457). Items affecting comparability amounted to SEK -16 million (-23).
- Net profit for the period amounted to SEK 203 million (285).
- Diluted earnings per share was SEK 1.88 (2.70). Adjusted for IFRS 16, diluted earnings per share was SEK 2.31 (3.11).
- The average number of children and students in preschool, compulsory school, and upper secondary school during the first six months was 96,800 (91,897), representing an increase of 5.3 percent.

Second quarter summary

SEK m	Second quarter			Half year			Rolling 12 months	Full year
	2022/23	2021/22	Change	2022/23	2021/22	Change	Jan 22 – Dec 22	2021/22
Net sales	4,041	3,774	7.1%	7,146	6,685	6.9%	14,799	14,339
Organic growth, %	4.3%	6.0%	-1.7 p.p.	4.4%	6.3%	-1.9 p.p.	4.3%	5.2%
Operating profit (EBIT)	266	342	-22.2%	504	575	-12.3%	1,154	1,224
EBIT margin, %	6.6%	9.1%	-2.5 p.p.	7.1%	8.6%	-1.5 p.p.	7.8%	8.5%
Adjusted EBIT ¹	203	263	-22.8%	354	457	-22.5%	898	1,001
Adjusted EBIT margin, %	5.0%	7.0%	-2.0 p.p.	5.0%	6.8%	-1.8 p.p.	6.1%	7.0%
Profit for the period	109	186	-41.4%	203	285	-28.8%	522	605
Earnings per share, diluted (SEK)	1.16	1.76	-34.3%	1.88	2.70	-30.1%	4.90	5.72
Free cash flow	282	606	-53.5%	218	506	-56.9%	633	922
Number of children and students ²	97,767	92,363	5.9%	96,800	91,897	5.3%	-	92,549
Number of FTEs	14,510	13,847	4.8%	14,246	13,695	4.0%	n.m.	13,829

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 32-33.



CEO's comments

The second quarter of the financial year shows continued strong demand for our educational programmes. The number of children and students totals nearly 100,000, 5.9 percent higher than in the previous year. The strongest growth is evident in the Preschool Segment, which now also includes the acquisition of FAWZ in Germany. In addition, preschool operations in Germany and the Netherlands continue to expand. As expected, the quarter was affected by inflation, and volume in areas of the Adult Education segment is lower than last year. Higher vocational training in adult education continues to show good growth. At the same time, our school operations report strong interest ahead of the autumn start in 2023.

Accelerated international growth

Our strategy for international growth has been successful. Our platform acquisition in Germany in 2017 included seven units; we now have 95 units in Germany and the Netherlands, with a total of around 7,200 children and students.

Through the acquisition of FAWZ, AcadeMedia has taken an important step and extended its operations in Germany. In addition to preschool, AcadeMedia now also operates in the compulsory school, upper secondary school and adult education sectors in the country. This platform acquisition paves the way to new opportunities for growth in Germany. The need for new preschool places continues to grow and now stands at around 400,000. AcadeMedia is in a strong position and operations in Germany now consists of 80 preschool and 7 school units.

In the Netherlands, more than 50 percent of all preschools are privately run. In the previous financial year, AcadeMedia acquired two units, and has since started to build a platform through further acquisitions. We now operate eight units and believe there are good opportunities for growth, both organically and through further acquisitions.

AcadeMedia gaining market share in higher vocational education

In January, the Swedish National Agency for Higher Education (MYH) announced the numbers of programme places to be allocated to the various providers. AcadeMedia was allocated 7,300 places (5,872), with the first courses starting in autumn 2023. This means that AcadeMedia's adult education is gaining market share. The total allocation for the year was 35,000 places, on par with that of the previous year.

The programmes that MYH decides will start are determined by the needs of the labour market. Unemployment remains high in Sweden and there are major skills shortages in many sectors. Higher vocational education plays an important role in meeting society's future challenges. AcadeMedia has long maintained a clear strategy to be the leading provider in this field, and we are grateful for the continued trust.

School voucher funding to increase in 2023 – inflation-proofed over time

Sweden's municipalities continue to prioritise school and education, even though many are experiencing a

hard-pressed financial situation. The Swedish model is based on the right of all students to an equal education. As a result, the school voucher system must reflect changes in costs in society over time. Stability in the school voucher system is crucial to the quality of Swedish schools.

Many municipalities have now decided on the school voucher funding for 2023. Based on about 70 percent of these decisions, the increase in school voucher funding in Sweden averages just over 4 percent (2.6) in our preschool and school operations. In Norway, school voucher funding is expected to increase by around 9 percent (2.8).

Strong interest in open house events

Choosing a school is an important decision, whether it's for a proud six-year-old starting school or a teenager taking an important step towards adulthood via their choice of upper secondary school. To enable students and guardians to make an informed choice, we at AcadeMedia put a lot of effort into providing information about our schools and we also invite children, students and guardians to visit them. The opportunity to meet their future teachers and students already attending the school, better equips the student to choose a school that provides the conditions they need to succeed.

During the late autumn, a large number of Open Houses are held at both compulsory and upper secondary schools, and we have seen a great deal of interest in our units. This great interest applies very much to our upper secondary school campuses, where several schools are housed under the same roof and share a number of facilities. Demand for upper secondary school places is high, especially in the larger cities where expansion of capacity provided by the community has not kept pace.

Roadmap 2030

For a number of years, AcadeMedia has operated a clear plan for the future. We are now closing Roadmap 2023 and can confirm that we have delivered well on it. We have expanded our educational activities and educational profiles, invested in quality, and built capacity with new schools and campuses. As a result, demand and growth have been good.

We are now launching our Roadmap 2030, where the central message is that all of us at AcadeMedia will work to make the societies we work in a little better, every day. Our aim is to help change people's lives for the better and to create sustainable societies where everyone's right to a good education is fulfilled. The need for new places in education and training is great and investing in education and training is crucial to the development of society. AcadeMedia has already taken many important steps in this direction. We look forward to a rewarding and exciting 2023 – and are starting on the journey towards 2030.

Marcus Strömberg

President and CEO

AcadeMedia AB (publ)



Development in the second quarter (October – December 2022)

Volume development and net sales

Net sales in the second quarter increased by 7.1 percent to SEK 4,041 million (3,774). The acquisition of Sandviks AS and FAWZ contributed with 1.8 percentage points. Organic growth, including bolt-on acquisitions, was 4.3 percent and changes in exchange rates impacted sales by 1.0 percent. The average number of children and students, excluding the Adult Education Segment, increased by 5.9 percent to 97,767 (92,363)

Adjusted operating profit and operating profit (EBIT)

Adjusted EBIT was SEK 203 million (263) and adjusted EBIT margin 5.0 percent (7.0). Operating profit (EBIT) was SEK 266 million (342) and EBIT margin 6.6 percent (9.1). The development in the first quarter continued in the second, earnings decline was mainly due to lower volumes in part of the Adult Education Segment. Inflation increased operating costs, mainly electricity and food, about SEK 20 million. Lower pension contribution in Norway, about SEK -10 million, and capacity expansion in the Swedish school segments had a negative impact. Higher capacity utilisation in the Swedish and Norwegian preschools dampened the effect. Acquisitions contributed with SEK 4 million in the quarter.

Group overhead was in line with last year.

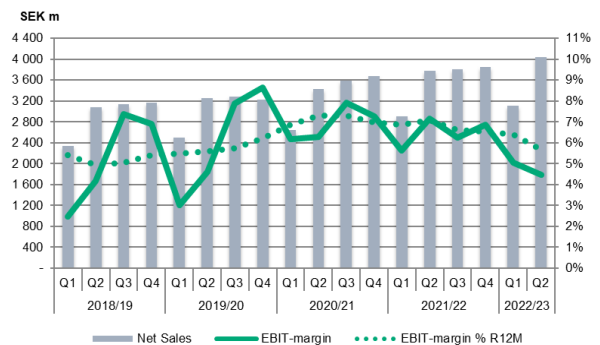
Items affecting comparability

Items affecting comparability amounted to SEK -21 million (7) and include transaction and integration expenses related to the FAWZ acquisition, restructuring expenses in the Compulsory School Segment and insurance compensation related to a fire in a compulsory school in July 2021. The insurance case was settled in the quarter.

SEK m	Second quarter	
	2022/23	2021/22
Transaction expenses (FAWZ)	-11	-
Restructuring expenses (Comp.)	-13	-
Fire, insurance compensation (Comp.)	+3	18
VAT- (Adult education)	-	-11
Total	-21	7

Acquisitions, divestments, new establishments, and discontinued operation

Net, nine new units were added in the quarter. All in the Preschool Segment.



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

Second 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	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Preschool	24,842	21,982	1,252	1,061	26	22	2.1%	2.1%	15	22	1.2%	2.1%
Compulsory School	28,520	27,867	986	937	63	74	6.4%	7.9%	53	92	5.4%	9.8%
Upper Secondary School	44,405	42,513	1,361	1,278	107	118	7.9%	9.2%	107	118	7.9%	9.2%
Adult Education	- ¹	- ¹	438	498	28	71	6.4%	14.3%	28	60	6.4%	12.0%
Group adj. Parent company	-	-	4	0	-20	-21	-	-	-20	-21	-	-
Impact from IFRS 16 ²	-	-	-	-	-	-	-	-	84	72	-	-
Total	97,767	92,363	4,041	3,774	203	263	5.0%	7.0%	266	342	6.6%	9.1%

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.

Development in the first six months (July 2022 – December 2022)

Volume development and net sales

Net sales increased by 6.9 percent to SEK 7,146 million (6,685). The acquisition of Sandviks AS and FAWZ contributed 1.4 percentage points. Organic growth, including bolt-on acquisitions, was 4.4 percent and changes in exchange rates impacted sales by 1.1 percent. The average number of children and students, excluding the Adult Education Segment, increased by 5.3 percent to 96,800 (91,897)

Adjusted operating profit and operating profit (EBIT)

Adjusted EBIT for the first six months decreased to SEK 354 million (457) and adjusted EBIT margin was 5.0 percent (6.8). Operating profit (EBIT) was SEK 504 million (575) and EBIT margin 7.1 percent (8.6). The decline in earnings was mainly due to lower volumes in part of the Adult Education Segment. Inflation increased operating costs, mainly electricity and food, about SEK 30 million. Also, lower pension contribution in Norway, about SEK -20 million, and capacity expansion in the Swedish schooling segments had a negative impact. Higher capacity utilisation in the Swedish and Norwegian preschools dampened the effect. Acquisitions contributed with SEK 5 million in the quarter.

Group overhead expenses were lower compared to last year, due lower activity levels and cost savings programs.

Items affecting comparability

Items affecting comparability amounted to SEK -16 million (-23) and include transaction and integration expenses relating to the FAWZ acquisition, restructuring expenses relating to the Compulsory School Segment, and insurance compensation related to a fire in a compulsory school in July 2021. Insurance compensation has covered most of the expenses and the insurance case was settled in the quarter.

SEK m	Half year	
	2022/23	2021/22
Transaction expenses (FAWZ)	-11	-
Restructuring expenses (Comp.)	-13	-
Fire, insurance compensation (Comp.)	+9	+18
Fire (Comp.)	-	-30
VAT- (Adult education)	-	-11
Total	-16	-23

Acquisitions, divestments, new establishments, and discontinued operation

Net, 21 new units were added during the first six months. Most in the Netherlands and Germany where 14 were added through acquisitions and 6 through new openings. Also, three upper secondary schools, one compulsory school, and one preschool have opened in Sweden. First half year is also impacted by four units less.

In the first quarter, AcadeMedia acquired Futuregames further strengthening the position in game education within the Adult Education Segment. Also, the edtech company Framtidsutveckling was acquired during the first quarter.

First six months 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	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Preschool	23,772	21,491	2,209	1,868	23	30	1.0%	1.6%	12	30	0.5%	1.6%
Compulsory School	28,468	27,782	1,732	1,649	114	128	6.6%	7.8%	109	116	6.3%	7.0%
Upper Secondary School	44,560	42,624	2,386	2,242	181	205	7.6%	9.1%	181	205	7.6%	9.1%
Adult Education	- ¹	- ¹	815	925	72	138	8.8%	14.9%	72	127	8.8%	13.7%
Group adj. Parent company	-	-	4	0	-36	-44	-	-	-36	-44	-	-
Impact from IFRS 16 ²	-	-	-	-	-	-	-	-	166	141	-	-
Total	96,800	91,897	7,146	6,685	354	457	5.0%	6.8%	504	575	7.1%	8.6%

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	Second quarter		Half year		Rolling 12 months	Full year
	2022/23	2021/22	2022/23	2021/22	Jan 22- Dec 22	2021/22
Cash flow from operating activities before changes in working capital	215	295	393	541	1,044	1,192
Cash flow from changes in working capital	139	380	-16	108	-91	33
Cash flow from operating activities	354	675	377	649	953	1,225
Investments related to existing operations ¹	-72	-70	-160	-142	-320	-303
Investments related to expansion ²	-75	-51	-157	-84	-306	-234
Cash flow from investing activities	-146	-120	-316	-227	-626	-536
Cash flow from financing activities	-301	-313	-388	-312	-605	-530
CASH FLOW FOR THE PERIOD	-93	242	-327	110	-278	158
Free cash flow³	282	606	218	506	633	922

Cash flow from operating activities for the quarter amounted to SEK 354 million (675). The decline compared to last year was due to lower profit and a less positive effect from net working capital development, SEK +139 million (+380). The net working capital development in the quarter was mainly due to a reversal of the calendar effect from the first quarter, which increased accounts payables of about SEK 200 million in the first quarter.

Investments in existing operations¹ were in line with last year and amounted to SEK 72 million (70) contributing to a free cash flow³ of SEK 282 million (606). Expansion investments² in the period were SEK 75 million (51), mainly related to the acquisition of FAWZ and an additional purchase consideration in the Netherlands. Cash flow from investing activities amounted to SEK -146 million (-120). Cash flow from financing activities totalled SEK -301 million (-313), of which dividend to shareholders SEK -185 million (-185). All in all, cash flow for the quarter amounted to SEK -93 million (+242).

In the first six months, cash flow from operating activities amounted to SEK 377 million (649). The decline was due to lower profit and a less positive effect from net working capital development, SEK -16 million (+108). Paid tax in the first six months amounted to SEK 148 million (71), affected by higher preliminary tax in Sweden at SEK 30 million. Paid tax previous year included a positive adjustment of final tax in Norway and Sweden at SEK 55 million.

Investments in existing operations¹ during the first six months were higher compared to last year and amounted to SEK 160 million (142) contributing to a free cash flow³ of SEK 218 million (506). Expansion investments² in the period were SEK 157 million (84), mainly related to the acquisition of Framtidsutveckling, Futuregames, preschools in the Netherlands, and FAWZ in Germany. In total, cash flow from investing activities amounted to SEK -316 million (-227). Cash flow from financing activities totalled SEK -388 million (-312) of which dividend to shareholders SEK -185 million (-185). All in all, cash flow from the first six months amounted to SEK -327 million (110).

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

In November 2022, AcadeMedia's Board of Directors communicated a clarified dividend policy and at the same time introduced new financial key performance indicators relating to capital structure. The new dividend policy and financial key performance indicators are specified on page 14.

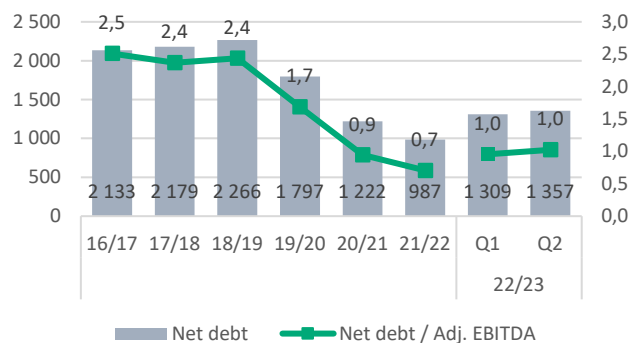
SEK m	Including IFRS 16			Excluding IFRS 16		
	2022-12-31	2021-12-31	2022-06-30	2022-12-31	2021-12-31	2022-06-30
Net debt	10,409	9,324	9,460	1,357	1,216	987
Property-related leasing liabilities	9,052	8,109	8,474	-	-	-
Net debt/ adjusted EBITDA	3.4	3.2	3.1	1.0	0.9	0.7
Debt ratio (%)	55.4%	54.1%	53.4%	13.1%	12.6%	10.1%
Equity/asset-ratio (%)	-	-	-	54.8%	53.0%	55.3%
Buildings ²	1,138	1,120	1,057	1,138	1,120	1,057

Consolidated interest-bearing net debt¹ including property-related leasing liabilities amounted to SEK 10,409 million (9,324), of which property-related leasing liabilities amounts to SEK 9,052 million (8,109). The increase compared to last year is partly related to expansion and new lease agreements, partly that current lease agreements expired and resigned. Financial expenses increased to SEK 253 million (214) following the increased leasing liabilities and increased interest rates. Interest expenses related to property-related leasing liabilities amounted to SEK 224 million (196). During the third quarter 2022/23, the group's net debt including leasing liabilities is expected to increase by approximately SEK 500 million due to indexation of existing rental agreements.

Consolidated interest-bearing net debt¹ excluding property-related leasing liabilities amounted to SEK 1,357 million (1,216) as of 31 December 2022. The increase in net debt over the past 12 months is due to international expansion in Germany and Netherlands. In the beginning of the financial year, AcadeMedia signed a new loan agreement with DNB and SEB to refinance existing loans to an amount of SEK 1,650 million until the middle of 2025 with the possibility to extend until 2027. Annual amortization will decrease by SEK 34 million which will positively impact cash flow.

The property loans increased over the past 12 months following the acquisition of FAWZ and a stronger Norwegian krona. In total, the property loans amounted to SEK 776 million (764). Buildings increased by SEK 18 million to SEK 1,138 million (1,120) during the equivalent period.

Net debt in relation to adjusted EBITDA¹ (rolling 12 months) amounted to 1.0 (0.9), which meets the Group's financial target of a net debt in relation to adjusted EBITDA lower than 3.0. Net debt in relation to adjusted EBITDA including IFRS 16 (rolling 12 months) was 3.4 (3.2).



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 32 to 33 for definitions.

² As of 31 December 2022, AcadeMedia owns 41 preschool properties in Norway, which are funded by long-term liabilities in the Norwegian State Housing Bank and short-term construction loans. Through the acquisition of FAWZ, AcadeMedia owns 3 properties in Germany.

Preschool

- The number of children increased by 13.0 percent to 24,842 (21,982) in the second quarter.
- Sales increased by 18.1 percent and amounted to SEK 1,252 million (1,061), positively affected by acquisitions and currency changes. Organic growth increased by 8.1 percent.
- Adjusted operating profit (adj. EBIT) increased to SEK 26 million (22).

AcadeMedia's Preschool segment runs preschools in Sweden, Norway, Germany and the Netherlands, and educational services through Sandviks AS. In Sweden, business is conducted in many municipalities with a total of 110 units. In Norway, Espira is the third largest preschool provider with 107 units. In Germany and the Netherlands, we operate 87 and 8 units, respectively. The segment had a total of 312 units during the quarter.

Outcome for the second quarter

The average number of children increased by 13.0 percent compared with the previous year and amounted to 24,842 (21,982). The increase was mainly driven by the acquisition of FAWZ, the acquisition in Netherlands, and new establishments in Germany. Sales increased by 18.1 percent and amounted to SEK 1,252 million (1,061). The acquisitions, Sandviks and FAWZ, and positive currency effects contributed 6.3 and 3.8 percentage points, respectively. The organic growth was 8.1 percent.

Adjusted operating profit (EBIT) increased to SEK 26 million (22) and the margin was 2.1 percent (2.1). The increased profit was mainly due to increased capacity utilisation in Sweden and the acquisitions. The Norwegian business was affected by lower pension supplement, SEK 9 million and increased energy costs, SEK 5 million, mitigated by a higher capacity utilisation and lower costs for temporary staff. In Germany, higher operating costs continue to have a negative impact.

Non-recurring items amounted to SEK -11 million (-) and include transaction and integration costs for the acquisition of FAWZ. Operating income (EBIT) was lower compared to last year and amounted to SEK 15 million (22) corresponding to an EBIT margin of 1.2 percent (2.1).

As of 1 January, pension expenses in Norway are expected to increase with approximately SEK 10 million on an annual basis.

Financial overview¹

SEK M	Second quarter			Half year			Rolling 12 m	Full year
	2022/23	2021/22	Change	2022/23	2021/22	Change	Jan 22 – Dec 22	2021/22
Net sales	1,252	1,061	18.1%	2,209	1,868	18.3%	4,520	4,180
Operating profit (EBIT)	15	22	-31.8%	12	30	-60.0%	124	142
EBIT margin, %	1.2%	2.1%	-0.9 p.p.	0.5%	1.6%	-1.1 p.p.	2.7%	3.4%
Items affecting comparability	-11	-	n.a.	-11	-	n.a.	-32	-21
Adjusted operating profit (adj. EBIT)	26	22	18.2%	23	30	-23.3%	155	163
Adjusted EBIT margin, %	2.1%	2.1%	0.0 p.p.	1.0%	1.6%	-0.6 p.p.	3.4%	3.9%
Number of children and students	24,842	21,982	13.0%	23,772	21,491	10.6%	n.m.	22,413
Number of units	312	285	9.5%	308	282	9.2%	n.m.	286

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 28-29.

Outcome for the first half year

The average number of children increased by 10.6 percent and amounted to 23,772 (21,491). Net sales increased by 18.3 percent and amounted to SEK 2,209 million (1,868). The acquisitions, Sandviks and FAWZ, and positive currency effects contributed 5.0 and 4.1 percentage points, respectively. The organic growth was 9.1 percent.

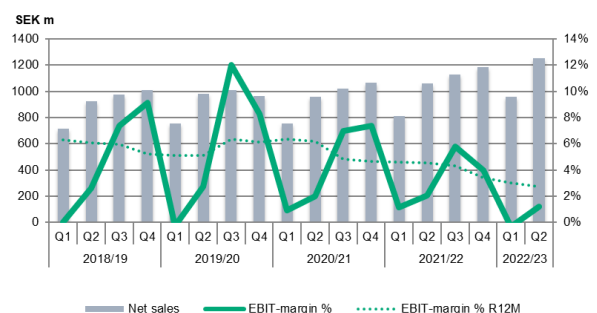
Adjusted operating profit (adj. EBIT) for the first half year was SEK 23 million (30), and the margin 1.0 percent (1.6). The decline in profit and margin were due to the Norwegian preschools and relates to higher salary expenses and lower pension supplement, total SEK 22 million, and also increased operating costs mainly energy, SEK 8 million, driven by inflation. Increased operating costs due to inflation also had an impact on the Swedish and German operation but were mitigated by increased capacity utilisation in Sweden.

Non-recurring items amounted to SEK -11 million (-) and include transaction and integration costs for the acquisition of FAWZ. Operating income (EBIT) was lower compared to last year and amounted to SEK 12 million (30). This corresponds to an EBIT margin of 0.5 percent (1.6).

Operational changes

The existing business in Germany opened one new unit and two existing units moved to larger premises. In Netherlands, one more unit was acquired and the acquisition of FAWZ in Germany contributed with 8 units in total. In Sweden, one unit was closed in the quarter.

Net, the number of units have increased by 20 during the first six months. The preliminary school voucher revision in Norway amounts to 9 percent (2.8).



Compulsory School

- The number of students increased by 2.3 percent to 28,520 (27,867) in the second quarter.
- Sales increased by 5.2 percent to SEK 986 million (937).
- Adjusted operating profit (EBIT) decreased to SEK 63 million (74).

AcadeMedia's Compulsory School segment runs compulsory schools and integrated preschools in many municipalities in Sweden under the brands Innovitaskolorna, 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 second quarter

The average number of students increased by 2.3 percent compared with the previous year and amounted to 28,520 (27,867). The increase relates to growth in existing units, of which some have increased their capacity, and to one new unit with 130 children.

Net sales increased by 5.2 percent and amounted to SEK 986 million (937), 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 63 million (74) and the margin 6.4 percent (7.9). The result was affected by the general higher cost level, energy and meal costs increased by SEK 7 million. The newly opened unit and units with added capacity also have a temporary negative effect on the results until the capacity utilization has increased. In the quarter, initiatives to strengthen student health at our schools, also contributing to increased costs.

Non-recurring items amounted to SEK -10 million (+18) and include restructuring expenses and insurance compensation related to a fire at a school in July 2021. Insurance compensation has covered most of the expenses and the insurance case was settled in the quarter. Operating income (EBIT) decreased compared to last year and amounted to SEK 53 million (92) corresponding to an EBIT margin of 5.4 percent (9.8).

Financial overview¹

SEK m	Second quarter			Half year			Rolling 12 m	Full year
	2022/23	2021/22	Change	2022/23	2021/22	Change	Jan 22 – Dec 22	2021/22
Net sales	986	937	5.2%	1,732	1,649	5.0%	3,626	3,543
Operating profit (EBIT)	53	92	-42.4%	109	116	-6.0%	246	253
EBIT margin, %	5.4%	9.8%	-4.4 p.p.	6.3%	7.0%	-0.7 p.p.	6.8%	7.1%
Items affecting comparability	-10	18	n.a.	-4	-12	n.a.	-10	-18
Adjusted operating profit (adj. EBIT)	63	74	-14.9%	114	128	-10.9%	257	271
Adjusted EBIT margin, %	6.4%	7.9%	-1.5 p.p.	6.6%	7.8%	-1.2 p.p.	7.1%	7.6%
Number of children and students	28,520	27,867	2.3%	28,468	27,782	2.5%	n.m.	27,896
Number of units	116	116	-	116	116	-	n.m.	116

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 28-29.

Outcome for the first half year

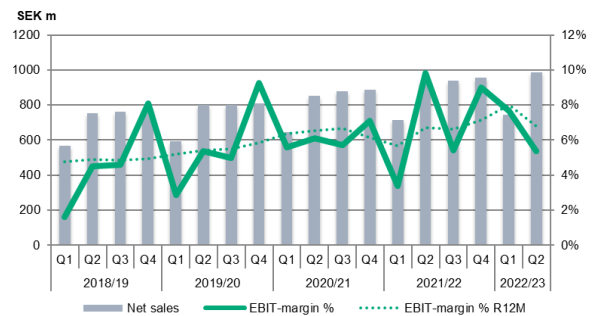
The average number of students increased by 2.5 percent and amounted to 28,468 (27,782). Net sales increased by 5.0 percent and amounted to SEK 1,732 million (1,649) following the volume increase but also the annual adjustment of school vouchers and increased government grants.

Adjusted operating profit was lower than last year, SEK 114 million (128). The result was affected by the general higher cost level where energy and meal costs increased by SEK 10 million. Initiatives to strengthen student health at our schools, also contributing to increased costs. The newly opened unit and units with added capacity also have a temporary negative effect on the results until the utilization has increased.

Items affecting comparability amounted to SEK -4 million (-12) include restructuring expenses and insurance compensation relating to fire in July 2021. Operating profit (EBIT) amounted to SEK 109 million (116), and the operating margin was 6.3 percent (7.0).

Operational changes

During the first quarter, one compulsory school opened in Örebro with 130 children and two units merged into one unit.



Upper Secondary School

- The number of students increased by 4.5 percent in the second quarter, amounting to 44,405 (42,513).
- Sales increased 6.5 percent to SEK 1,361 million (1,278).
- Adjusted operating profit decreased to SEK 107 million (118).

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 152 units during the quarter.

Outcome for the second quarter

The number of students increased by 4.5 percent compared with the previous year, amounting to 44,405 (42,513). The growth was mainly attributable to 24 new units that have opened since 2017, of which three in the beginning of current financial year, enrolling new students. In total, these 24 units have admitted about 1,250 additional students compared to the same period last year. Expansion through new starts and investments in campuses has increased the student capacity with about four thousand places. These places are expected to be filled in coming years.

Net sales increased by 6.5 percent to SEK 1,361 million (1,278), following increased number of student and the annual school voucher revision.

Adjusted operating profit was SEK 107 million (118), representing a margin of 7.9 percent (9.2). Decreased profit and margin were a result of expansion in new starts and campuses that initially reduce the capacity utilisation to 84.9 percent (87.6). Higher cost level, mainly energy, increased operating costs by SEK 6 million compared to last year.

Operating profit (EBIT) decreased and amounted to SEK 107 million (118) and the margin was 7.9 percent (9.2).

Outcome for the first half year

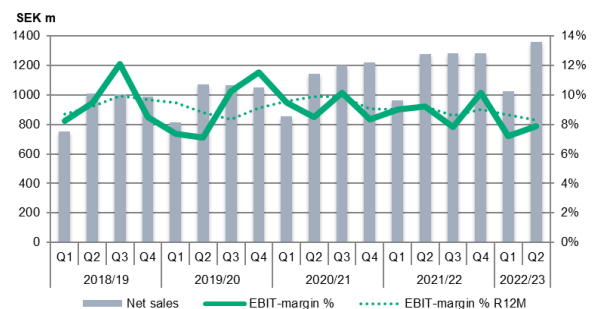
The number of students increased by 4.5 percent amounting to 44,560 (42,624) and net sales increased by 6.4 percent to SEK 2,386 million (2,242). The growth was attributable to new openings and higher school vouchers per student.

Adjusted operating profit was SEK 181 million (205), representing a margin of 7.6 percent (9.1). Profit and margin were affected by general higher cost level, about SEK 13 million, and lower capacity utilisation due to expansion.

Items affecting comparability amounted to SEK 0 million (0). Operating profit (EBIT) was SEK 181 million (205) and the margin was 7.6 percent (9.1).

Operational changes

At the start of the autumn term 2022, three new upper secondary schools opened, in Gothenburg and Malmö, admitting almost 350 students. Number of units during the first six months has been affected by one closed unit in Stockholm and two units merged into one unit.



Financial overview¹

SEK m	Second quarter			Half year			Rolling 12 m	Full year
	2022/23	2021/22	Change	2022/23	2021/22	Change	Jan 22 – Dec 22	2021/22
Net sales	1,361	1,278	6.5%	2,386	2,242	6.4%	4,950	4,807
Operating profit (EBIT)	107	118	-9.3%	181	205	-11.7%	411	435
EBIT margin, %	7.9%	9.2%	-1.3 p.p.	7.6%	9.1%	-1.5 p.p.	8.3%	9.0%
Items affecting comparability	-	-	n.a.	-	-	n.a.	-15	-15
Adjusted operating profit (adj. EBIT)	107	118	-9.3%	181	205	-11.7%	426	450
Adjusted EBIT margin, %	7.9%	9.2%	-1.3 p.p.	7.6%	9.1%	-1.5 p.p.	8.6%	9.4%
Number of children and students	44,405	42,513	4.5%	44,560	42,624	4.5%	n.m.	42,240
Number of units	152	151	0.7%	152	151	0.7%	n.m.	151

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 28-29.

Adult Education

- Sales decreased 12.0 percent to SEK 438 million (498).
- Operating profit (EBIT) was SEK 28 million (60).

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 (43 percent of sales in the quarter), Higher Vocational Education (44) and Labour Market Services (8).

Outcome for the second quarter

Net sales decreased by 12.0 percent and amounted to SEK 438 million (498). The decrease is mainly attributable to Municipal Adult Education and Labour Market Services, to some extent mitigated by a strong Higher Vocational Education.

The number of participants in the **Higher Vocational Education** continued to increase and net sales increased by 15 percent. Higher Vocational Education is now the largest area in the segment.

Volumes in **Municipal Adult Education** continue to be much lower than last year and net sales decreased by 28 percent affecting profit and margin. Efforts to adjust the business, especially in basic adult education and upper secondary school education for adults, is under way and is expected to be completed during the fourth quarter 2022/23.

The conscious choice to reduce exposure to the **Labour Market Services** business continue to impact net sales which decreased 25 percent compared to last year. The decline is related to the contracts STOM and Vocational Swedish (YS) that are now closed. The volumes in the new matching contracts (KROM) have increased substantially but are still far below the Swedish Public Employment Service's forecasts.

Operating profit (EBIT) decreased to SEK 28 million (60), corresponding to a margin 6.4 percent (12.0). The lower earnings were mainly related to lower volumes in Municipal Adult Education business. Also, the Labour Market Services declined, an effect of a conscious reduced exposure.

The assessment is that volumes will continue to be low in the third quarter. Consequently, the segment's EBIT-margin in the third quarter is anticipated to be

significantly below the range of 9-11 percent. The development of the economy and the new transition study grant (sv. Omställningsstudiestöd) can in the longer term have a positive effect on the development.

Outcome for the first half year

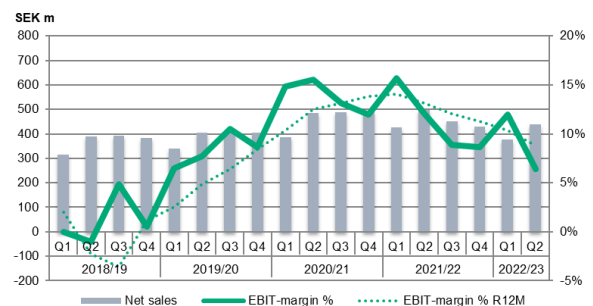
Net sales decreased by 11.9 percent and amounted to SEK 815 million (925). Adjusted operating profit was SEK 72 million (138), corresponding to a margin of 8.8 percent (14.9). Operating profit decreased to SEK 72 million (127) and the margin was 8.8 percent (13.7). The decline was mainly due to lower volumes.

Operational changes and market development

In January, the Swedish National Agency for Higher Vocational Education announced that AcadeMedia was awarded 7,364 educational places with a first start in the autumn 2023. The award means that AcadeMedia is gaining market share on a market that has stabilised on a high level.

The outlook on the **labour market** has worsened during the final months of 2022 and the number of people receiving notice of employment termination increased. However, in December the number of notices of employment termination was in line with the past two years.

To stimulate reskilling and upskilling, a new transition study grant (sv. Omställningsstudiestöd) was launched in October 2022, searchable for individuals already employed. More people than expected showed interest in the study grant and demand for education within higher vocational education and Komvux are expected to increase.



Financial overview¹

SEK m	Second quarter			Half year			Rolling 12 m	Full year
	2022/23	2021/22	Change	2022/23	2021/22	Change	Jan 22 - Dec 22	2021/22
Net sales	438	498	-12.0%	815	925	-11.9%	1,694	1,804
Operating profit (EBIT)	28	60	-53.3%	72	127	-43.3%	149	203
EBIT margin, %	6.4%	12.0%	-5.6 p.p.	8.8%	13.7%	-4.9 p.p.	8.8%	11.3%
Items affecting comparability	0	-11	n.a.	-0	-11	n.a.	-	-11
Adjusted operating profit (adj. EBIT)	28	71	-60.6%	72	138	-47.8%	149	214
Adjusted EBIT margin, %	6.4%	14.3%	-7.9 p.p.	8.8%	14.9%	-6.1 p.p.	8.8%	11.9%

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 28-29.

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.

"All of AcadeMedia's operations are part of a clear structure with a common framework and a culture with a focus on continuous improvement that makes us stronger together. We must deliver high-quality teaching and good goal fulfilment both based on core tasks and business tasks." AcadeMedia's Roadmap

Quality results for the second quarter

During the second quarter AcadeMedia's quality report and sustainability report for the fiscal year 2021/22 was published. The report includes the group's quality results for preschool, compulsory school, upper secondary school and adult education. The report is available on AcadeMedia's web.

Preschool

No comprehensive quality reviews were carried out at the Swedish, Norwegian, or German preschools during the second quarter.

Compulsory School

No comprehensive quality reviews were carried out at the Swedish compulsory schools during the second quarter.

Upper Secondary School

In November 2022, the Swedish national agency for education published the results for students who graduated from upper secondary school in the spring of 2022. The results were in line with AcadeMedia's own and preliminary grade compilations that were presented in AcadeMedia's Annual and sustainability report for 2021/22.

The percentage of AcadeMedia's students who met the upper secondary school graduation requirements declined, 90.1 percent (92.0). The national average decreased 91.0 percent (91.8). The grade point average for students with diplomas was in line with last year 14.2 (14.2), the national average was also in line with last year 14.5 (14.5) points. The percentage students with diploma within three years declined to 78,3 percent (79.2), while the national average increased to 79.7 percent (79.6 percent).

Adult Education

Compilations of the Adult Education's participant surveys with respect to the autumn term of 2022 show that participants' satisfaction remains at a high level and continue to improve compared to the previous year, 86.4 percent (86.0). The propensity to recommend AcadeMedia to others increased to 87.4 percent (87.1).

Employees

The average number of full-time employees in the quarter was 14,510 (13,847) which represents an increase of 4.8 percent. The proportion of women in the Swedish operation was 66.8 percent (66.9) in the quarter. Employee turnover in Sweden, measured as the proportion of individuals who resigned, was 12.7 percent aggregated over the six-month July – December period, compared with 9.8 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 4.4 percent (4.7) during quarter.

Parent Company

Revenue during the first six months amounted to SEK 9 million (6). Operating profit (EBIT) amounted to SEK -6 million (-5) and profit after tax was SEK -0 million (-2). 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 31 December 2022 was SEK 2,233 million (2,406). The Parent Company's interest-bearing debt as of 31 December 2022 was SEK 506 million (730).

Owners and share capital

AcadeMedia AB (publ) is a public limited company listed on Nasdaq Stockholm since 2016. As of 31 December 2022, share capital was SEK 105,793,382 and the number of shares amounted to a total of 105,793,382 shares distributed among 105,587,477 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 22.83 percent of the capital as of 31 December 2022.

The number of shares and votes in AcadeMedia AB has increased during September 2022 as a result of the conversion of convertibles within the framework of the convertible program aimed at employees in the AcadeMedia group which was introduced at the annual general meeting on November 22, 2018. In total, the number of shares and votes has increased by 504 ordinary shares and equal many voices.

Significant events after the end of the reporting period

Preliminary school voucher increases

With around 70 percent of decisions received, we see an average school voucher increase of about 4 percent (2.6) for our Swedish operations. In Norway, school voucher funding is expected to rise by about 9 percent (2.8) and is based on the actual municipal cost for the financial year 2021 adjusted with a cost index for 2022 and 2023. The voucher increases are based on municipality announcements to date and are calculated as a weighted average based on AcadeMedia's student mix in each country.

The Swedish National Agency for Higher Vocational Education announced allocation of educational places with first start autumn 2023

AcadeMedia's Higher Vocational Education awarded more than 7,300 educational places and gains market share. This was announced by the Swedish National Agency for Higher Vocational Education in connection with the presentation of which applications were granted. The award means that AcadeMedia's total number of educational places for the autumn 2023 is expected to be higher compared to the autumn 2022.

Fire at a primary school in Helsingborg

In January 2023, a school in Helsingborg was damaged by fire. The damaged parts will be restored. Additional costs as a result of the fire will impact the result in the third quarter of 2022/23 as an item affecting comparability. The costs are expected to a large extent be covered by insurance claims.

Other

Risks and uncertainties

AcadeMedia categorises risks as operating, external, and financial and they are described in detail in AcadeMedia AB's 2021/22 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.

In October 2022, the incoming government presented an agreement on the school. The proposals covered both system and organizational issues and things that more directly affect teaching in the school. It is important to underline that these proposals in the agreement must be investigated according to the existing procedures. These proposals must both be sent out for consultation and to the Legislative Council before they are presented for a vote in the Riksdag. This process can take several years. The main headings of the agreement for the school are Knowledge results and knowledge

content, Safety and peace of mind at work and independent schools and freedom of choice. If the proposals are implemented, the expectation is that a clear set of regulations with a focus on knowledge, at the same time as serious independent schools will also continue to be given good conditions to be an important part of the work to develop the school. One of the proposals in the agreement concerns a ban on profit distribution during the first years for new start-ups and new acquisitions. It therefore does not cover the existing operations of AcadeMedia or other actors. In terms of start-ups, AcadeMedia has historically contributed to the creation of new educational places by opening new schools and expanding operations. Newly opened units are generally loss-making in the first years, so the proposal is not expected to affect AcadeMedia's plans to continue contributing to the creation of new training places or expansion. The proposals are therefore judged, based on known information, not to affect AcadeMedia's financial position.

The increased inflation and rising interest rates can lead to a recession, which in turn will increase the demand for adult education. Higher electricity prices, CPI-indexed rents and meal costs affect AcadeMedia's cost mass, but over time, higher costs are reflected in increased school fees.

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 to 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. The seasonal variations are described in more detail in AcadeMedia AB's annual report for 2021/22.

Covid-19 has had a major impact on our business, which is why 2019/20 and 2020/21 were special. The result was mainly affected by lower costs during the second and third quarters of the business year, mainly due to cancelled and postponed activities as well as lower personnel costs due to high sickness absence and limited access to substitutes.

Clarified dividend policy and introduction of new financial key performance indicators

In November 2022, AcadeMedia's Board of Directors communicated a clarified dividend policy and at the same time introduced new financial key performance indicators relating to capital structure. The purpose with the clarification was to clarify AcadeMedia's capital structure and how capital should be allocated over time. The considerations made by the board when formulating the new policy are presented in the press release from 7 November 2022.

AcadeMedia's new dividend policy reads:

AcadeMedia's purpose is to provide quality education for the funding received. AcadeMedia's free cash flow will primarily be reinvested in the business in order to maintain high quality and to finance future business development and growth. The Board of Directors deem that AcadeMedia should maintain a strong balance sheet and thereby high financial stability. Surplus may be distributed to the shareholders provided that AcadeMedia in all material respects meets its targets relating to quality and financial position. This can be done through dividend and/or through redemption of shares or similar methods provided all AcadeMedia's shareholders are treated equally. AcadeMedia aims to distribute 30 percent of annual profits after tax as dividends.

Given that AcadeMedia has large lease obligations related to property, the Board of Directors have decided to implement new financial key performance indicators that take this into account and that can be applied when evaluating the company's financial position. The new key ratios are:

- Net debt / adjusted EBITDA R12, including the effect of IFRS 16
- Debt ratio defined as Net debt / Total assets excluding cash and cash equivalents, including and excluding the effects of IFRS 16

Outlook

AcadeMedia does not publish any forecasts.

Calendar

2 February 2023	Interim report, second quarter
5 May 2023	Interim report, third quarter
19 July 2023	Preliminary result for the fiscal year 2022/23
30 August 2023	Year-end report 2022/23
25 October 2023	Interim report, first quarter
25 October 2023	Annual report 2022/23

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

The Board of Directors and the Chief Executive Officer certify that the interim report gives a true and fair view of the Parent Company's and Group's operations, their financial position and results of operations, and describes significant risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm 2 February 2023

Håkan Sörman
Chairman of the Board

Marcus Strömberg
Chief Executive Officer

Johan Andersson
Board Member

Ann-Marie Begler
Board Member

Jan Bernhardsson
Board Member

Mikael Helmersson
Board Member

Pia Rudengren
Board Member

Silvija Seres
Board Member

Anna Lundmark Boman
Employee representative

Anders Lövgren
Employee representative

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

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This information is information that AcadeMedia AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on 2 February 2023.

Consolidated income statement

SEK m	Not	Second quarter		Half year		Rolling 12 m	Full year
		2022/23	2021/22	2022/23	2021/22	Jan 22- Dec 22	2021/22
Net Sales	3	4,041	3,774	7,146	6,685	14,799	14,339
Cost of services		-392	-345	-707	-617	-1,364	-1,274
Other external expenses		-393	-325	-709	-592	-1,490	-1,373
Personnel expenses		-2,495	-2,333	-4,288	-4,021	-8,915	-8,648
Depreciation/amortization		-474	-436	-922	-858	-1,820	-1,755
Items affecting comparability ¹⁾		-21	7	-16	-23	-57	-64
TOTAL OPERATING EXPENSES		-3,776	-3,433	-6,641	-6,111	-13,645	-13,115
OPERATING INCOME (EBIT)		266	342	504	575	1,154	1,224
Financial income		8	0	11	0	12	1
Financial expenses	6	-129	-108	-253	-214	-480	-441
Net financial items		-122	-108	-242	-214	-469	-441
INCOME BEFORE TAX		144	234	263	361	686	784
Tax		-35	-48	-60	-76	-163	-179
PROFIT FOR THE PERIOD		109	186	203	285	522	605
Profit for the period attributable to:							
Owners of the parent company		109	186	203	285	522	605
Basic earnings per share (SEK)		1.16	1.76	1.89	2.70	4.91	5.73
Diluted earnings per share (SEK)		1.16	1.76	1.88	2.70	4.90	5.72
Earnings per share based on number of shares outstanding (SEK)		1.16	1.76	1.89	2.70	4.91	5.73

¹⁾ Items affecting comparability are specified on page 4. Key performance indicator definitions are on pages 32 to 33. Please see note 2 for information on how application of IFRS 16 impact the financial reports.

Consolidated statement of comprehensive income

SEK m	Second quarter			Half year		Rolling 12 m	Full year
	Not	2022/23	2021/22	2022/23	2021/22	Jan 22- Dec 22	2021/22
PROFIT FOR THE PERIOD		109	186	203	285	522	605
Other comprehensive income							
<i>Items that will not be reclassified to profit/loss</i>							
Actuarial gains and losses		2	-10	-36	-20	-22	-6
Deferred tax relating to actuarial gains and losses		-0	2	8	4	5	1
		1	-8	-28	-15	-17	-4
<i>Items that may be reclassified to profit/loss</i>							
Translation differences		12	17	25	23	38	35
Other comprehensive income for the period		14	9	-3	7	20	31
COMPREHENSIVE INCOME FOR THE PERIOD		123	195	200	293	543	636
Comprehensive income for the period attributable to:							
Owners of the parent company		123	195	200	293	543	636

Consolidated statement of financial position in summary

SEK m	Dec 31, 2022	Dec 31, 2021	Jun 30, 2022
ASSETS			
Intangible non-current assets	6,758	6,471	6,597
Buildings	1,138	1,120	1,057
Right-of-use assets	8,987	8,140	8,367
Other property, plant, and equipment	1,049	824	924
Other non-current assets	102	62	79
Total non-current assets	18,034	16,617	17,024
Current receivables	740	617	704
Cash and cash equivalents ¹	818	1,084	1,137
Total current assets	1,558	1,701	1,840
TOTAL ASSETS	19,592	18,318	18,864
EQUITY AND LIABILITIES			
Total equity	5,772	5,412	5,758
Non-current liabilities to credit institutions	1,532	1,605	722
Long-term lease liabilities	8,069	7,150	7,464
Provisions and other non-current liabilities	229	181	212
Total non-current liabilities	9,829	8,936	8,397
Current interest-bearing liabilities	348	431	1,207
Short-term lease liabilities	1,251	1,197	1,180
Other current liabilities	2,392	2,342	2,323
Total current liabilities	3,991	3,970	4,709
TOTAL EQUITY AND LIABILITIES	19,592	18,318	18,864

¹ Cash includes Cash restricted for payroll tax withholdings with SEK 55 million (SEK 54 million per 31 Dec 2021 and SEK 37 million per 30 June 2022).

Summary of consolidated statement of changes in equity

Equity attributable to the owners of the Parent Company

SEK m	Jul – Dec 2022/23	Jul - Dec 2021/22	Jul-Jun 2021/22
Opening balance	5,758	5,305	5,305
Profit for the period	203	285	605
Other comprehensive income for the period	-3	7	31
Consolidated statement of comprehensive income	199	293	636
Dividend paid	-185	-185	-185
Other transactions with owners ¹	-0	-0	2
Closing balance	5,772	5,412	5,758

¹ Transactions with owners amounts to SEK +0.0 million and include new issue connected to the convertible program SEK +0.0 million and share-matching program SEK +0.0 million, and repurchase of issued warrants SEK -0,1 million in the second quarter. Transactions with owners in the previous year include a new share issue connected to the convertible program SEK +0,2 million and premium for issued warrants of SEK +2,1 million in the fourth quarter.

Consolidated cash flow statement

SEK m	Second quarter		Half year		Full year
	2022/23	2021/22	2022/23	2021/22	2021/22
Operating profit (EBIT)	266	342	504	575	1,224
Depreciation/amortization	474	436	922	858	1,755
Adjustment for other non-cash items	-11	-17	-23	-15	37
Tax paid	-77	-59	-148	-71	-179
Cash flow from operating activities before changes in working capital	653	701	1,256	1,347	2,838
Cash flow from changes in working capital	275	317	-11	40	-7
Cash flow from operating activities	927	1,019	1,244	1,387	2,831
Acquisition of subsidiaries	-80	-37	-156	-51	-181
Investments in buildings	-7	-13	-13	-20	-20
Leasehold improvements	-22	-31	-45	-64	-148
Investments in equipment	-48	-34	-112	-74	-152
Investments in intangible non-current assets	-2	-4	-3	-4	-2
Divestment of fixed assets	12	-	12	-	-
Investments in non-current financial assets	-	-0	-	-14	-33
Cash flow from investing activities	-146	-120	-316	-227	-536
Interest received (+) and paid (-)	-10	-6	-21	-13	-30
Interest paid, lease liabilities	-117	-101	-228	-200	-407
Dividend paid	-185	-185	-185	-185	-185
New share issue	-	-	-	-	2
Increase (+)/decrease (-) of interest-bearing liabilities	-64	-82	-106	-45	-171
Repayment of lease liabilities	-499	-282	-715	-608	-1,346
Cash flow from financing activities	-875	-656	-1,255	-1,051	-2,136
CASH FLOW FOR THE PERIOD	-93	242	-327	110	158
Cash and cash equivalents at beginning of period	907	836	1,137	966	966
Exchange-rate differences in cash and cash equivalents	4	6	8	8	12
Cash and cash equivalents at end of period	818	1,084	818	1,084	1,137

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 33 and pages 1 to 15 are an integrated part of this financial report.

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 2021/22 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 2022

New and amended standards and interpretations applicable from 1 July 2022 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	Second quarter 22/23		First half year 22/23		Full year 21/22				
	IFRS 16 effect	Excl. IFRS 16	IFRS 16 effect	Excl. IFRS 16	IFRS 16 effect	Excl. IFRS 16			
Net Sales	4,041	-	4,041	7,146	-	7,146	14,339	-	14,339
Cost of services	-392	-	-392	-707	-	-707	-1,274	-	-1,274
Other external expenses	-393	438	-831	-709	863	-1,572	-1,373	1,646	-3,019
Personnel expenses	-2,495	-	-2,495	-4,288	-	-4,288	-8,648	-	-8,648
Depreciation/amortization	-474	-354	-120	-922	-697	-225	-1,755	-1,358	-398
Items affecting comparability	-21	-	-21	-16	-	-16	-64	-	-64
TOTAL OPERATING EXPENSES	-3,776	84	-3,860	-6,641	166	-6,808	-13,115	288	-13,403
OPERATING INCOME	266	84	181	504	166	338	1,224	288	936
Financial income	8	-	8	11	-	11	1	-	1
Financial expenses	-129	-115	-14	-253	-224	-29	-441	-401	-41
Net financial items	-122	-115	-7	-242	-224	-18	-441	-401	-40
INCOME BEFORE TAX	144	-31	175	263	-58	321	784	-112	896
Tax	-35	7	-42	-60	13	-73	-179	25	-204
PROFIT FOR THE PERIOD	109	-24	133	203	-45	248	605	-88	692
Other comprehensive income for the period	14	-	14	-3	-	-3	31	-	31
COMPREHENSIVE INCOME FOR THE PERIOD	123	-24	146	200	-45	244	636	-88	723
Earnings per share basic (SEK)	1.16	-0.23	1.39	1.89	-0.43	2.32	5.73	-0.83	6.56
Earnings per share basic/diluted (SEK)	1.16	-0.23	1.38	1.88	-0.42	2.31	5.72	-0.83	6.54
Earnings per share based on number of shares outstanding (SEK)	1.16	-0.23	1.39	1.89	-0.43	2.32	5.73	-0.83	6.56

Consolidated statement of financial position in summary

SEK m	31 Dec 2022			31 Dec 2021		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
ASSETS						
Intangible non-current assets	6,758	-	6,758	6,471	-	6,471
Buildings	1,138	-	1,138	1,120	-	1,120
Right-of-use assets	8,987	8,722	265	8,140	7,905	235
Other property, plant, and equipment	1,049	-	1,049	824	-	824
Other non-current assets	102	28	74	62	19	43
Total non-current assets	18,034	8,750	9,284	16,617	7,924	8,692
Current receivables	740	-331	1,070	617	-302	919
Cash and cash equivalents	818	-	818	1,084	-	1,084
Total current assets	1,558	-331	1,889	1,701	-302	2,003
TOTAL ASSETS	19,592	8,420	11,173	18,318	7,622	10,696
EQUITY AND LIABILITIES						
Total equity	5,772	-345	6,117	5,412	-256	5,668
Non-current liabilities to credit institutions	1,532	-	1,532	1,605	-	1,605
Long-term lease liabilities	8,069	7,933	136	7,150	7,041	109
Provisions and other non-current liabilities	229	-114	343	181	-53	234
Total non-current liabilities	9,829	7,819	2,010	8,936	6,987	1,948
Current interest-bearing liabilities	348	-	348	431	-	431
Short-term lease liabilities	1,251	1,119	133	1,197	1,068	129
Other current liabilities	2,392	-173	2,565	2,342	-178	2,519
Total current liabilities	3,991	945	3,045	3,970	890	3,079
TOTAL EQUITY AND LIABILITIES	19,592	8,420	11,173	18,318	7,622	10,696

Consolidated cash flow statement

SEK m	Second quarter 22/23			First half year 22/23		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
Operating profit/loss (EBIT)	266	84	181	504	166	338
Depreciation/amortization	474	354	120	922	697	225
Adjustment for other non-cash items	-11	-0	-10	-23	-1	-23
Tax paid	-77	-	-77	-148	-	-148
Cash flow from operating activities before changes in working capital	653	438	215	1,256	863	393
Cash flow from changes in working capital	275	136	139	-11	4	-16
Cash flow from operating activities	927	574	354	1,244	867	377
Cash flow from investing activities	-146	-	-146	-316	-	-316
Cash flow from financing activities	-875	-574	-301	-1,255	-867	-388
CASH FLOW FOR THE PERIOD	-93	-0	-93	-327	-0	-327

NOTE 3: REVENUE

SEK m	Second quarter		Half year		Full year
	2022/23	2021/22	2022/23	2021/22	2021/22
Education-related income	3,868	3,651	6,851	6,480	13,885
State subsidies	84	74	135	123	243
Sandviks	28	0	55	0	15
Other income	62	49	106	82	196
Net Sales	4,041	3,774	7,146	6,686	14,339

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 2021/22 Annual Report. Related party transactions take place at an arm's length basis. During the second quarter no significant related-party transactions took place.

NOTE 5: ACQUISITIONS

Acquiring company	Acquired company	Acquisition date	Segment
Plek voor kinderen Holding B.V.	100% B.V.	30-Sep-22	Preschool
Plek voor kinderen Holding B.V.	Tommy & Annika B.V.	30-Sep-22	Preschool
AcadeMedia Game Education AB	Changemaker Education AB (Futuregames)	31-Aug-22	Adult Education
AcadeMedia Edtech AB	Framtidsutveckling i Sverige AB	31-Aug-22	Adult Education
AcadeMedia Education GmbH	FAWZ gGmbH	07-Nov-22	Preschool

The purchase price allocations are preliminary one year from the acquisition date.

The acquisitions above represent a combined value of less than 5 percent of the Group. Voting rights amount to 100 percent.

The purchase consideration was in the form of cash.

Details of the net assets and goodwill acquired are given below. Goodwill attributed to company value exceeding net assets is not tax deductible whereas goodwill attributed to assets in asset-based acquisitions is tax deductible.

In the first quarter, the acquisition analysis for Sandviks AS has been adjusted, which among other things resulted in a reduction of Goodwill of SEK 12 million and an increase in Brands and Other intangible fixed assets of SEK 11 million and SEK 4 million, respectively. The adjustment is shown in the table below.

Acquisition effects of acquisitions made (SEK m)	Adjustment Sandviks	Acquisition in the period	Total
Purchase consideration including transaction expenses and interest compensation	-	296	296
Purchase consideration excluding transaction expenses and including interest compensation	-	296	296
Fair value of acquired net assets excluding goodwill	-12	-172	-184
Total goodwill	-12	124	112

Fair values acquired (SEK m)	Adjustment Sandviks	Acquisition in the period	Total
Intangible non-current assets	15	5	20
Property, plant, and equipment	-	114	114
Right-of-use assets	-	145	145
Financial non-current assets	-	1	1
Current assets	-	10	10
Cash and cash equivalents	-	140	140
Interest bearing liabilities	-	-21	-21
Interest bearing liabilities – IFRS 2016	-	-145	-145
Non-interest-bearing liabilities	-	-75	-75
Current tax liability	-	0	0
Deferred tax liability	-3	-2	-6
Net assets acquired	12	172	184

FAWZ gGmbH was acquired in the second quarter and the purchase price allocation will be revised in the third quarter.

Goodwill that has arisen in connection with acquisitions consists in part of synergies with existing businesses for example within personnel, recruitment, and personnel development and with service organisation, which can be streamlined as a result of the acquisitions, and in part of acquired resources which are not valued such as staff and the future sales development.

Impact of the acquisitions on the Group's cash and cash equivalents (SEK m)	Total
Purchase consideration excluding transaction expenses and including interest	296
Less purchase consideration that has not been settled in cash as of period end	-1
Cash and cash equivalents at time of acquisition	-140
Impact on the Group's cash and cash equivalents	155

Contribution of acquisitions to consolidated profit (SEK m)	Total
Net sales	75
Operating profit (EBIT)	5

If the units had been included in consolidated profit from July 1, 2022 the contribution would have been (SEK m)	Total
Net sales	184
Operating profit (EBIT)	11

NOTE 6: FINANCIAL EXPENSES

SEK m	Second quarter		Half year		Full year
	2022/23	2021/22	2022/23	2021/22	2021/22
Financial expenses					
Interest expense	-10	-5	-21	-12	-25
Borrowing costs ¹	-0	-1	-1	-1	-4
Interest expense on the lease liability	-117	-101	-228	-200	-407
Exchange rate losses	-	-	-	-	-2
Other	-2	-1	-3	-1	-3
Financial expenses	-129	-108	-253	-214	-441
<i>Interest expense on property related lease liability</i>	<i>-115</i>	<i>-99</i>	<i>-224</i>	<i>-196</i>	<i>-401</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 first six months amounted to SEK 60 (76) million, corresponding to an effective tax rate of 22.9 percent (21.0).

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.

NOTE 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 31 December 2022 amounts to SEK 1,555 million (2,084 as per 30 June 2022). The decrease in the quarter is an effect of leasing contracts commencing at the start of the autumn term.

On 1 January 2023, most of AcadeMedia's existing rental agreements are revised. In Sweden, this is done mainly based on index which was approximately 10 percent. The impact on AcadeMedia's balance sheet is expected to amount to approximately SEK 500 million in higher leasing liabilities and right of use assets.

Parent company – financial reports

Parent company income statement in summary

SEK m	Second quarter		Half year		Full year
	2022/23	2021/22	2022/23	2021/22	2021/22
Net sales	4	2	9	6	7
Operating expenses	-8	-6	-15	-11	-24
OPERATING PROFIT	-5	-4	-6	-5	-17
Interest income and similar items	26	5	38	9	20
Interest expense and similar items	-24	-4	-32	-7	-16
Net financial items	2	1	6	2	4
Year-end appropriations	-	-	-	-	20
PROFIT BEFORE TAX	-3	-3	-0	-3	8
Tax	1	1	0	1	-1
PROFIT FOR THE PERIOD	-2	-3	-0	-2	7

Parent company other comprehensive income

SEK m	Second quarter		Half year		Full year
	2022/23	2021/22	2022/23	2021/22	2021/22
Profit for the period	-2	-3	-0	-2	7
Other comprehensive income for the period	-	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	-2	-3	-0	-2	7

Parent company balance sheet in summary

SEK m	31 Dec 2022	31 Dec 2021	Jun 30, 2022
ASSETS			
Participations in Group companies	3,261	3,261	3,261
Total non-current assets	3,261	3,261	3,261
Current receivables	4,062	2,947	3,178
Cash and cash equivalents	432	828	841
Total current assets	4,494	3,775	4,020
TOTAL ASSETS	7,756	7,036	7,281
EQUITY AND LIABILITIES			
Restricted equity	106	106	106
Non-restricted equity	2,127	2,300	2,312
Total equity	2,233	2,406	2,418
Non-current liabilities	306	355	19
Current liabilities	5,216	4,275	4,844
TOTAL EQUITY AND LIABILITIES	7,756	7,036	7,281

Parent company statement of changes in equity

SEK m	Jul -Dec 2022/23	Jul -Dec 2021/22	Jul-Jun 2021/22
Opening balance	2,418	2,593	2,593
Profit for the period	0	-2	7
Other comprehensive income for the period	-	-	-
Total profit for the period	0	-2	7
Dividend	-185	-185	-185
Other transactions with owners ¹	0	0	2
Closing balance	2,233	2,406	2,418

¹ Transactions with owners amounts to SEK +0.0 million and include new issue connected to the convertible program SEK +0.0 million and share-matching program SEK +0.0 million, and repurchase of issued warrants SEK -0,1 million in the second quarter. Transactions with owners in the previous year include a new share issue connected to the convertible program SEK +0,2 million and premium for issued warrants of SEK +2,1 million in the fourth quarter.

Multi-year review

SEK million, unless otherwise stated	Second quarter		Half year			Full year			
	2022/23	2021/22	2022/23	2021/22	2021/22	2020/21	2019/20	2018/19 ¹	2017/18 ¹
PROFIT/LOSS ITEMS									
Net sales	4,041	3,774	7,146	6,685	14,339	13,340	12,271	11,715	10,810
Items affecting comparability	-21	7	-16	-23	-64	-7	36	1	-48
EBITDA	740	778	1,427	1,433	2,980	2,754	2,486	931	872
Depreciation/amortization	-474	-436	-922	-858	-1,755	-1,580	-1,513	-296	-250
Operating profit/loss (EBIT)	266	342	504	575	1,224	1,174	973	635	622
Net financial items	-122	-108	-242	-214	-441	-402	-417	-69	-68
Profit/loss for the period before tax	144	234	263	361	784	772	556	566	555
Profit/loss for the period after tax	109	186	203	285	605	599	431	431	430
BALANCE SHEET ITEMS									
Non-current assets	18,034	16,617	18,034	16,617	17,024	15,773	15,262	8,218	7,823
Current receivables and inventories	740	617	740	617	704	662	710	976	860
Cash and cash equivalents	818	1,084	818	1,084	1,137	966	528	527	699
Non-current interest-bearing liabilities	1,559	1,631	1,559	1,631	747	1,850	1,914	2,205	2,209
Long-term lease liabilities	8,069	7,150	8,069	7,150	7,464	6,495	6,346	-	-
Non-current non-interest-bearing liabilities	201	155	201	155	187	162	207	305	135
Current interest-bearing liabilities	348	431	348	431	1,207	195	270	592	673
Short-term lease liabilities	1,251	1,197	1,251	1,197	1,180	1,077	1,010	-	-
Current non-interest-bearing liabilities	2,392	2,342	2,392	2,342	2,323	2,319	1,965	2,030	2,103
Equity	5,772	5,412	5,772	5,412	5,758	5,305	4,790	4,589	4,262
Total assets	19,592	18,318	19,592	18,318	18,864	17,401	16,500	9,720	9,383
Capital employed	8,293	7,968	8,293	7,968	8,181	7,705	7,232	7,386	7,144
Net debt including IFRS 16	10,409	9,324	10,409	9,324	9,460	8,650	9,011	2,266	2,179
Net debt, excluding IFRS 16	1,357	1,216	1,357	1,216	987	1,222	1,797	2,266	2,179
Property adjusted net debt	582	451	582	451	237	526	1,138	1,533	1,528
KEY RATIOS									
Net sales, SEK m	4,041	3,774	7,146	6,685	14,339	13,340	12,271	11,715	10,810
Organic growth incl. Bolt-on acquisitions, %	4.3%	6.0%	4.4%	6.3%	5.2%	8.1%	5.4%	4.4%	5.8%
Acquired growth, larger acquisitions, %	1.8%	3.1%	1.4%	3.2%	1.6%	1.6%	-	3.2%	7.9%
Change in currency, %	1.0%	0.8%	1.1%	0.5%	0.8%	-1.1%	-0.7%	0.8%	-0.1%
Operating margin (EBIT), %	6.6%	9.1%	7.1%	8.6%	8.5%	8.8%	7.9%	5.4%	5.8%
Adjusted EBIT, SEK m	203	263	354	457	1,001	939	728	634	670
Adjusted EBIT margin, %	5.0%	7.0%	5.0%	6.8%	7.0%	7.0%	5.9%	5.4%	6.2%
Adjusted EBITDA, SEK m	323	365	579	649	1,398	1,295	1,066	930	920
Adjusted EBITDA margin, %	8.0%	9.7%	8.1%	9.7%	9.7%	9.7%	8.7%	7.9%	8.5%
Return on capital employed, %, (12 months)	11.1%	13.2%	11.1%	13.2%	12.6%	12.6%	10.0%	8.7%	10.1%
Return on equity, %, (12 months)	10.4%	13.9%	10.4%	13.9%	12.0%	13.3%	11.6%	9.7%	11.2%
Equity/assets ratio, %	54.8%	53.0%	54.8%	53.0%	55.3%	53.3%	51.4%	47.2%	45.4%
Interest coverage ratio, times	21.8	33.0	21.8	33.0	31.6	27.9	15.9	12.5	10.9
Net debt/Adjusted EBITDA (12 m) incl IFRS 16	3.4	3.2	3.4	3.2	3.1	3.1	3.7	-	-
Net debt/Adjusted EBITDA (12 m)	1.0	0.9	1.0	0.9	0.7	0.9	1.7	2.4	2.4
Debt ratio, incl IFRS 16	13.1%	12.6%	13.1%	12.6%	10.1%	13.0%	19.9%	-	-
Debt ratio, excl. IFRS 16	55.4%	54.1%	55.4%	54.1%	53.4%	52.6%	56.4%	-	-
Free cash flow	282	606	218	506	922	1,117	805	356	688
Cash flow from investing activities	-146	-120	-316	-227	-536	-437	-375	-559	-970
Number of full-time employees	14,510	13,847	14,246	13,695	13,829	13,360	12,686	12,405	11,863

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 32 to 33.

Quarterly data, Group

Quarterly data	2022/23			2021/22			2020/21			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
SEK million, unless otherwise stated										
Net sales	4,041	3,104	3,851	3,802	3,774	2,911	3,672	3,591	3,436	2,641
EBITDA	740	687	787	760	778	655	741	750	660	603
<i>Depreciation/amortization</i>	-73	-67	-62	-59	-58	-58	-56	-53	-50	-50
<i>Depreciation/amortization related to acquisitions</i>	-6	-6	-5	-4	-5	-4	-4	-4	-4	-4
<i>Depreciation/amortization related to right-of-use assets</i>	-395	-376	-383	-384	-373	-359	-351	-346	-332	-326
Depreciation/amortization	-474	-448	-450	-447	-436	-421	-411	-404	-386	-380
Items affecting comparability	-21	6	-14	-27	7	-30	-14	6	-9	10
Operating income (EBIT)	266	239	337	313	342	233	330	346	275	222
Total financial items	-122	-120	-114	-113	-108	-106	-100	-98	-100	-104
Income before taxes	144	119	223	200	234	127	231	249	174	118
Tax for the current period	-35	-25	-59	-44	-48	-27	-50	-58	-40	-26
Profit/loss for the period	109	94	164	155	186	100	181	191	134	93
Number of children/students, schools	97,767	95,834	93,308	93,092	92,363	91,431	90,032	89,691	85,927	85,642
Number of full-time employees	14,510	13,982	14,022	13,904	13,847	13,543	13,733	13,767	13,127	12,814
Number of education units	580	571	559	556	552	545	539	536	525	525
Key ratios										
Operating margin (EBIT), %	6.6%	7.7%	8.8%	8.2%	9.1%	8.0%	9.0%	9.6%	8.0%	8.4%
Adjusted EBIT	203	151	279	264	263	194	281	279	225	153
Adjusted EBIT, %	5.0%	4.9%	7.2%	6.9%	7.0%	6.7%	7.7%	7.8%	6.5%	5.8%
Adjusted EBITDA	323	256	382	367	365	284	374	372	315	235
Adjusted EBITDA, %	8.0%	8.2%	9.9%	9.7%	9.7%	9.8%	10.2%	10.4%	9.2%	8.9%
Net margin, %	2.7%	3.0%	4.3%	4.1%	4.9%	3.4%	4.9%	5.3%	3.9%	3.5%
Return on equity, % (12 months) ¹	10.4%	11.6%	12.0%	12.6%	13.9%	13.1%	13.3%	13.9%	14.0%	12.9%
Return on capital employed, % (12 Months) ¹	11.1%	11.8%	12.6%	12.7%	13.2%	12.8%	12.6%	12.4%	11.7%	10.8%
Equity/assets ratio, % ¹	54.8%	54.3%	55.3%	54.4%	53.0%	53.5%	53.3%	52.0%	50.2%	51.4%
Net debt/Adjusted EBITDA (12 months) ¹	1.0	1.0	0.7	0.9	0.9	1.1	0.9	1.2	1.4	1.6
Interest coverage ratio ¹	21.8	26.4	31.6	32.3	33.0	31.0	27.9	23.5	21.6	18.4
Other										
Free cash flow	282	-64	397	19	606	-99	341	246	572	-42
Cash flow from operating activities	354	24	517	59	675	-26	435	275	621	26
Cash flow from investing activities	-146	-170	-217	-93	-120	-106	-128	-61	-236	-12

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	2022/23			2021/22			2020/21			
Preschool (SE, NO, DE, NL)	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	24,842	22,702	23,651	23,020	21,982	20,999	22,265	21,891	20,969	20,664
Net sales	1,252	956	1,184	1,128	1,061	808	1,068	1,020	958	755
of which Sweden	363	274	365	351	339	253	349	343	328	247
of which Norway preschool	553	417	582	574	520	377	552	524	481	364
of which Germany	293	231	215	203	201	178	168	153	149	144
of which Netherlands	15	8	8	-	-	-	-	-	-	-
of which Sandviks	28	27	15	-	-	-	-	-	-	-
EBITDA	46	24	73	91	45	33	104	93	40	28
EBITDA margin, %	3.7%	2.5%	6.2%	8.1%	4.2%	4.1%	9.7%	9.1%	4.2%	3.7%
Depreciation/amortization	-31	-27	-26	-26	-23	-24	-24	-22	-20	-22
Operating profit/loss (EBIT)	15	-3	47	65	22	9	79	71	19	7
EBIT margin, %	1.2%	-0.3%	4.0%	5.8%	2.1%	1.1%	7.4%	7.0%	2.0%	0.9%
Items affecting comparability	-11	-	-21	-	-	-	-	-	-	-
Adjusted operating profit/loss (EBIT)	26	-3	68	65	22	9	79	71	19	7
Adjusted EBIT margin, %	2.1%	-0.3%	5.7%	5.8%	2.1%	1.1%	7.4%	7.0%	2.0%	0.9%
Number of preschool units	312	303	292	289	285	278	273	270	267	266

SEK million, unless otherwise stated	2022/23			2021/22			2020/21			
Compulsory School	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	28,520	28,416	28,052	27,965	27,867	27,697	27,374	27,046	26,193	26,170
Net sales	986	746	954	940	937	713	888	877	851	644
EBITDA	76	78	108	72	113	43	81	68	69	52
EBITDA margin, %	7.7%	10.5%	11.3%	7.7%	12.1%	6.0%	9.1%	7.8%	8.1%	8.1%
Depreciation/amortization	-24	-22	-21	-21	-21	-18	-18	-18	-18	-16
Operating profit/loss (EBIT)	53	57	86	51	92	24	63	50	52	36
EBIT margin, %	5.4%	7.6%	9.0%	5.4%	9.8%	3.4%	7.1%	5.7%	6.1%	5.6%
Items affecting comparability	-10	6	6	-12	18	-30	-	-	-	3
Adjusted operating profit/loss (EBIT)	63	51	80	63	74	54	63	50	52	33
Adjusted EBIT margin, %	6.4%	6.8%	8.4%	6.7%	7.9%	7.6%	7.1%	5.7%	6.1%	5.1%
Number of education units	116	116	116	116	116	116	116	116	112	112

SEK million, unless otherwise stated	2022/23			2021/22			2020/21			
Upper Secondary School	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	44,405	44,716	41,605	42,106	42,513	42,735	40,394	40,753	38,765	38,808
Net sales	1,361	1,025	1,284	1,280	1,278	964	1,223	1,202	1,142	856
EBITDA	166	124	180	153	168	129	147	170	144	121
EBITDA margin, %	12.2%	12.1%	14.0%	12.0%	13.1%	13.4%	12.0%	14.1%	12.6%	14.1%
Depreciation/amortization	-59	-50	-50	-53	-51	-41	-45	-48	-47	-40
Operating profit/loss (EBIT)	107	74	130	100	118	87	102	122	97	81
EBIT margin, %	7.9%	7.2%	10.1%	7.8%	9.2%	9.0%	8.3%	10.1%	8.5%	9.5%
Items affecting comparability	-	-	0	-15	-0	-0	-10	6	-	8
Adjusted operating profit/loss (EBIT)	107	74	130	115	118	87	112	116	97	73
Adjusted EBIT margin, %	7.9%	7.2%	10.1%	9.0%	9.2%	9.0%	9.2%	9.7%	8.5%	8.5%
Number of education units	152	152	151	151	151	151	150	150	146	147

SEK million, unless otherwise stated	2022/23			2021/22			2020/21			
Adult Education	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	438	377	429	450	498	427	492	488	484	385
EBITDA	33	49	41	44	64	71	63	68	79	61
EBITDA margin, %	7.5%	13.0%	9.6%	9.8%	12.9%	16.6%	12.8%	13.9%	16.3%	15.8%
Depreciation/amortization	-6	-5	-5	-4	-4	-4	-4	-4	-4	-4
Operating profit/loss (EBIT)	28	45	37	40	60	67	59	64	75	57
EBIT margin, %	6.4%	11.9%	8.6%	8.9%	12.0%	15.7%	12.0%	13.1%	15.5%	14.8%
Items affecting comparability	0	-0	-	-	-11	-	-	-	-	-
Adjusted operating profit/loss (EBIT)	28	45	37	40	71	67	59	64	75	57
Adjusted EBIT margin, %	6.4%	11.9%	8.6%	8.9%	14.3%	15.7%	12.0%	13.1%	15.5%	14.8%

SEK million, unless otherwise stated	2022/23			2021/22			2020/21			
Group-OH and adjustments	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	4	0	0	4	0	0	0	4	1	1
EBITDA	419	410	386	400	388	380	346	350	328	341
Depreciation/amortization	-355	-344	-349	-342	-337	-333	-319	-311	-297	-299
Operating profit/loss (EBIT)	64	66	37	57	51	46	27	39	32	42
Items affecting comparability	-	-	-	-	-	-	-4	-	-9	-
Adjusted operating profit/loss (EBIT)	-20	-16	-35	-18	-21	-23	-32	-22	-18	-17

SEK million, unless otherwise stated	2022/23			2021/22			2020/21			
Group	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	97,767	95,834	93,308	93,092	92,363	91,431	90,032	89,691	85,927	85,642
Net sales	4,041	3,104	3,851	3,802	3,774	2,911	3,672	3,591	3,436	2,641
EBITDA	740	687	787	760	778	655	741	750	660	603
EBITDA margin, %	18.3%	22.1%	20.4%	20.0%	20.6%	22.5%	20.2%	20.9%	19.2%	22.8%
Depreciation/amortization	-474	-448	-450	-447	-436	-421	-411	-404	-386	-380
Operating profit/loss (EBIT)	266	239	337	313	342	233	330	346	275	222
EBIT margin, %	6.6%	7.7%	8.8%	8.2%	9.1%	8.0%	9.0%	9.6%	8.0%	8.4%
Items affecting comparability	-21	6	-14	-27	7	-30	-14	6	-9	10
Effect of IFRS 16 on operating profit	84	82	72	75	72	69	63	61	59	59
Adjusted operating profit/loss (EBIT)	203	151	279	264	263	194	281	279	225	153
Adjusted EBIT margin, %	5.0%	4.9%	7.2%	6.9%	7.0%	6.7%	7.7%	7.8%	6.5%	5.8%
Net financial items	-122	-120	-114	-113	-108	-106	-100	-98	-100	-104
Profit/loss after financial items	144	119	223	200	234	127	231	249	174	118
Tax	-35	-25	-59	-44	-48	-27	-50	-58	-40	-26
Profit/loss for the period	109	94	164	155	186	100	181	191	134	93
Number of full-time employees (period)	14,510	13,982	14,022	13,904	13,847	13,543	13,733	13,767	13,127	12,814
Number of units	580	571	559	556	552	545	539	536	525	525

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	Second quarter		Half year		Full year			2018/19 ²
	2022/23	2021/22	2022/23	2021/22	2021/22	2020/21	2019/20	
Adjusted operating profit								
Operating profit	266	342	504	575	1,224	1,174	973	635
- Items affecting comparability	-21	7	-16	-23	-64	-7	36	1
- IFRS 16 impact	84	72	166	141	288	243	209	-
= Adjusted operating profit	203	263	354	457	1,001	939	728	634
Adjusted EBIT margin								
Adjusted operating profit	203	263	354	457	1,001	939	728	634
Divided by /Net sales	4,041	3,774	7,146	6,685	14,339	13,340	12,271	11,715
= Adjusted EBIT margin	5.0%	7.0%	5.0%	6.8%	7.0%	7.0%	5.9%	5.4%
Adjusted EBITDA								
Adjusted operating profit	203	263	354	457	1,001	939	728	634
- Depreciation excluding depreciation relating to property rental agreements	-120	-102	-225	-192	-398	-357	-338	-296
= Adjusted EBITDA	323	365	579	649	1,398	1,295	1,066	930
Net debt								
Non-current interest-bearing liabilities	9,628	8,781	9,628	8,781	8,211	8,344	8,260	2,205
+ Current interest-bearing liabilities	1,599	1,628	1,599	1,628	2,386	1,272	1,279	592
- Interest-bearing receivables	-	-	-	-	-	-	-	4
- Cash and cash equivalents	818	1,084	818	1,084	1,137	966	528	527
= Net debt including IFRS 16	10,409	9,324	10,409	9,324	9,460	8,650	9,011	2,266
- IFRS 16 Non-current and current lease liabilities ¹	9,052	8,109	9,052	8,109	8,474	7,428	7,214	-
= Net debt excluding IFRS 16²	1,357	1,216	1,357	1,216	987	1,222	1,797	2,266
Property-adjusted net debt								
Net debt (as described above)	1,357	1,216	1,357	1,216	987	1,222	1,797	2,266
- non-current property loans	744	738	744	738	722	671	597	644
- current property loans	32	26	32	26	28	25	62	89
= Property adjusted net debt excluding IFRS 16²	582	451	582	451	237	526	1,138	1,533
Return on capital employed %, 12 months								
Adjusted EBIT	898	1,018	898	1,018	1,001	939	728	634
+ Interest income	3	0	3	0	1	0	0	1
divided by								
Average equity	5,592	5,135	5,592	5,135	5,531	5,047	4,690	4,426
+ average non-current interest-bearing liabilities	9,204	8,697	9,204	8,697	8,277	8,302	5,232	2,207
+ average current interest-bearing liabilities	1,614	1,575	1,614	1,575	1,829	1,276	935	632
- IFRS 16 average equity ¹	-300	-212	-300	-212	-256	-165	-59	-
- IFRS 16 average non-current and current lease liabilities ¹	8,580	7,882	8,580	7,882	7,951	7,321	3,607	-
= Return on capital employed excluding IFRS 16², %	11.1%	13.2%	11.1%	13.2%	12.6%	12.6%	10.0%	8.7%
Return on equity %, 12 months								
Profit/loss after tax	522	657	522	657	605	599	431	431
- IFRS 16 profit/loss after tax	-89	-88	-89	-88	-88	-95	-117	-
divided by								
Average equity	5,592	5,135	5,592	5,135	5,531	5,047	4,690	4,426
- IFRS 16 average equity ¹	-300	-212	-300	-212	-256	-165	-59	-
= Return on equity², %	10.4%	13.9%	10.4%	13.9%	12.0%	13.3%	11.6%	9.7%
Debt ratio, incl IFRS 16								
Net debt incl IFRS 16	10,409	9,324	10,409	9,324	9,460	8,650	9,011	-
divided by								
Total assets	19,592	18,318	19,592	18,318	18,864	17,401	16,500	-
-cash and cash equivalents	818	1,084	818	1,084	1,137	966	528	-
=Debt ratio incl IFRS 16	55%	54%	55%	54%	53%	53%	56%	-
Debt ratio, excl IFRS 16								
Net debt excl IFRS 16	1,357	1,216	1,357	1,216	987	1,222	1,797	-
divided by								
Total assets	11,173	10,696	11,173	10,696	10,951	10,353	9,551	-
-cash and cash equivalents	818	1,084	818	1,084	1,137	966	528	-
=Debt ratio excl IFRS 16	13%	13%	13%	13%	10%	13%	20%	-

SEK million, unless otherwise stated	2022/23		2021/22				2019/20			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Interest coverage ratio										
Adjusted operating profit EBIT (12 months)	898	958	1,001	1,003	1,018	980	939	936	881	806
+ Interest income (12 months)	3	1	1	0	0	0	0	0	0	0
+ Other financial income (12 months)	9	3	0	-0	3	3	3	3	4	4
divided by										
Interest expense (12 months)	-470	-449	-432	-421	-409	-402	-399	-403	-404	-404
- Interest expense (12 months) IFRS 16 ¹	-428	-412	-401	-390	-378	-370	-365	-363	-363	-360
= Interest coverage ratio (excl. IFRS 16)	21.8	26.4	31.6	32.3	33.0	31.0	27.9	23.5	21.6	18.4

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 i.e., 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.
Net debt/ Adjusted EBITDA (incl. IFRS 16)	Net debt (closing balance for the period) divided by adjusted EBITDA for the past 12 months, including the effect of IFRS 16	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 leased liabilities
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.
Debt ratio (including IFRS 16)	Net debt in percent of total assets less cash and cash equivalents. Including effects of IFRS 16	Debt ratio including IFRS 16 shows what proportion of the company's total assets (excluding cash and cash equivalents) is financed with borrowed capital and lease liabilities. The measure shows the company's financial position with consideration of leasing commitments.
Debt ratio (excluding IFRS 16)	Net debt in percent of total assets less cash and cash equivalents. Excluding effects of IFRS 16.	Debt ratio excluding IFRS 16 shows what proportion of the company's total assets (excluding cash and cash equivalents) is financed with borrowed capital. The measure shows the company's financial position.
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.

