

AcademeMedia

# Annual and sustainability report 22/23



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Photo: Rikard Westman for Elvis Photo, and images from AcadeMedia.

Cover photo: Students at Klara Teoretiska gymnasium in Sollentuna

Layout and production: EO Grafiska AB.

# We are AcadeMedia

AcadeMedia's core mission is education and teaching. We are driven to create a better and more sustainable society based on learning. By promoting lifelong learning, equality in education and a sustainable future, we help people and societies to develop and grow.

AcadeMedia is Northern Europe's leading and single largest independent education coordinator and is established in Sweden, Norway, Germany and the Netherlands. Our size creates security and a stability that provides the conditions required to be a long-term player that contributes to building a communal society.

### About the Annual and Sustainability Report

This is AcadeMedia's annual and sustainability report 2022/2023. The formal annual report can be found on pages 42-93. The statutory sustainability report is part of AcadeMedia's sustainability report and can be found on pages 13-41. The sustainability report is prepared with reference to GRI 2021.



#### Mission

Change through  
Education



#### Vision

AcadeMedia will lead the  
development of the  
future of education



Number of children, students  
and adult participants in our  
programmes

**197,900\***



Number of employees at  
AcadeMedia

**19,375\***



Number of units

**731\***



Sales

**15,539** SEK million



Operating result

**1,270** SEK million



Operating result excl. IFRS 16

**964** SEK million

\*Annual

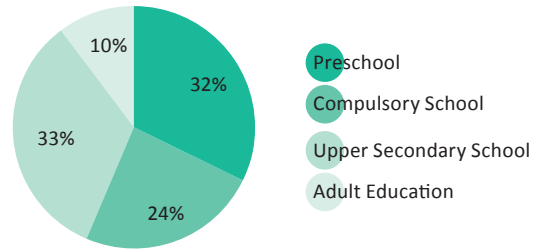
# Our activities

## AcadeMedia's business concept and business model

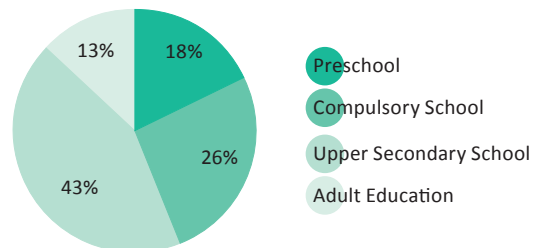
AcadeMedia develops and operates leading and clearly defined educational organisations under different brands throughout the education chain. We will offer high quality preschools, schools and adult education programmes.

Our business model is based on a decentralised organisation where each principal or equivalent has overall responsibility for their unit(s). The unit managers are led by school managers or equivalent who are responsible for a number of units within each organisation. This decentralised business model also creates opportunities for profitable growth through both start-ups and acquisitions. As a new part of the AcadeMedia family, each acquired unit has a clear home base and is part of an established structure.

## Sales by segment



## Operating result by segment



## Sweden

Preschool: 148

Compulsory School: 79

Upper Secondary School: 152

Adult Education: 150

About a quarter of our preschools are an integrated part of a compulsory school. AcadeMedia is also the country's largest independent operator of upper secondary schools.

## Norway

Preschool: 107

In Norway, AcadeMedia, with Espira, is the country's third largest preschool operator.

## Germany

Preschool: 83

Compulsory School: 2

Upper Secondary School: 4

Adult Education: 3

During the financial year, AcadeMedia expanded its operations in Germany, where preschool units are complemented by compulsory and upper secondary schools and adult education units.

## The Netherlands

Preschool: 10

As part of our international growth, AcadeMedia's preschools have been established in the Netherlands and our assessment is that there are good opportunities for continued growth, organically and through acquisitions. After the end of the financial year, Winford College was acquired with ten compulsory and upper secondary schools. These are not included in any figures or diagrams.



# AcadeMedia's four segments

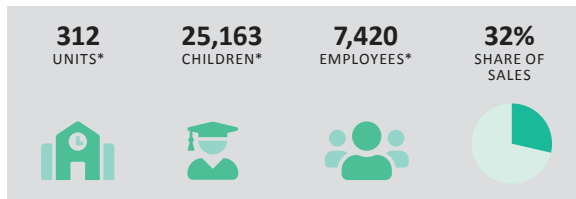
## PRESCHOOL & INTERNATIONAL



AcadeMedia's preschool segment includes preschools in Sweden, Norway, Germany and the Netherlands, as well as schools and adult education in Germany.

### KEY EVENTS OF THE YEAR

- In November 2022, FAWZ in Germany was acquired. This means AcadeMedia has preschools, compulsory schools, upper secondary schools and adult education units in Germany.
- In Sweden, we continued focus on language strategy and digital literacy where children are producers and not consumers.
- In Sweden, consistently high results in the carers' survey with the majority of carers recommending us.



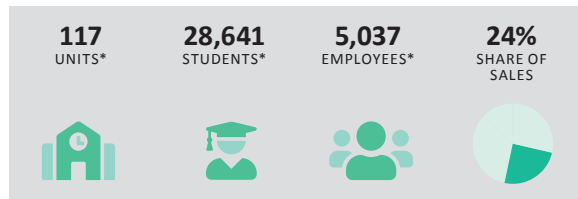
## COMPULSORY SCHOOL



AcadeMedia's compulsory schools are established throughout Sweden. They operate under six brands and offer a wide variety of education.

### KEY EVENTS OF THE YEAR

- We acquired the Montessori Compulsory School Maria in Malmö and Vittra Örebro started operations.
- Nobla Järila Sjö changed its name and focus to Montessori Mondial Nacka and Brevik school changed its name to Noblaskolan Brevik.



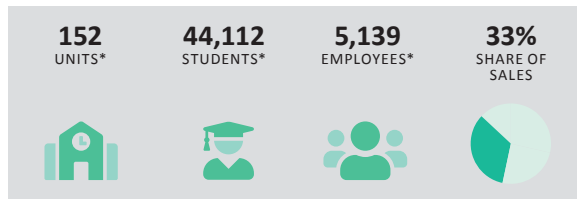
## UPPER SECONDARY SCHOOL



AcadeMedia's upper secondary school segment provides education throughout Sweden with both academic and vocational programmes.

### KEY EVENTS OF THE YEAR

- Two new upper secondary school campuses in Stockholm welcomed a total of 3,350 students in August, with the capacity to host an additional 900 upper secondary students.
- The start-up of the three new upper secondary schools SjöLins Malmö, Designgymnasiet Göteborg and NTI Handelsgymnasium Göteborg went according to plan with student numbers in line with business plan targets.



## ADULT EDUCATION



AcadeMedia's adult education segment is Sweden's largest and leading provider in adult education, with approximately 150 locations around the country.

### KEY EVENTS OF THE YEAR

- Higher Vocational Education continued to grow and account for more than 50 percent of total turnover in the segment. Significant adjustments were made in our adult education business due to reduced volume of participants.
- Our international investment in game development continued with the launch of our brand The Game Assembly (TGA) in the UK. In addition, Changemaker Education (CME) was integrated into AcadeMedia.



\*Annual average

# Roadmap 2030 shows the way

Roadmap 2030 describes our desired future of how AcadeMedia will contribute to a sustainable society. With a shared direction throughout our entire organisation, we illustrate our long-term goals, which gives our operations support and direction in the ongoing, everyday development of our work. Roadmap 2030 was presented to leaders and managers in January 2023 and will be implemented throughout the organisation in autumn 2023.

AcadeMedia is made up of people who are committed to creating a better and more sustainable society through education and learning. We equip children, students and adult participants with knowledge, values and skills. By presenting overarching areas and common strategies for how we at AcadeMedia enable good education for all, Roadmap 2030 sets out a unified way forward for the entire organisation. Our main driving force is the conviction that good education can create decisive change, both for individuals and for society at large.

## Desired situation in 2030

AcadeMedia is

- an international role model as a training organisation
- an internationally recognised training company in the field of sustainability
- an international role model with our diversity of pedagogical concepts
- an education provider that challenges existing structures and thinks in new ways

## Four areas of leadership

**Leading in learning** - At AcadeMedia, we are constantly evolving and are driven by our employees' commitment, expertise and desire to make a difference. We put learning first and offer excellent education to children, students and adult participants. Everyone should be met on their own terms, and our responsibility is to ensure that everyone achieves their goals.

**Leading in appeal** - We want to be the first choice for all our stakeholders. We offer training options that suit the needs of different individuals. We want to be the most attractive employer in the education sector, helping more people choose to train as teachers and stay in the teaching profession. Our international presence creates additional opportunities for development and learning for both students and staff.

**Leading in sustainability** - We want to be a model of sustainability in the education sector as we focus on reducing our climate and environmental footprint. We care about using our resources sustainably and efficiently. All activities work with democratic processes and learning for sustainable development with the aim that children, students, adult participants and employees all become aware of and involved in sustainable social development.

**Leadership in innovative development** - We want to continue to be curious, break norms and dare to try new ways to develop and improve. We want to have a clear role in the development of modern pedagogical approaches and methods. Through our innovative development work, we are a leader in the digitalisation of the education sector and a catalyst for new ideas and different forms of collaboration.



Children at the Pyslingen Brovaktaren preschool at Kungsholmen in Stockholm.

# Northern Europe's leading education provider

To achieve our vision and objectives for 2030, we focus on a number of strategic areas: learning, appeal, sustainability and innovative development. Our education programmes in the countries where we operate must be the highest quality and our employees must have excellent conditions in which to perform their duties. Only then can we achieve our goals.

## Overall objectives

Our overall business objective is to deliver the best quality of education in the areas in which the Group operates. This quality is also key to achieving our financial targets

- AcadeMedia will be a leader in learning, appeal, sustainability and innovative development.
- AcadeMedia will deliver the best quality of education in the areas in which the Group operates.
- By 2023, AcadeMedia will be Europe's leading and most influential education company.

## Strategies

- Clear educational focus and well-defined brands.
- Competent and committed staff and managers.
- Universal quality management model.
- Continuous improvement and innovative solutions.
- Long-term and sustainable growth.

## Sustainability objectives

- Our children/students/participants reach the established goals for each school form. 100 percent - everyone should reach the goal.
- Our employees are satisfied with us as an employer and recommend us to others.
- AcadeMedia will be a role model when it comes to environmental responsibility in the education sector. We will gradually reduce our climate footprint with the aim of becoming a climate-neutral organisation by 2030.
- AcadeMedia will be a model of transparency for companies operating in the public sector.

## Financial targets

OBJECTIVES	OBJECTIVES	OBJECTIVES	OUTCOME 2022/23
<b>Growth</b>	5-7%	AcadeMedia's target for sales growth is 5–7 percent annually for the Group, excluding major acquisitions	6,0% (5,2%)
<b>Profitability</b>	7-8%	AcadeMedia's profitability target for operating profit (EBIT) excluding items affecting comparability should amount to 7–8 percent over time.	6,2% (7,0%)
<b>Capital structure</b>	<3,0x	AcadeMedia's target is to for net interest-bearing debt to be no more than three times operating profit before depreciation and amortisation (EBITDA) excluding items affecting comparability. During brief periods, however, deviation from this target may occur, such as in the case of major acquisitions.	0,6x (0,7x)
<b>Utilisation of free cash flow</b>	–	Free cash flow is primarily to be reinvested. Any surplus may be distributed to shareholders provided that AcadeMedia meets its targets relating to quality and financial position	1.75* SEK/share (1.75 SEK/share)

1. Figures in brackets refer to the previous year. \* Proposed dividend. To be decided by the General Assembly in 2023.

## Dividend policy

AcadeMedia's purpose is to provide quality education for the remuneration received. AcadeMedia's free cash flow will primarily be reinvested in the business to maintain high quality and to finance future business development and growth. The Board of Directors believes that AcadeMedia should maintain a strong balance sheet and thus high financial stability. Surplus can be distributed to the shareholders provided that AcadeMedia's objectives regarding quality and financial position are deemed to be essentially fulfilled. This can be done through dividends and/or through redemption of shares or other alternative methods provided that all AcadeMedia's shareholders are treated equally.

AcadeMedia's goal is to distribute approximately 30 percent of the Group's profit after tax.

# Key events during and after the financial year

*“Being big has no value in itself. But when you are big, it becomes more possible to make a substantial difference. That is why we have been making and continue make the largest initiatives and investments in education in AcadeMedia’s history.”*

Marcus Strömberg, CEO AcadeMedia

## 27 new units, including two campuses in Stockholm

27 units were added during the year, of which 25 were outside Sweden. In August 2022, two new campuses were opened in Stockholm with room for over 4,000 students in state-of-the-art premises. AcadeMedia has a leading position in upper secondary education. Our extensive investments and initiatives in vocational education and our breadth in terms of the different profiles of our operations have created a high level of appeal.

## Acquisition of FAWZ gGmbH

In November 2022, AcadeMedia acquired FAWZ gGmbH, expanding its operations in Germany to include education from preschool to adult education.

## Compulsory school damaged by fire

In January 2023, a fire damaged a school in Helsingborg, Sweden. Most of the additional costs resulting from the fire are expected to be covered by insurance.

## Changes in Group Management and the Board of Directors

During the financial year, there were changes in Group Management and the Board of Directors. See pages 50 and 55-57 for more information.

## Clarified dividend policy and new financial metrics

In November 2022, AcadeMedia’s Board of Directors communicated a clarified dividend policy and introduced new financial key figures related to capital structure. The purpose of the clarification is to clarify both AcadeMedia’s capital structure and how the capital should be allocated over time.

The Board’s considerations in its work on the new policy can be found on page 47 of the Annual Report.

## Expansion in the Netherlands

After the end of the reporting period, the acquisition of Winford College in the Netherlands was completed. The business consists of ten

compulsory and upper secondary schools with a total of about 600 students and 100 employees. The acquisition is another step in our strategy to grow abroad.

In the financial year 2022/23, net sales amounted to EUR13.6 million and EBITDA to EUR 2.0 million.

## More than 100,000 children and students in AcadeMedia schools

The number of children and students in the first quarter of 2023/24 was higher than ever. Preliminary student numbers for autumn 2023 show an overall average student growth of about 5 percent and we now surpass 100,000 (95,834) children and students in our three school segments. Almost 16,000 of these are in the first year of upper secondary school.

# The year in brief

Net sales: SEK 15,539 million (14,339)

Operating profit: SEK 1,270 million (1,224)

Operating profit adjusted for items affecting comparability and IFRS 16: SEK 964 million (1,001).

Profit for the year: SEK 578 million (605)

Earnings per share after dilution: SEK 5.47 (5.72)

	2022/23	2021/22	CHANGE
Net sales, MSEK	15,539	14,339	8,4%
Organic growth, in %	6,0%	5,2%	0,8 p.e.
Adjusted EBITDA, MSEK	1,422	1,398	1,7%
Adjusted EBITDA margin	9,2%	9,7%	-0,5 p.e.
Operating result EBIT, MSEK	1,270	1,224	3,8%
EBIT margin	8,2%	8,5%	-0,3 p.e.
Adjusted operating profit EBIT, SEK million	964	1,001	-3,7%
Adjusted EBIT margin	6,2%	7,0%	-0,8 p.e.
Net financial income, MSEK	-511	-441	-15,9%
Profit before tax, MSEK	759	784	-3,2%
Profit for the year, MSEK	578	605	-4,5%
Earnings per share after dilution (SEK)	5,47	5,72	-4,3%
Free cash flow	792	922	-14,1%
Dividends	1,75* kr	1,75* kr	0,00 kr
Number of children and students	97,916	92,549	5,8%
Number of employees per year	14,459	13,829	4,6%

\* Proposed dividend. To be decided by the General Assembly in November 2023.



Marcus Strömberg, CEO AcadeMedia

# AcadeMedia builds a better future

Today the foundations of democracy are being challenged in multiple different ways. When society is challenged, our shared values and knowledge are the glue that holds the country together. Education has never been more important. Confidence in the future is essential for us to work together to tackle societal challenges such as integration, climate change and the economy. Creating confidence in the future requires turning pretty words into concrete actions. As Nelson Mandela once said, “education is the most powerful weapon which you can use to change the world.”

All of us working in education have the tremendous responsibility of acting as role models and making high quality education available to more people. The Swedish model – where everyone can choose their education and shape their future – is successful. Over the past few years, AcadeMedia has become a major player in international education. This makes us both proud and humble. Being big has no value in itself. But when you are big, it becomes more possible to make a substantial difference. This is why we have been making and continue to make the largest initiatives and investments in education in AcadeMedia’s history. These investments cover everything from premises to skills development and are part of our work towards sustainability. Our most important

contribution to sustainability is to teach everyone how to create a socially, economically, and climatically sustainable future.

## How are good education systems created?

Many countries are struggling to develop their education systems, finding difficulty in balancing quality and cost-effectiveness along with providing education in the right areas. For many years, the OECD has conducted analyses of successful school systems. Some of the key factors highlighted are:

- A high degree of autonomy at school level. Schools in successful education systems tend to have more responsibility for teaching and evaluation.
- School culture. Schools that are characterised by high expectations, a desire to learn, firm rules and good relations between students and teachers.
- Focus on student achievement. Freedom for schools to design teaching and student assessments.
- National tests. Being able to compare knowledge levels and ensure the integrity of education is vital for both learners and society.

Many of these points have been key strategies in AcadeMedia’s development and success, with freedom and responsibility integral to our shared quality model.

## AcadeMedia becomes more international

One fourth of AcadeMedia’s business is now outside Sweden. An important part of that development is our focus on preschools. Swedish preschools work very well and in many countries the Scandinavian preschool model is seen as a benchmark. In addition to giving every child the best possible start, Swedish preschools can play a key role in the preventive work to block exclusion and improve integration. AcadeMedia is pushing for a national preschool agenda by 2030 – a key objective is that all children should leave preschool with a 7,000 word vocabulary. This is an important factor for success in the next level of education.

AcadeMedia is currently active in the preschool segments in Sweden, Norway, Germany and the Netherlands. We have also continued to develop and expand within other schoolforms in Germany and the Netherlands.

## A school that makes a difference for those who need it most

There are many studies that clearly rate aspects of Swedish schools as exemplary and in some cases world-leading quality. However, we recognise that we have not succeeded in fully serving the students who need school most. In Sweden, we see an increasing proportion of students who have more socio-economically

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challenging circumstances. AcadeMedia will work to fulfil our responsibility by developing new methods and initiatives to reach this group of students. AcadeMedia has a number of schools attended by children and students from challenged areas. In the city of Helsingborg we run several schools that are good examples of how it is possible for everyone to succeed. One key to success is how early interventions are performed with close collaboration between different kinds of specialists and teachers. Another factor in our success is intensive reading. Reading is the key to continued good school development for all students.

### Leading in vocational education and training

Since its inception, AcadeMedia has had a strong focus on vocational education. We are now Sweden's leading provider of vocational education at both upper secondary school and in adult education. The demand for staff with a proper vocational education is high, as is the interest from adults to upskill. We are proud that every tenth upper secondary school student has chosen one of our upper secondary schools and of these, more than 30 percent have chosen to attend a vocational education programme. 12,000 adults attend one of our units for higher vocational training.

This is particularly gratifying because as matching in the labour market becomes increasingly important, the need for excellent vocational education and training rises. One of the challenges going forward is ensuring that the recruitment of vocational teachers keeps pace

with the number of new students. In the coming months we will invest in special recruitment campaigns.

### Nurturing creative talent for 30 years

In 2023, AcadeMedia celebrates several anniversaries. LBS, Rytmus and Vittra turn 30. Hermods has the longest history by far, with 125 years on the anniversary card. The fact that our 18 LBS Upper Secondary Schools are leaders in education for the thriving Swedish game development industry is good for both our students and Sweden's export success. Our five upper secondary schools within Rytmus continue to train the musical prodigies of the future. These schools are very different but incredibly creative and are part of Sweden's music and game development industry, which AcadeMedia is pleased to help continue to develop.

It is with great pleasure that I see so many students, parents and colleagues choose one of AcadeMedia's programmes or schools every day. We will continue to maintain and develop this trust.

Thank you!

Marcus Strömberg  
President and CEO



Students at Drottning Blankas gymnasium in Helsingborg.

# Trends in our environment that affect

**Demographic trends, the economy, unemployment and integration are all examples of external factors that affect the demand for AcadeMedia’s wide range of educational programmes. The conditions for our activities are also governed by the direction of national school and education policy, and by municipal finances and priorities.**

A consequence of an expected negative population growth in Sweden and Norway is that the need for new preschool places is decreasing. However, the proportion of children attending preschool remains high and the strategy is therefore for AcadeMedia’s preschools to be the first choice of parents in these countries. In Germany, which historically has had a low proportion of children attending preschool, we have a completely different situation with a rapidly growing demand for preschool activities throughout the country. Demand for

compulsory and upper secondary schools in Sweden that make it possible to choose between well-defined brands is expected to remain good, especially in metropolitan areas where we have long been well established.

AcadeMedia’s educational activities are directly affected by the economic development in our municipalities. The size of the school grant depends on the priorities in each municipality and also has a direct impact on the financial framework in which our educational activities have to exist.

The economic situation and the state of the labour market, in terms of both unemployment numbers and the lack of qualified labour, are also factors that either increase or decrease the demand for our adult education services. How the Swedish National Agency for Higher Vocational Education (MYH) allocates authorisations provides additional impact on the programmes offered by our universities of applied sciences.

The direction of national school and education policies directly impacts our conditions. With a clear regulatory framework in place, we, as a major long-standing education provider, have significantly better conditions for providing high-quality teaching with student knowledge at the centre and being part of the important work of developing the school.

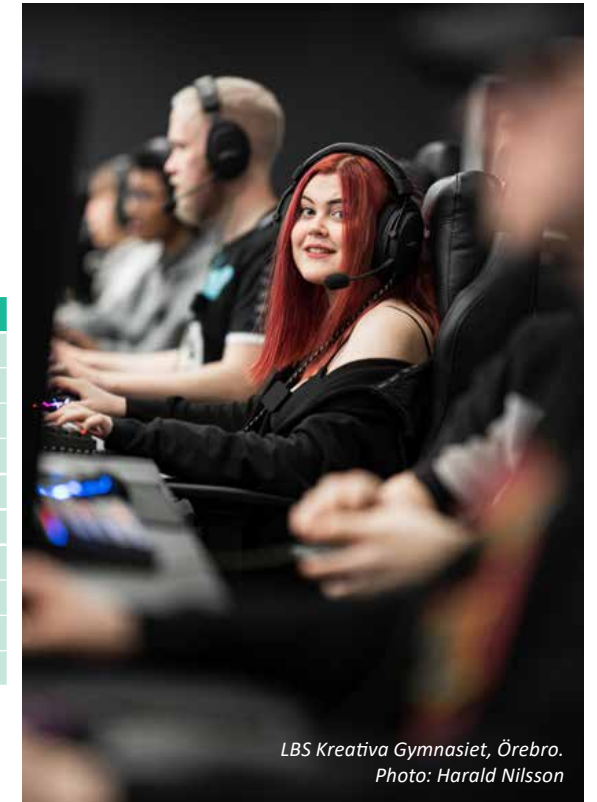
## FACTS ABOUT AUTHORISATIONS

All our school activities require authorisation from the authorities. Licences are granted until further notice. In all countries where AcadeMedia operates, extensive regulations govern daily operations and the responsible authorities in each country check that the rules are followed. Abuse can ultimately result in the revocation of the licence. In adult education, the licences are linked to fixed-term contracts obtained through procurement or awarding.

### AcadeMedia’s international education activities – an overview

	SEGMENT	SCHOOL TYPE	MARKET CONDITIONS	OTHER ACTORS
GERMANY	Preschool	Volunteer	Strong growth	Denk mit!, Edducare, pme Familienservice, Little Giants
	Compulsory school	Mandatory	Mature	Local and regional. Klett, Forms
	Upper secondary school	Volunteer	Mature	Local and regional. Klett, Forms
	Adult education	Volunteer	Mature	Local and regional. Fresenius, SRH, Euro Schulen
NETHERLANDS	Preschool	Volunteer	Mature	KidsFoundation/Partou, Bright Horizon, Norlandia
NORWAY	Preschool	Volunteer	Mature	Læringsverkstedet, Trygge Barnehager/FUS, Kanvas, municipal organisations
SWEDEN	Preschool	Volunteer	Mature	Norlandia, Dibber, Atvexa, Tellusgruppen, Cedergrenska, municipal actors, etcetera
	Compulsory school	Mandatory	Mature	IES, Kunskapsskolan, Cedergrenska, Tellusgruppen, municipal organisations
	Upper secondary school	Volunteer	Growth	ThorenGruppen, Kunskapsskolan, Jensen Education, Lärande i Sverige, Cedergrenska, municipal organisations.
	Adult education	Volunteer	Unemployment rate* (June 2022) 8.6%.	Lernia, Intendia Group, Alea, Cedergrenska, Nackademin, IHM

\* Unemployment is one of several factors driving demand for our adult education services. Other relevant drivers are immigration and various government and municipal initiatives.



LBS Kreativa Gymnasiet, Örebro.  
 Photo: Harald Nilsson

# The Swedish freedom of choice model

Today AcadeMedia is an international education company with operations in Sweden, Norway, Germany and the Netherlands. Sweden stands out in international comparisons largely because Swedish independent schools are by law free of charge and available to all.

In other countries where AcadeMedia has established educational activities, there are both private and public school operators. Private school operators are usually financed by a combination of public funds and student fees, or are fully financed by student fees, which are generally paid by parents.

The basic principle of the Swedish system is that schools are financed by common funds in the forms of a municipal school voucher and government grants. If an independent school organisation needs money in addition to the school grant, it is the school's owner who must provide the additional funds. This is common when starting up a new school, in connection with major investments or to cover a year's deficit.

Sweden has had free school choice since 1992 and around one in five students attend an independent school, putting Sweden in line with the OECD average\*. What makes Sweden different is our school system, with free schooling and free school choice for all.

\*Source: OECD

## Countries' education systems and reimbursement models

		EDUCATION SYSTEM	VOLUME	REMUNERATION MODEL	MARKET DRIVERS
SCHOOL OPERATIONS	NETHERLANDS	Authorisation	Individuals have free choice. In pre-school education, proximity to home is important. The older the children are, the more important the location of the school, the content/specialisation of the education and the reputation of the unit.	Government grant + parental contribution.	Demographics, urbanisation, increased penetration rates, school funding trends.
	NORWAY	Authorisation		Municipally funded school allowance based on outcomes + parental fees. <sup>1</sup>	
	GERMANY	Authorisation		School grant + parental contribution. <sup>1</sup>	
	SWEDEN	Authorisation		Municipally funded school allowance based on budget + parental contribution. <sup>1</sup>	
ADULT EDUCATION	MUNICIPAL ADULT TRAINING	Procurement, which can be based on price and/or quality measures, determines who is allowed to operate.	Volumes are allocated by the contracting authority. They are largely known in advance.	The length of the programmes varies from a few weeks to a year. Remuneration is based on the completion of the training programme.	Unemployment Migration
	LABOUR MARKET SERVICES	The duration of the contract is generally around 4 years.	Volumes are allocated by the contracting authority. They are highly volatile.	The duration of the programmes is 3-6 months. Remuneration is per participant per day or week.	Unemployment Migration
	HIGHER VOCATIONAL EDUCATION	Applying for and obtaining a training authorisation (1 time per year).	Demand is driven by the labour market and it is the individual who chooses what they want to study.	The programmes are mainly two years long and the remuneration is per participant per semester.	Labour market Unemployment

A parental contribution is only payable on preschool activities. In Norway the parental contribution amounts to 14.3 (16.5) percent of the total allowance and in Sweden to 3.7 (3.7) percent. In Germany, the parental contribution between the different brands depends on the profile. On average for the financial year 2022/23, the parental contribution in Germany was 12.2 (13.4) percent of the total remuneration.

# Organic growth and acquisitions

AcadeMedia has a strong growth history, through both organic growth and acquisitions. From an international perspective, there is a need for more education providers, and we therefore see growth opportunities in both existing and new markets, such as France, Spain and Poland.

Key success factors include identifying and managing barriers to growth, including difficulties in recruiting employees, low remuneration levels and access to suitable premises. More information on risks and risk management can be found on pages 53-54.

<b>Win more tenders/awards</b>	Procurement of adult education where we make a conscious choice of which RFPs to participate in. Procurements that focus solely on low price over quality of provision are low priority for us.
<b>Open new units</b>	Organic growth that initially has a negative impact on profitability. However, investment needs are low and long-term stable profitability is achieved on average within 3-5 years.
<b>Expansion of existing units</b>	Organic growth that may have a negative impact on profitability for a short period of time.
<b>Improve capacity utilisation of existing units</b>	Organic growth that has a direct positive impact on profitability.
<b>Minor additional acquisitions</b>	Organic growth at favourable multiples.
<b>Major strategic acquisitions</b>	Acquired growth with the aim of reaching a specific market or niche.

## The financial profile of new establishments

We grow organically by opening new preschools and schools within our various segments. These start-ups have a different financial profile depending on the segment and country. The initial investments are generally limited and also require little to no working capital as the school fees are paid in advance by the municipalities. An exception is in Norway, where our preschools are built and owned by AcadeMedia. This requires more capital and as a result the EBIT margin must be higher to cover interest costs.

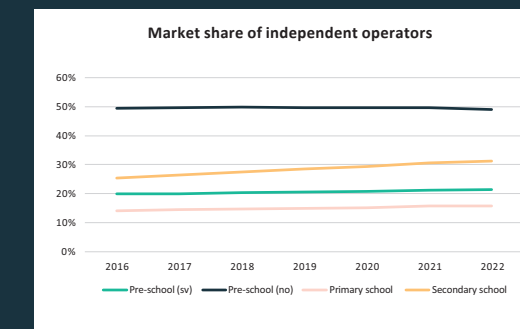
The fastest growth area continues to be Germany, where high demand for preschool places means that preschools can be filled quickly and reach break-even within a year. However, the rate of establishment slowed somewhat during the year due to inflation. In the Netherlands, ten units are now established and an organisation is being developed with a view to continued expansion.

### The financial profile for a new establishments

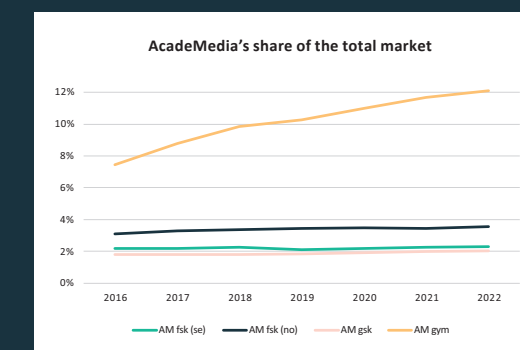
	COMPULSORY SCHOOLS	UPPER SECONDARY SCHOOLS	PRESCHOOLS SWEDEN	PRESCHOOLS NORWAY	PRESCHOOLS GERMANY
<b>START-UP INVESTMENT</b>	5-8 MSEK	5-10 MSEK	2-3 MSEK	38 MNOK*	0.3-0.5 MEUR
<b>TIME TO BREAK-EVEN</b>	4-8 years	3-4 years	2 years	1 year	1 year
<b>TIME TO MATURE PROFITABILITY</b>	5-10 years	5-6 years	3 years	2 years	2 years
<b>NUMBER OF STUDENTS AT MATURITY</b>	300-500	200-350	75-120	80-90	75-100
<b>SALES TARGETS</b>	35-55 MSEK	20-35 MSEK	14-18 MSEK	18 MNOK	1.0-1.5 MEUR
<b>EBIT MARGIN TARGET</b>	11-12% (excluding allocated fixed costs)	12% (excluding allocated fixed costs)	~12% (excluding allocated fixed costs)	~15% (excluding allocated fixed costs)	~12% (excluding allocated fixed costs)
<b>RENTAL AGREEMENT (LENGTH OF CONTRACT)</b>	5-15 years	5-15 years	10-15 years	10-20 years	15-30 years
<b>NEW ESTABLISHMENTS 2022/23</b>	0 units	1 unit	1 unit	0 units	15 units

\* Espira owns its properties initially, and the property investments are 100 percent loan-financed by the Norwegian State Housing Bank.

## Independent operators are increasing



Source: National Agency for Education and Statistics Norway



# Sustainability reporting

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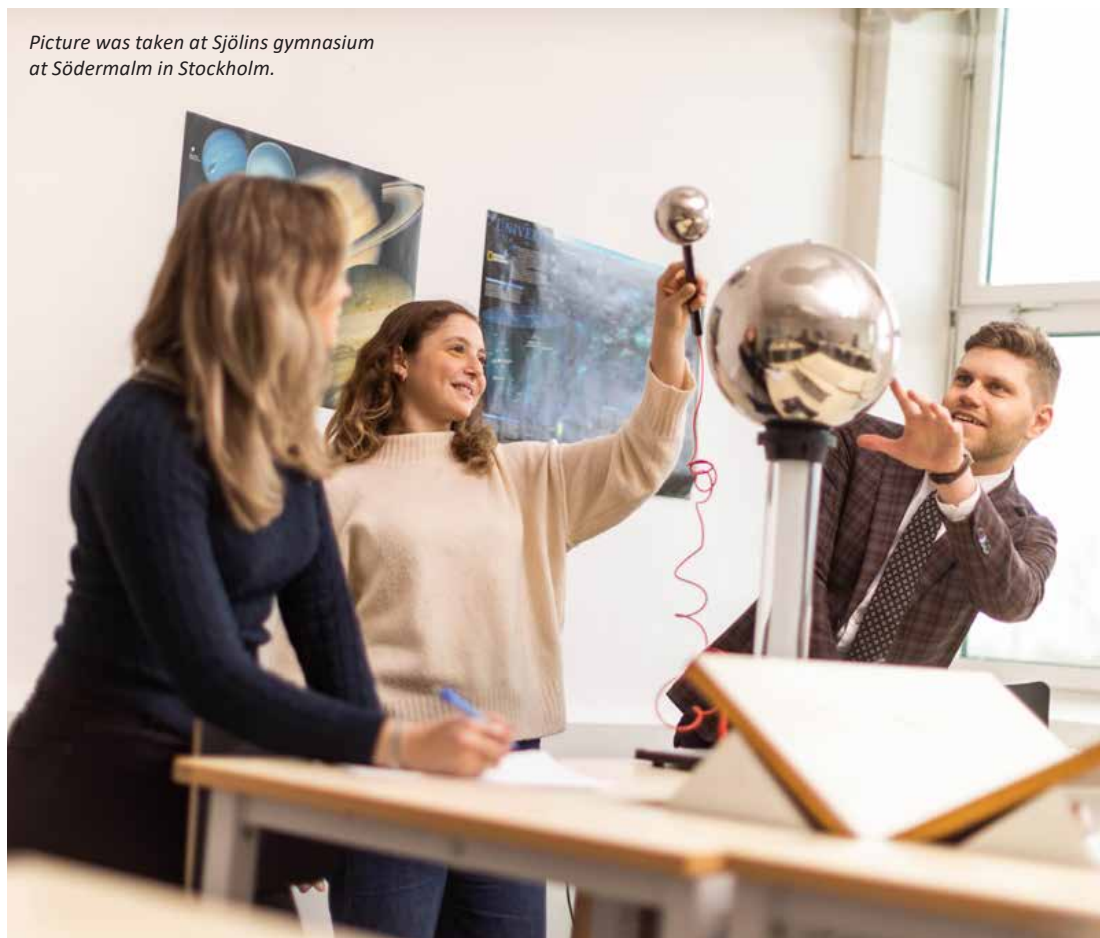
*Donnergymnasiet, Gothenburg*

# A sustainable direction for the future of education

Our ambition is for AcadeMedia to be an internationally recognised education company with clear responsibility for the impact of its operations on the environment, people and society. It is through our education and teaching that we can maximise our positive contribution and influence society and individuals to act sustainably. Our diversity of pedagogical orientations is an important strength, along with our ability to push the boundaries of learning opportunities and the implementation of education in line with technological developments and digitalisation.

As an organisation, we want to be a model of sustainability in the education sector, working every year to reduce our carbon footprint with the goal of becoming a climate-neutral group by 2030.

On the following pages we describe our sustainability goals and strategies that we will follow towards 2030 together with the sustainability initiatives and activities that have comprised our sustainability work during the financial year.



## About AcadeMedia's sustainability report

This is AcadeMedia's annual sustainability report for the financial year 2022/2023 and covers the entire Group unless otherwise stated.

The Sustainability Report 2022/23 was published on 25 October 2023 and is approved by the Board of Directors.

The sustainability report has been prepared in accordance with the provisions of ÅRL 6:11 and with reference to GRI 2021. It covers pages 13-41.

Contact person for the sustainability report:  
Paula Hammerskog, Director of Communications  
E-mail: [paula.hammerskog@academedia.se](mailto:paula.hammerskog@academedia.se)

# Uniquely positioned to contribute to sustainable societal development

AcadeMedia has great potential to influence society and individuals towards sustainability. Our core business is education and everyone who chooses to attend one of our preschools, schools or adult education units is offered a high-quality education which is always focused on the best interests of the individual. Our role is also to teach and train in various sustainability issues, and to lead by doing by making sustainable choices as an organisation.

## Three focus areas that make a difference

We have chosen to gather our most important sustainability aspects within the three focus areas of learning, employees and environment/climate.

### Learning

Education is AcadeMedia's core business and our strongest contribution to the UN's Global Goal "Quality Education for All". The part of learning that deals with the quality of our teaching mainly affects social conditions and respect for human rights. The second part of learning, teaching about sustainability, affects all areas, including environment, social conditions staff, respect for human rights and anti-corruption.

### Employees

This area of focus includes several aspects of sustainability. The focus is on our employees, social conditions and respect for human rights.

### Environment/climate

Our priority areas within this focus area are to reduce our CO<sub>2</sub> emissions by increasing the share of sustainable purchases, reducing food waste, reducing energy use on our premises, travelling less and smarter, recycling more, and conducting learning and training in sustainability.

## AcadeMedia's sustainability goals

- Our children/students/participants reach the mission goals for each school form. 100 percent - everyone should reach the goal.
- Our employees are satisfied with us as an employer and recommend us to others.
- AcadeMedia shall be an example of environmental responsibility in the education sector.
- AcadeMedia will be a model of transparency for companies operating in the public sector.

## AcadeMedia's sustainability strategy

AcadeMedia's sustainability strategy is linked to Agenda 2030 and the UN Sustainable Development Goals. Our sustainability work will contribute to building a sustainable society through good education for all, responsible use of resources and an ethical approach in everything we do. We are convinced that this will create long-term value for us as a company while helping to make the world a better place.



Picture from Innovitaskolan in Segeltorp, south of Stockholm.

# Knowledge is a prerequisite for sustainable and democratic societies

The UN's Sustainable Development Goals are an important guideline for our sustainability work. Our core business, education, is our biggest contribution to a more sustainable world and consequently the goal of quality education for all (number 4) is the goal to which AcadeMedia contributes the most.

One of our own sustainability goals is to be a role model in our sector. We can only do this by acting in a sustainable way in more areas. Employees and environment/climate are two other sustainability areas that AcadeMedia has chosen to prioritise highly, and together they mean that we meet seven of the 17 global goals.

	WHY IMPORTANT AND HOW CAN WE MAKE A DIFFERENCE?	EXAMPLES OF GUIDANCE DOCUMENTS AND POLICIES
<b>LEARNING</b>		
<b>UN Global Goals</b>	AcadeMedia's core business contributes indirectly to all the UN's global goals through education.	
<b>Objective 4</b> Good education for all	Through our core activities we provide our children and students with knowledge for the future. More specifically: a healthy compass and understanding of issues such as the environment/climate, human rights and personal responsibility.	– School legislation – Curricula – The AcadeMedia model
<b>Objective 10</b> Reducing inequality	We work actively with equal treatment plans and follow up on learning at different levels to be able to distribute resources in a fair way.	
<b>EMPLOYEES</b>		
<b>Objective 8</b> Decent working conditions and economic growth	Our most important resource is our nearly 20,000 employees. Their working environment and well-being are important for the quality of our core business. We encourage our employees to take part in competence development, collegial learning and career development within AcadeMedia's operations. AcadeMedia believes that trade unions, which are represented on our board, are of great importance to both the employees and the organisation.	– Labour law – Co-operation with trade unions – Whistleblowing policy – Code of Conduct
<b>Goal 5</b> Gender equality		
<b>ENVIRONMENT</b>		
<b>Objective 7</b> Sustainable energy for all	Most of our operations are conducted in premises of about 1,044,000 square metres, where large amounts of energy are consumed for heating, lighting, ventilation, cooking and other electricity consumption. By actively choosing the type of energy source in cases where we can choose, and influencing our landlords in cases where the choice lies with them, we can reduce our climate footprint.	
<b>Objective 12</b> Sustainable consumption and production	Five days a week, nearly 200,000 individuals are gathered in our premises, led by our 20,000 employees. The purchase of training materials, cleaning products, food and computers each year is significant. What we buy, ensuring and training that all materials are used in a sustainable way and recycled properly when they are no longer usable makes a difference. The purchasing policy, training and good physical environments where it is easy to do the right thing are our main tools.	– Meal policy – Purchasing policy – Travel policy – Code of Conduct
<b>Goal 13</b> Combat climate change	One of the most important tools to combat climate change is knowledge of the problems that exist and what we as a society, and as individuals, can do differently to make a difference. Through our core activities, we can pass on both knowledge and insight to our students and staff.	





# Sustainability governance and corporate responsibility



*Picture from an adult education unit at KUI (KompetensUtvecklingsInstitut) at Kungsholmen in Stockholm*

AcadeMedia will operate according to sound business principles and in accordance with applicable laws and regulations. Our code of conduct is based on the UN Global Compact's ten principles covering human rights, work environment, environment and anti-corruption. AcadeMedia has zero tolerance for corruption and our whistleblower function is externally accessible to everyone.

Our ambition is to use our influence as an education company to build a sustainable and democratic society through quality education for all.

## **Sustainability responsibilities of the Board of Directors, Group Management and entities**

AcadeMedia's sustainability management aims to ensure our commitments to society and our stakeholders. Our commitments and direction are expressed in the policies, sustainability goals and the sustainability strategy adopted by the Board of Directors. It is also AcadeMedia's Board of Directors that is ultimately responsible for the sustainability work and submits a sustainability report in accordance with the Swedish Annual Accounts Act.

With an established strategic direction for sustainability work, Group Management is responsible for implementation at an overall level and for reporting back to the Board. Group Management is also responsible for developing and anchoring the vision, mission, values, policies and code of conduct with the Board of Directors. The following policies are reviewed annually by the Board of Directors:

- IR policy
- Insider policy
- Finance policy
- Communication policy

During the year, the Board or its committees dealt with ongoing sustainability issues, such as the equivalent

assessment basis for grades, developing the quality of teaching and the supply of skills throughout the organisation.

AcadeMedia's internal governance and follow-up follows our segmentation, and the organisation is guided by a number of internal governance and policy documents. AcadeMedia's 731 units are in turn responsible for conducting proactive sustainability work that reflects our established goals and strategic direction for the work. A number of schools/activities also have sustainability written into their profile, which further contributes to sustainability permeating the entire organisation.

## **Centralised support and common quality model increase focus on core mission**

To enable staff in our kindergartens, schools and adult education units to fully focus on their core tasks, there are a number of central support functions such as quality teams, internal training academies and HR specialists.

Being an AcadeMedia school also means that you are an important part of the joint effort to continuously develop various aspects of quality. Our common quality model, the AcadeMedia model, is based on research, proven experience and in-depth correlation analyses and covers all activities within the Group. In short, the model focuses on what drives performance. There is full transparency about our quality results, which we report in our annual quality report.

# An ethical approach to our daily work

One of our sustainability goals is for AcadeMedia to be a model of transparency for companies operating in the public sector. This means that others should be able to look at what we do, to see that what we do works and be inspired by our activities.

Through our public intranet, the staff web, anyone can access our internal information, ranging from policies to methodological support. All the material there can be used by any and all education organizations, not just our own.

The AcadeMedia model is already a recognised quality management system within our schools, and our leadership development programme, which is an important part of our competence supply of good leaders, is also receiving external attention.

## The Code of Conduct clarifies our shared responsibility

Our Code of Conduct sets out guidelines for how we should behave towards each other and our stakeholders, laying the foundation for sound business principles and responsible entrepreneurship. It is based on the UN Global Compact and its ten principles relating to human rights, the workplace environment, the environment, and anti-corruption. It is about following the UN Declaration of Human Rights from 1948, a document that describes what all people are entitled to, such as education and health care, as well as what all people are entitled to be free from, such as slavery. Human rights apply to everyone, and no distinction should be made between people.

All employees at AcadeMedia and our subsidiaries in Sweden and internationally are responsible for complying with the Code of Conduct. Every new employee attends a compulsory training programme to introduce them to AcadeMedia, which includes the

Code of Conduct. Our employment contracts also states that new employees are required to read all policies and guidelines that may affect them, including the Code of Conduct. Each manager, in turn, is responsible for ensuring that employees can easily access, understand and act in accordance with these policies.

## Framework agreements the basis for our purchases

We expect our suppliers and their subcontractors to act in accordance with our Code of Conduct. To ensure that we use our resources as efficiently as possible, we have over 200 framework agreements with suppliers of goods and services. Framework agreement compliance is over 80 percent. Having good relations with all of them, and identifying any problems early on, ensures our ability to deliver high-quality education.

## Zero tolerance for all corruption

AcadeMedia's CEO is ultimately responsible for ensuring zero tolerance for all forms of corruption. The Chairman of the Whistleblowing Committee has the operational responsibility for capturing reports of suspected corruption and for further handling of the case in the organisation. The two central policies in our work that combat corruption are AcadeMedia's Code of Conduct and Purchasing Policy, which all employees must be familiar with and comply with. Anti-corruption is an important part of our Code of Conduct, and the purchasing policy ensures, through various framework agreements, that our purchases of goods and services comply with both existing laws and our ethical requirements. Follow-up must be done by all staff and the two policies are available on our open intranet.

During the year, five cases of corruption were investigated. After investigation, disciplinary or corrective measures were taken in a total of five cases.

Inappropriate influence on grading is never allowed and preventive work is carried out in several different ways. It is fundamental to maintain a high level of transparency about the challenges of grading and to discuss risks that may arise. This involves ensuring relevant support for employees who are exposed to any attempts at influence and taking measures to reduce the risks, for example through co-assessment within schools. In addition, we have implemented a specially designed mandatory training programme in grading and assessment, which is compulsory for all employees in compulsory and upper secondary schools, and which was developed by AcadeMedia and Karlstad University.

## Whistleblower function

Since 2013, AcadeMedia has an established whistleblower function with an associated whistleblowing policy. It is an externally accessible channel for anyone who feels that misconduct or something inappropriate has occurred that violates Code of Conduct or regulations has occurred. Reports can be made anonymously, via letter, telephone or the external tool, Trumpet.

The number of whistles has increased significantly over the last year. This is likely due to two information campaigns through which AcadeMedia has actively encouraged employees and others to use the whistleblower function.

The number of whistles received during the financial year was 82 (30). Multiple reports were made regarding two specific cases; all reports were then included in the same investigation. The number of unique cases was therefore 66 (26), of which 47 (13) were assessed as qualified. One report submitted in June, could not be assessed and the whistleblower was asked to provide further information.

## Academedias whistleblowing process



Notification can be made in three different ways:

- Reporting through the Trumpet reporting tool with organisation code EMS274.
- A physical letter to Trumpet, Box 479, SE-201 24 Malmö.
- Call +46 (0)20 - 10 30 91 (the line is always open). Organisation code EMS274.
- Whistles through Trumpet are confirmed and given a code so that the whistler can log in and follow the case. Those who whistle anonymously via letter or phone cannot receive feedback.
- An independent examiner makes an initial assessment.
- If the whistleblowing is deemed to be qualified, the AcadeMedia Whistleblowing Committee decides how to investigate the case.
- In cases where the whistleblowing is not considered eligible, the whistleblower is contacted (if possible) to ask if the information can be passed on to the relevant staff or organisation for further investigation. The majority of these issues relate to HR matters where no agreement has been reached.

## GDPR – protection of privacy



Academedias data protection policy forms the basis for how we handle personal data – The policy is supplemented with underlying procedures such as whitelisting of apps and how we act when an incident occurs. AcadeMedia has four data protection officers who ensure the protection of personal integrity in their daily work. During the financial year, the organisation was strengthened with a position at group level. The board of the company authorized to conduct education is responsible for students' personal data. During the year, the data protection officers at AcadeMedia placed particular focus on:

- Extended register inventory with emphasis on data subjects' rights.
- Renewed ways of working for effective incident and safety management.
- Restructuring and updating data protection information on the web and intranet.

During the financial year, 9 (21) personal data breaches/complaints occurred and were notified to the Integrity Protection Authority (IMY). None of the notifications led to any actions by IMY.

# AcadeMedia's role in society

**Good education that is accessible to all is a cornerstone for the development of society. AcadeMedia contributes by using the power of knowledge to give both individuals and society the conditions to develop. By virtue of our size and our vision of leading the development of the future of education, we make an important contribution to the development of the education sector.**

AcadeMedia's core business, education, and teaching, creates enormous social value by giving people the tools to reach their full potential and participate in the development of equal and democratic societies. With learning at the forefront, we offer children, students and adult participants excellent education and inspiring learning environments where everyone is given the conditions to succeed. In this way, we equip our children and students for the future and for them to become aware of and participate in long-term sustainable social development.

## We want to help solve societal issues

In the communities where AcadeMedia operates, there are challenges and issues. We want to and can contribute to making a positive difference. One of our driving forces for creating social benefit is increasing freedom of choice by offering a variety of pedagogical orientations to meet a wide range of individual needs. To contribute to the development of the education sector, we are committed to transparency. To promote knowledge sharing, we have chosen to open our intranet to everyone. With the exception of confidential

information and administrative forms, almost all AcadeMedia information is available externally. We also hold open seminars on current issues and are happy to provide training and insights to other organisations.

## Addressing skills and teacher shortages

With demographic challenges characterised by an ageing population, we will need more people to be trained in occupations that are essential for the functioning of society, such as plumbers, drivers, electricians, and welfare professionals. Our contribution is to understand early on which occupations will be in short supply in order to design and deliver appropriate training for the resources that society needs.

In all countries where AcadeMedia operates, there is a shortage of qualified teachers and other school staff. Increasing the attractiveness of the teaching profession in general is necessary for society. It is about both attracting and retaining skilled educators, who are the enablers of the quality education that creates important change, both for individuals and for all of society. At AcadeMedia we work systematically to meet competence needs in good time, motivate employees, and enable internal mobility. We also strive to encourage more people to become teachers and that more people stay in the profession. In line with our Roadmap 2030 and our vision of leading the development of future education, we have the ambition to run our own teacher training programme by 2030.

## A societal actor with a strong commitment

AcadeMedia actively participates in various associations and organisations to help develop schools and the independent school sector in a way that benefits our society. We also regularly meet with politicians and other important social actors to build a common vision for the education and teaching of the future. Some examples of this involvement are participation in meetings with the Swedish National Agency for Education and the Ministry of Education, representation on the boards of the Swedish Association of

Independent Schools and in Almega Utbildningsföretagen. We are also active in:

- PBL (Private Barnehagers Landsforbund) in Norway
- German KiTA Association
- Almega Tjänsteföretagen
- The independent research institute Ifous
- The Confederation of Swedish Enterprise



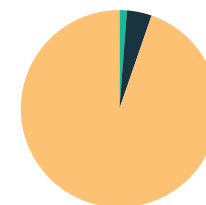
Laboratory at Klara Östra Upper Secondary School in Stockholm.

# Economic value created and distributed

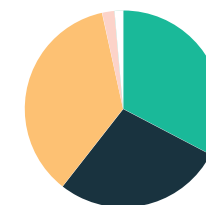
Tax is important for the sustainability of any society and its citizens. AcadeMedia pays taxes in the countries where we operate. Most of the taxes are salary-related taxes and fees for our 19,375 employees in Sweden, Norway, Germany, and the Netherlands. We pay salaries and purchase services and goods with our income, of which school fees are a large part. We also pay interest and taxes. The tax we pay benefits our employees,

society, and the public sector. This creates flows, and prosperity, that affect all AcadeMedia stakeholders.

In the financial year 2022/2023, AcadeMedia's total tax burden was SEK 4.561 million. The main part of our tax footprint is salary-related taxes and fees and employees' preliminary income tax. Corporate tax for the financial year amounted to SEK 181 million.



Distributed economic value, MSEK



Distributed economic value, MSEK

## Government grants 272

Government grants include grants for compulsory school initiatives, smaller child groups, skills development and after-school care initiatives. These have a corresponding cost. See Note G7 for more information on government grants.

## Parental contributions\* 646

Income from parental fees is from preschools in all three countries where AcadeMedia operates.

Fees in Sweden and Norway are regulated by the government. In Germany, fees are also regulated by the respective Bundesland, but the preschools have the possibility to charge a fee themselves.

\*) Parental fees are included in Education revenue

## Education-related and other revenue 14,621

Consists of school grants and participation fees, which are mainly received from the municipalities where we operate.

**15,539**

## Society 4,561

Social security costs, pension costs, income tax, VAT, withholding tax, property tax.

## Suppliers 4,347

Costs for food, teaching materials, rents (leasing fees), etc.

## Employees 5,303

Salaries and other remuneration.

## Reinvestment 324

Investments (excluding acquisitions) i.e., in buildings and inventory.

## Shareholders 185

Dividend (proposed by the Board of Directors for 2022/23): SEK 1.75 per share.

**14,720**

# Focus area learning

We are convinced that quality education can create important change, both for individuals and for all of society. We are committed to lifelong learning and equal education, and endeavour to strengthen our position as an education company that is an international role model.

## Sustainability objectives

That our children, students and adult participants achieve the mission objectives for each type of school. 100 percent - everyone should achieve their goals.

### Policies governing the learning focus area:

- Code of Conduct
- Health and safety policy
- Purchasing policy
- Recruitment policy
- Communication policy
- Whistleblowing policy

## Risks

**Identified risk:** Lack of quality in education. Risk that may affect the success and satisfaction of those who have chosen our organisations in relation to the policy documents.

**Management:** AcadeMedia counteracts this risk mainly through proactive work with the support of the AcadeMedia model, as well as continuous competence development with our employees.

**Identified risk:** Difficulty in meeting expectations of responsibility. The risk is about AcadeMedia being perceived as not taking sufficient responsibility for the global goals and not meeting the increased expectations of our responsibility for all aspects of sustainability.

**Management:** This risk is mitigated through stakeholder dialogues where suppliers are an important group and by developing sustainability education.



*Innovitaskolan Rudan in Haninge.*

# Good education is our core mission



Vittra Rösjötorp  
in Sollentuna.

As an education company, we always put learning at the forefront and work to ensure that everyone's needs are met based on their prerequisites and achieved set goals. By constant development of education and teaching, we want to give children, young people, and adults the knowledge and tools to grow as individuals and participate in the development of a sustainable and democratic society.

AcadeMedia's core mission is education and teaching. Our most important contribution to sustainable development and support for the transition facing society is to continue to safeguard lifelong learning and equality in education. Another contributing factor is to ensure good conditions for our employees to continuously develop themselves and their teaching.

#### Diversity of pedagogical concepts

AcadeMedia is committed to good education for all. This does not necessarily mean the same education for everyone. Our drive to create social benefit and safeguard freedom of choice in practice means we offer a variety of clearly outlined educational specialisations that meet different needs. We meet every child, pupil and adult participant with high expectations and a strong belief in each individual's ability. By focusing on our core business and complying with the policy documents that regulate the field of education, we strengthen our contribution to the goals of the 2030 Agenda in particular, and the goal of quality education for all in general.

#### Legal certainty and equality of assessment

Equality in grading and assessment can have a decisive impact on an individual's future. All students and adult participants, regardless of which school they attended or which teacher gave the grade, have the right to have their knowledge assessed on the same basis. Creating good conditions for equal education throughout AcadeMedia is therefore essential to us. In order to provide our employees with the right tools, we have developed a customised online course, "Grades and Assessment", in



collaboration with Karlstad University. The programme is compulsory for all teachers and headteacher in AcadeMedia's compulsory and upper secondary schools and parts of adult education and supports teachers in their professional development.

#### A common model that drives the work forward

With the support of research, proven experience and qualified correlation analyses, we have built a indepth knowledge of what produces good results. We have identified four success factors: focus on the mission, proactive follow-up, collegial collaboration, and active resource allocation.

Together with our quality aspects, these four factors form the basis of our common AcadeMedia model. A model that unites all our organisations, regardless of brand or business area, in a common understanding of quality.

The model helps us to focus on what drives results and development forward. It also creates a consensus on various aspects of quality and a good basis for quality dialogues through the control chain, which structures and processes need to be strengthened within the organisation so that our schools and students have equal opportunities to achieve the learning goals. Target fulfilment is followed up on and reported at three different levels - unit, principal and group. Through the model, quality results are followed up based on the goals that govern each area of activity. The Group's quality report, which is published annually in close connection with the annual and sustainability report, provides a good overview of the current situation and forms the basis for prioritising development efforts.

# Innovative initiatives and activities

During the year, a number of initiatives and activities were carried out across our four education segments with a focus on developing teaching and learning. Here are some highlights.

## International preschools

Pyslingen continued to develop a common language strategy for its preschools to strengthen the work of providing children with conditions for creating a rich language. Around 7,000 words have now been developed and implemented at all preschools. Pyslingen's preschools also have a hall library where children and parents can borrow books to take home.

Promoting children's mental and physical health is at the centre of all our preschools. In everyday life, playing memory games about emotions can be a playful way to increase vocabulary and put feelings and emotions into words. To strengthen our expertise in the area of child health in the long term, Pyslingen has worked in partnership with the Martina Children's Hospital to develop a training package for leaders and educators. After completing the training, the preschool receives a quality stamp in the form of certification. To demonstrate how we work every day in our preschools, Pyslingen organised three theme days that focused on reading, physical movement and the environment.

In Germany, there are specially certified preschools that offer family centres to support parents, children and social services. This is part of our German operation's ambition to provide strong support in both safety and learning. There is additional support for families who were born abroad.



*Students at Innovitaskolan in Segeltorp, south of Stockholm.*

## Compulsory School

Working with sustainability in education is part of the curriculum and our work over the course of the year took many different forms. The Innovation Schools, for example, organised a themed week where students were asked to consider what the aid workers of the future might look like. This year's winners included plasters on tubes, solar-powered tents for disaster areas, and drones to help find people in rubble during wars or natural disasters. The winning entries will see their ideas implemented in partnership with the Swedish government research institute Rise. In the Nobel Schools, the 'Nobel Challenge' was on the agenda, where

students were asked to come up with solutions to possible future problems.

Nobla school leaders also embarked on a long-term training programme to strengthen pedagogical leadership and improve the quality of teaching based on the latest research and structured classroom observations. Montessori Mondial schools collaborated with Stockholm University to develop and modernise Montessori education. As part of this, teachers developed a Montessori pedagogy adapted to the digital world.

*Continued on next page* →



*Students at Innovitaskolan in Segeltorp, south of Stockholm.*

Continuation →

### Upper secondary school

NTI's platform for innovation, the NTI Incubator, continued to capture and utilise both employee and student solutions for an improved, more sustainable climate. During the year, several of the schools worked with a cultivation concept in hydroponic systems, growing in water instead of soil. In addition to making it possible to grow in completely new locations, new technology was also tested to optimise cultivation.

During the year, work on guidelines for equivalent assessment and grading continued. Collaboration between teachers gained traction with a focus on how teaching should be planned and

implemented, and how beneficial assessment conditions should be designed. This is an important, long-term endeavour that is expected to contribute to the development of both teaching and student learning.

The internal training programme for our practical upper secondary schools, Praktiska i Lärande (PiL), continued during the year. Its aim is to support vocational teachers who lack pedagogical training through skills development, providing the best possible conditions for excellent teaching.



Students and teachers at Klara Teoretiska gymnasium Vallgatan in Gothenburg.

### Adult education

Gamification is increasingly used in the NTI school to increase the engagement and motivation of upper secondary school students in their studies and is a method to increase the possibility of individualised learning with the aim of facilitating the learning of particularly challenging subjects.

To assist with the introduction to work in adult education, an onboarding process has been developed for education leaders in higher vocational education (YH) and employees teaching in municipal adult education. The aim is to improve the conditions for those who have not previously worked in these areas to start teaching

During the year, all YH companies within AcadeMedia switched to using our own learning platform, Omniway, which was developed as a system support and fulfils the implementation requirements of the Swedish Agency for Higher Education (MYH). Omniway facilitates follow-up and creates optimal conditions for favourable results.



Employee and adult students on a traineeship through KYH.



## The SDGs are a common thread in education

Several of the headteachers who run preschools, schools or adult education programmes within AcadeMedia are gradually increasing their focus on how to integrate sustainability into education and teaching. The purpose of many of the projects is to show how innovations leave their mark on society and that the innovations of the future can begin in our education programmes. There is also a focus on how a more sustainable lifestyle can be achieved and how climate-smart choices can be made in everyday life. The link to the global goals is consistent and also receives increased support by being described in the latest curriculum, Lgr 22.



# Target fulfilment 2022/23

During the 2022/23 academic year, AcadeMedia launched its largest ever initiative to increase equality in assessment and grading. A comprehensive package of measures was launched, and the analysis company Ramboll was commissioned to conduct external reviews of grading in compulsory and upper secondary schools.

AcadeMedia's efforts to increase equality in assessment and grading are not new, but during the past year the work has further intensified. The package of measures developed affects all compulsory and upper secondary schools and includes stricter guidelines for co-assessment and co-operation within and between schools. In addition, the division of responsibilities in the governance chain has been clarified and the objectives and systems for monitoring grading have been reviewed. The schools have also received solid support material and mandatory training programmes in assessment and grading for AcadeMedia's teachers and principals have been further developed.

Even though it is not possible to compare this year's results on the national tests with the national averages (the latter will be published by the Swedish National Agency for Education in November 2023) when this sustainability report is published, it can be concluded from AcadeMedia's own reporting that the proportion of students who received a higher grade than they performed on the national tests has fallen significantly in AcadeMedia's compulsory and upper secondary schools during the 2022/23 academic year. This is probably a side effect of the intensified work to increase equivalence in assessment and grading.

Below is a short selection of the quality results for the financial year 2022/23. See AcadeMedia's quality report, published in October 2023, for a more thorough account.

**PRESCHOOL:** The annual compilation of Swedish preschools' goal fulfilment in relation to the national target continues to

show high scores. The area where preschool education received the highest result in the 2022/23 academic year is language and communication 5.9 (5.9), while the lowest outcome is noted in the target areas of mathematics 5.3 (5.5) and culture 5.5 (5.5).

**COMPULSORY SCHOOL:** The report card for the academic year 2022/23 shows that the proportion of compulsory school students with passing grades in all subjects decreased slightly to 80.3 percent (80.6), compared to the national average of 73.2 percent. The average merit value in AcadeMedia's compulsory schools decreased to 242.7 (243.5), compared with the national average of 228.5. The proportion of compulsory school students with qualifications for upper secondary school increased to 90.2 percent (89.8), compared with the national average of 85.2 percent.

**UPPER SECONDARY SCHOOL:** The internal grade collection for AcadeMedia's upper secondary schools shows that the graduation rate decreased to 88.2 percent (90.1). The average grade point average for graduating students also decreased slightly to 14.1 points (14.2). As mentioned above, the proportion of students who received a higher grade than what they performed on the national tests has fallen significantly during the past academic year, which affects grade results.

At the time of writing, the national averages for upper secondary schools for the 2022/23 academic year are yet to be published.

#### ADULT EDUCATION:

• **Basic adult education** The total proportion of students with passing grades in basic adult education was 85.4 percent in 2022 (national average 85.1 percent). However, AcadeMedia has significantly more students who study the programme remotely compared to the rest of the country (76 percent compared to 28 percent in the country). When the results are

broken down by form of study, it should be noted that AcadeMedia is above the national average for both distance learning and face-to-face learning (83.3 percent compared to 81.8 percent for distance learning and 91.7 percent compared to 86.4 percent for face-to-face learning).

• **Upper secondary adult education** In AcadeMedia's upper secondary adult education significantly more students are studying at a distance compared to the rest of the country (82 percent compared to 35 percent in the country). Given that goal attainment is lower in distance learning, both within AcadeMedia and in the country the total percentage of students who pass is below the national average (82.7 percent compared to 86.9 percent). However, broken down by type of study, more students in AcadeMedia's upper secondary adult education programmes pass compared to

the rest of the country (80.6 compared to 80.4 percent for distance learning and 92.0 compared to 90.4 percent for face-to-face learning).

• **Higher vocational education** In 2022, 65 percent of students in AcadeMedia's higher vocational education activities completed their education and received a degree, which is lower than the previous year and lower than the most recently published national average (70 percent). On the other hand, 77 percent of the students who had a job six months after graduation stated that the job corresponds mostly or completely to the focus of their education, which is higher than the most recently published national average (65 percent).



AcadeMedia's Quality Report 2022/23 was published in October 2023.

# Focus area employees

The competences and skills of our employees are a prerequisite for AcadeMedia's ability to achieve our vision of leading the development of the education of the future. As an employer, it is essential for us to recruit, develop and motivate the best teachers and school leaders. We want our employees to enjoy and feel satisfied at work and to have opportunities to develop in their professional role.

## Sustainability objectives

Our employees are satisfied with us as an employer and recommend us to others.

### Our values

Passion, trust, courage – together we are stronger.

### Policies governing the employee focus area

- Code of Conduct
- Health and safety policy
- Anti-drug policy
- Data protection policy
- Gender equality policy
- Communication policy
- Salary policy
- Pension policy
- Personal security policy
- Recruitment policy
- Whistleblowing policy

## Risks

**Identified risk:** High sickness absence. The good health and well-being of our employees is essential for AcadeMedia to be able to conduct its operations.

**Management:** We should have an easily accessible occupational health service and managers who are trained to identify individuals and groups at risk.

**Identified risk:** High staff turnover. A balanced staff turnover is important to maintain continuity in the organisation. Staff turnover is currently a growing problem, not least because there is a shortage of staff with the right skills in all markets where AcadeMedia operates.

**Management:** We strive for a reasonable rate of staff turnover to have organisational consistency with a continued focus on being an attractive employer.

**Identified risk:** Lack of gender equality. AcadeMedia is a female-dominated organisation.

**Management:** We strive for greater diversity, including through an active recruitment policy.

**Identified risk:** Risk of corruption. There is a risk that employees or suppliers could exploit the company for their own benefit through bribes, personal kickbacks or other activities. Particularly vulnerable positions are headteachers, teachers, purchasing staff and property staff.

**Management:** This risk is mitigated through various controls and reporting systems.

**Identified risk:** Lack of transparency – that we are perceived as not living up to the world's demand for transparency. As a publicly funded organisation, we have a particular responsibility to manage our resources carefully.

**Management:** This risk is mitigated through our whistleblowing system and through our communication policy.

Student and teacher at Designgymnasiet in Nacka.



# Competent and committed employees lay the foundation for learning



**Committed and competent employees who are motivated and stimulated in their work, who feel good and develop, are the key to good teaching and higher goal fulfilment. It is with their knowledge, values and skills that we equip our children, students and adult participants for the future.**

AcadeMedia consists of people who are driven to create a better and more sustainable society through education and learning. Retaining competent and experienced educators and school leaders, while strengthening the organisation with new ones, are fundamental success factors for us. As an employer, it is natural to offer an equitable, pleasant, and healthy workplace that is characterised by good opportunities for everyone to develop in their professional roles.

## A safe and healthy working environment

It is fundamental that the working environment at our units and our staff should be physically, mentally and socially healthy and safe. Risk of occupational injuries and work-related ill health should be mitigated in every way possible. Our work environment agreement, which regulates the organisation of the joint safety committee/work environment council within AcadeMedia, clarifies the work with the safety committee at group level, the work environment council at segment and unit level and the parties' joint approach. At compulsory school level, both current and preventive issues are raised in work environment councils that meet regularly during the year. There is active co-operation with local safety representatives and regional safety representatives within the framework of the work environment agreement with the Swedish Teachers' Union. Work on implementing a system for monitoring incidents and accidents continues and is part of the development of systematic work environment management.

At upper secondary school level, a broad and diverse work environment programme is in place. During the academic year, work began in the Praktiska Upper Secondary Schools Practical

area with targeted visits to the units to analyse and follow up on the work environment to ensure both compliance and correct resource allocation. The programme continued during the year to develop more effective resource planning structures with the ambition to ensure a balanced workload.

## Preventive action to create security

The increasing mental health problems among young people and the growing anxiety in society due to, among other things, gang crime and segregation, affect Swedish schools in several ways. AcadeMedia works continuously to keep all our units safe with preventive training programmes that establish security. This has strengthened our ability to handle acute situations. In this year's student survey, 95 percent of upper secondary schools reported that the perception of security among students is above 75 percent.

## Sustainable leaders who are confident in their role

AcadeMedia's common leadership profile clarifies the required competencies and expectations we have of leaders in the Group. The profile clarifies our thoughts on the difference between management and leadership. Both are needed but are two different aspects of running and developing an organisation. The leadership profile forms the basis of recruitment, performance reviews and competence development in AcadeMedia and is an important part of our PRP (performance, results and potential) management assessment tool.

The PRP assessment tool supports comprehensive performance appraisals for a sustainable working life, and also provides opportunities to identify competencies and address skills gaps at both individual and aggregate level.

## Skills supply is a recurring challenge

In all markets where we operate, there is a shortage of teachers. In order to recruit and retain the best educators, our

ambition is to be the most attractive employer in the education sector. This ambition includes working to ensure that more people choose to train as teachers and remain in, or return to, the teaching profession. Increasing the number of certified teachers is a high priority.

We are convinced that independent activities that operate on AcadeMedia's common platform create favourable conditions for our employees to grow in their professional roles. Through an increased international presence and strong internal collaborations, we create additional opportunities for knowledge exchange, development and learning for our employees.

AcadeMedia continually participates in labour market fairs to present our diversity of educational specialities. Some of our schools receive VFU students (students on the teacher programme who do supervised work experience). In addition, we have a strategic collaboration with universities and colleges in Skåne that aims to further develop placement work. The recruitment of vocational teachers is challenging and requires different approaches. Among other things, we work strategically to build networks within the industry to encourage professionals to change careers to teaching and to create conditions for studying for a teaching degree in parallel with work.

## Staff turnover remains high

The Group's lowest staff turnover is in the upper secondary school segment, where it amounted to 17.3 percent for the academic year 22/23. This is an increase compared with previous academic years and can be partly attributed to the major changes that the labour market is undergoing as an effect of the pandemic subsiding.

In adult education, staff turnover is affected by increases and decreases in the number of participants in adult education and labour market training. The decline in the number of participants

that we have seen in recent years has meant a reduced need for educators and was a major contributor to the segment's 35.2 percent staff turnover. In the compulsory school segment, staff turnover is relatively stable at 19.5 percent.

To identify suggestions for improvement, exit interviews and exit surveys are carried out. The results are analysed and become an important part of the segment's work to improve.

## Cooperation with trade unions

AcadeMedia in Sweden is covered by two collective agreements.

- Friskoleavtalet between Almega Service Employer Association and Swedish Teachers' Union, Kommunal and Vision.
- The training agreement between Almega Service Associations with Engineers of Sweden and Unionen.

Within AcadeMedia, Kommunal has 1.0 full-time position and the Swedish Teachers' Union has 9.4 full-time positions. These positions are paid for by AcadeMedia. Swedish Teachers' Union also has 3 seats on AcadeMedia's board. There were two regular and two deputy members (4) until the end of the calendar year, and when two former teachers' unions merged and became the Swedish Teachers' Union on 1 January, it became 3 regular members.

Collaboration with the newly formed Swedish Teachers' Union continues in accordance with the proven model that the segments have worked with for several years through the existing collaboration agreement.

There are two collective agreements in adult education, the independent school agreement and the education agreement. With the independent school agreement, we created a collaboration agreement during the year and have already had an effective collaboration between the Swedish Teachers' Union and the companies concerned.

Co-operation is constantly evolving at local and company level.

# Employee surveys show high levels of engagement



## This year's employee survey

Our aim in conducting employee surveys is to find out how our employees feel and whether they feel that they have the conditions to carry out their work.

Employee surveys are conducted once a year and are customised for each country. In all countries, results and response rates are high.

- 8 out of 10 would recommend AcadeMedia to others.
- 8 out of 10 think that their line manager motivates them at work and is clear in his/her communication.
- 7 out of 10 feel that they are offered good opportunities for professional development.
- 76% feel they have a good work-life balance.

EMPLOYEES	Need	2022/23	2021/22	2020/21
Average number of annual employ-ees		14,459	13,829	13,360
Proportion of women				
AcadeMedia		72.3%	72.1%	71.7%
Senior executives		45.3%	56.0%	58.0%
Board of Directors		42.9%	49.2%	56.0%
Staff turnover (Sweden)	1.2	21.0%	17.8%	15.0%
Sickness absence (Sweden)	1.3	4.4%	5.1%	4.7%
Employee satisfaction index (Sweden)		71	74	74
Employee satisfaction index (Norway)	4	-	-	4,4
Leadership index (Sweden)	1	77	77	79
Number of whistleblowing cases	5	66	26	34
Number of qualified whistleblowing cases	5	47	13	5

1. Statistics are only available for Swedish operations.
2. (Number of permanent and probationary staff who left) / (Average number of permanent and probationary staff).
3. Cumulative average short-term sickness absence <90 days.
4. Espira did not send out a survey in 2023 due to a strike in the industry..
5. Whistleblows are received and managed by an external party that ensures the anonymity of the whistleblower and makes an initial assessment. During the year, 66 unqualified whistleblows were received. See also page 18.



## Pulse measurements as a complement

As a complement to the annual employee survey, a tool for continuous pulse measurements was introduced in our Swedish operations during the previous financial year. It uses research-based questions to continuously examine commitment and well-being in the workplace.

The pulse measurements that have so far been implemented in parts of our Swedish operation examine ongoing engagement and well-being in the workplace. Results during the year generally gave a picture of high engagement (eNPS), while the perception of well-being was lower. This highlights the need to continue working to promote a balanced workload and a good psychosocial work environment.

In the coming financial year, the offer of pulse measurement will be made to the entire group.



## Initiatives to promote good health

Employee conditions and benefits aim to give each employee favourable conditions for good health and balance in life. Current and potential employees should feel that, as an employer, AcadeMedia wants to create a corporate culture that is sustainable and inclusive.

As part of this, each employee is offered a wellness allowance of at least SEK 3,000/year. There are many options to choose from, with around 1,000 offers on the benefits website to inspire people.

# An academy for continuous professional development

Academy, our internal academy for skills development, is tasked with enabling employees to have the best possible conditions for continuous development and stimulation. The Academy works according to four goal and development areas: pedagogical development, leadership development, employee development and school and community development. Within the framework of these areas, new initiatives and programmes are constantly being implemented and developed.

## The Academy works in four target and development areas:



## Specific programmes – a selection

**Talent Programme:** A year-long development programme for aspiring leaders.


**Mentoring programme:** for new and senior leaders.


**Self-leadership programme:** leadership training within AcadeMedia Support.


**Quality development with an international flavour:** leadership training exclusively developed by the Academy and UK school development expert Lucy Crehan.


**Process and first teacher training:** Perspectives and tools for planning and implementing development work, and what is needed to enable learning and change in a group.

## Programmes and networking events


 **Heads of Schools Network:** Quarterly meetings for all those in this professional role.

 **Leadership Forum:** Annual forum for all AcadeMedia leaders.

 **Leaders for leaders:** Quarterly meetings for the organisation's top managers.

 **Leaders' mornings:** Digital meetings for all leaders.

 **Administrator network:** Exchange of experience, inspiration and skills development for administrators across segments.

 **After School:** Digital inspirational meetings for teachers and principals, with guests from different higher education institutions.

## Summary of the year

The year's work at AcadeMedia Academy was characterised by Roadmap 2030, which points out the direction for the entire Group. The roadmap was launched in early 2023 at the Academy's annual Leadership Forum, a digital meeting place that brings together 600 leaders from all over Sweden. Through inspiration and perspectives from experts in areas that are important to the roadmap, such as sustainability, democracy and integration, all leaders in the Group were given a common platform on which to base further anchoring and processing of our new roadmap.

Another important initiative is the "grading and assessment" programme created in collaboration with Karlstad University, which was further developed during the year in response to new wording in our governing documents. The course aims to contribute to increased competence and security among our teachers to enable legal certainty and equivalence in assessment and grading. The programme is mandatory for all teachers and principals at AcadeMedia's compulsory and upper secondary schools and in parts of adult education and provides support for teachers in their professional development.

Each year, AcadeMedia Academy organises a number of long-term development programmes aimed at prospective and existing leaders within the organisation who have demonstrated the drive and desire to develop their leadership. Through the development programmes mentoring programme, strategic development group and talent programme for potential leaders, the participants can deepen their leadership skills, expand their network and share experiences with other leaders. The programmes are also important forums for discussing how we at AcadeMedia can work together through our activities and our educational initiatives to address the societal challenges we face in areas such as sustainability, democracy and integration.

In collaboration with the Swedish Agency for Youth and Civil Society Affairs (MUCF), AcadeMedia Academy provided inspiration, support and information on how schools could arrange school elections, and how we in the education sector can work with issues related to democracy and source criticism.

Over the past year, requests have been made for initiatives that focus even more on learning for sustainable development and how we at AcadeMedia can work together to reduce our climate footprint. One effect of this is that in the coming financial year we will start another leadership development programme: an innovation programme for sustainable development.

# Focus area environment and climate

AcadeMedia has a clear focus on climate change, in both our teaching and operations. We want to be setting an example of sustainability in the education sector by gradually reducing our carbon footprint with the aim of becoming climate-neutral by 2030.

## Sustainability objectives

AcadeMedia shall be an example of environmental responsibility in the education sector.

### Policies governing Environment and Climate

- Code of Conduct
- Communication policy
- Preferential car policy
- Purchasing policy
- Travel policy
- Whistleblowing policy

## Risks

**Identified risk:** Difficulties in meeting expectations. That we fail as an organisation to be clear about how seriously we take climate challenges and environmental issues.

**Management:** We need to meet external and internal expectations by being transparent about our transformation journey in terms of ambitions, strategy, targets and reporting on progress on an ongoing basis.



Picture from Hagströmska gymnasium in Falun.



Picture from Queen Blanca's secondary school in Helsingborg.

# Continued focus on reducing and streamlining

From preschool to adult education, AcadeMedia's organisations are making taking many steps – large and small – to transition to a more sustainable way of working.

We make the biggest difference by providing education that conveys knowledge about the climate challenges we face and what is required to reduce the impact. In addition, we work proactively to reduce the negative impact of our operations on the climate and environment.

## Reducing our carbon footprint and energy efficiency improvements

The mapping of our energy consumption and CO2 emissions tracks the footprint generated by buildings, travel, and the purchase of computers and food.

**Real estate:** Most of our operations are conducted in premises where large amounts of energy are consumed for heating, lighting, ventilation, kitchen and ongoing electricity consumption. Approximately half of the purchased energy used in our premises, which includes about 1,044,000 square metres, is fossil free. The remaining is included in the rent and depends on the energy mix available in each market. By actively increasing the proportion of energy from fossil-free sources and continuously working to make our use of energy more efficient, we can gradually reduce our climate footprint.

Our food purchases and preparation, employee travel habits, and other purchases also contribute to our CO2 footprint.

**Food:** We serve around 80,000 meals every school day, in addition to breakfast and snacks in many places. Some activities, such as before and after school clubs also run for much of the school holidays. This means that we serve over 15 million meals annually.

The food we buy and serve therefore accounts for our single largest CO2 footprint. Food waste means a waste of resources and is also an important, and educational, area to work on. All efforts, large and small, are important in developing our meals in a more sustainable direction. Our meal policy includes guidelines on entire vegetarian days, reducing the proportion of animal protein and using organically produced food. We monitor food waste that occurs in the school restaurants and have partnerships with neighbouring food stores where food rejected by customers is used at the school.

**Travel:** Our travel has decreased in recent years and employees are encouraged to choose digital meetings over physical meetings that require travel.

**Purchase of computers:** Every year more than 20,000 computers are delivered just in time for the start of the school year. We have the greatest opportunity to influence the choice of supplier and computer with our associated recycling plan. In addition, every computer is handled in such a way that it has a long life.

## More efficient use of resources

We are a large number of individuals who spend a lot of time on our premises and consume a lot of resources. Everything from food and toilet paper to lab equipment in chemistry classrooms and play equipment in the schoolyard. What we choose to consume and how we manage these resources makes a big difference. This also applies to how we act when the resources become waste and need to be disposed of according to the waste hierarchy.

## Sustainable procurement

In our decentralised organisation, billions of dollars of purchases are made every year. With each headteacher and site manager making their own purchases, sustainable resource use is the result of thousands of individual decisions. To make it easy to make sustainable decisions, systems and policies are in place to support this, and an important measure of our success is the proportion of purchases made through our framework agreements. In 2022, the proportion of purchases made through framework agreements was around 80 percent.



# More activities and initiatives for the environment and climate

Around our units, every day, we take actions large and small to reduce AcadeMedia's impact on the environment and climate.

## Direct impact on food waste

Sustainability was in our view when AcadeMedia's two new upper secondary school campuses in Stockholm started operations. In August, staff at both campus kitchens were trained to plan and handle food more efficiently to reduce food waste. The campus kitchens carry out digital self-monitoring that makes it possible to measure and report food waste on a daily basis. Setting clear goals for the amount of food waste also makes it something students can relate to. It engages students by giving them direct feedback on how their behaviour affects food waste. The digital self-checks are also used in teaching to raise awareness and create behavioural change. The vision for our own kitchens is to, at the least, fall below the national targets of <45 g/student/day and preferably become the best at creating the smallest volume of food waste per student in the whole country. In the coming academic year, all kitchens will switch to the system for digital self-monitoring.

In order to raise awareness of how the kitchen can make meal planning and management more efficient, a network of preschool chefs was launched in the pre-school segment.

In addition, the induction programme for new cooks was supplemented with a special focus on the importance of pedagogy in the design of meals.

## Reduce CO<sub>2</sub> footprint

During the year, the initiative "a paperless school start" was implemented, which serves two primary purposes. Firstly, we want to reduce the organisations use of paper in general, and secondly, in connection with the start of school in 2023 and

beyond, we want to make it easier for guardians and employees by reducing the need for paper forms.

Employee travel is continuously measured and monitored. The travel policy recommends that, if possible, online meetings should be held in preference to physical meetings to reduce emissions associated with travel. Also, units are working on energy-saving measures by better adapting ventilation according to needs, LED lighting, and more. These efforts are yielding results and the year's energy consumption decreased over the last year in comparison to the previous year.

## Reducing energy consumption in compulsory schools

During the year, we have monitored energy consumption per unit and can conclude that we have consumed less compared to the previous year. The energy consumption we can follow is where we have been connected to Fortum for more than two years, which is about 55 percent of our 80 units. In these, energy consumption has fallen by 7.5 percent compared to the previous year.

The same focus on savings has also been present in other units, so there is reason to believe that they have also reduced their consumption to a similar degree.



*Design school at Kungsholmen in Stockholm.*



# Continued dialogue for transition towards 2030

Dialogue with our stakeholders has clearly shown that it is through teaching and learning that AcadeMedia can make the greatest difference to sustainable development. During this year's stakeholder dialogue, we have also linked our discussions to AcadeMedia's Roadmap 2030.

Linking to Roadmap 2030 gives us both long-term goals to work towards and a greater opportunity to engage in dialogue over time. Both are important for achieving our 2030 targets.

Since financial year 20/21, we have held continuous discussions, development projects and surveys as a basis for our stakeholder and materiality analyses. In 22/23, parts of this work were expanded deepened to form the basis for our Roadmap 2030. In 22/23, we have also placed additional focus on understanding how our employees see our sustainability work and how this work can be developed. We have also focused on how the climate reports from the IPCC, the Climate Policy Council and any new legislation can be implemented in our future operations.

### There is broad agreement

Our stakeholders agree on what they see as our most important contribution to sustainable development: it is our core mission, to strengthen and develop learning.

Employees, children, students and adult participants all believe that AcadeMedia can and should do more. This is also apparent in AcadeMedia's annual employee survey, where the question about AcadeMedia's sustainability work receives a relatively low score.

### Students spread knowledge

Developing learning is first and foremost about the teaching that takes place in our preschools, compulsory schools, upper secondary schools and in our adult education.

However, it is also about our children, learners and adult participants turning around and influencing others. We know that children and students can be strong drivers to change behaviour and make more sustainable choices.

We also need to learn, internally, how we as an organisation must change and work in new ways to contribute to sustainable development.

### Mental health – a key sustainability issue

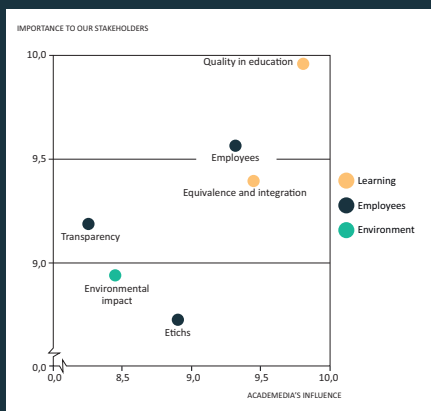
We can see that the mapping of AcadeMedia's overall climate and environmental impact affects our stakeholder groups.

Many respondents highlight food as an important area to increase work on and believe we need to make it easier for our units to make sustainable food service choices. But there is also a growing realisation of the important role AcadeMedia can play in terms of social aspects such as mental health among children and students.

We have now linked our clear picture of what we want to achieve by 2030 through the stakeholder dialogues of recent years and have linked these to Roadmap 2030. These are about learning for sustainable development, development towards climate neutrality and greater clarity regarding social aspects such as health and taking greater responsibility for the groups in society that need school the most. With our long-term stakeholder dialogues, we also have a good foundation to build on for future stricter legislation through CSRD.

STAKEHOLDER	KEY STAKEHOLDER POSITIONS	CHANNEL FOR DIALOGUE	KEY ISSUES FOR THE STAKEHOLDER GROUP
<b>CHILDREN, STUDENTS, ADULTS STUDENTS AND CARERS</b>	AcadeMedia's goal is to equip children, students and adult learners with knowledge and education to shape their own futures.	<ul style="list-style-type: none"> <li>Daily meetings at the preschool, school and adult education units</li> <li>Student Council</li> <li>Performance reviews</li> <li>Mentoring time</li> <li>Parents' meetings</li> <li>Learning platforms</li> <li>Social media</li> <li>Fairs and other open venues (few during the pandemic)</li> </ul>	<ul style="list-style-type: none"> <li>Reducing climate and environmental impacts</li> <li>Students are involved in the work on sustainability</li> <li>More themes in teaching that highlight everyday situations</li> <li>High quality teaching</li> <li>Safety and security</li> <li>Low staff turnover</li> <li>Student health</li> <li>Good food</li> </ul>
<b>COWORKER</b>	AcadeMedia will recruit, develop and motivate the best teachers and school leaders. We will also create an efficient organisation. (NEW) Everyone should have a good working environment and a sustainable workload, as well as the conditions to create good teaching.	<ul style="list-style-type: none"> <li>General meetings</li> <li>Trade union meetings</li> <li>Safety committee, health and safety consultation</li> <li>Internal communication</li> <li>Staff appraisal</li> <li>Employee surveys</li> <li>Talent programme</li> <li>Leadership development programmes</li> <li>(NEW) Work on the Roadmap 2030</li> </ul>	<ul style="list-style-type: none"> <li>Making the working environment more sustainable</li> <li>(NY) Support in teaching and resources to develop it</li> <li>Opportunities to show results to staff and students/participants</li> <li>(NEW) Leadership</li> <li>(NEW) Skills development</li> <li>(NEW) Feedback systems on sustainable choices in everyday life</li> <li>(NEW) Co-operation with school health services</li> <li>(NEW) Knowledge and inspiration on sustainability from environmental, social and economic aspects with a focus on sustainable choices and educational development.</li> <li>(NEW) Democracy</li> <li>(NEW) Develop the use of digital tools.</li> </ul>
<b>SUPPLIERS</b>	AcadeMedia will lead by example and use our size to negotiate favourable conditions in terms of both economy and sustainability in the agreements we enter into.	<ul style="list-style-type: none"> <li>Procurement</li> <li>Purchasing</li> <li>Meetings</li> <li>Follow-ups</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration and close dialogue</li> <li>Reducing CO<sub>2</sub> emissions through shared solutions</li> <li>Complying with policies</li> </ul>
<b>OWNER/ INVESTORS</b>	AcadeMedia will create a long-term sustainable business and a healthy return for our owners.	<ul style="list-style-type: none"> <li>Meetings</li> <li>Board representation</li> <li>Annual General Meeting</li> <li>Financial statements</li> <li>Investor presentations</li> </ul>	<ul style="list-style-type: none"> <li>Employee issues</li> <li>Clear and transparent financial and sustainability reporting</li> <li>Environment and climate</li> <li>Focus on quality in education</li> </ul>
<b>SOCIETY</b>	AcadeMedia will live up to society's expectations by providing relevant education programmes of high quality and transparency.	<ul style="list-style-type: none"> <li>External reference and steering groups</li> <li>Social media</li> <li>(NEW) Meetings and seminars</li> <li>(NY) Researcher interviews and reports</li> </ul>	<ul style="list-style-type: none"> <li>Emphasise learning even more</li> <li>Co-operation with others</li> <li>(NEW) Skills development with a focus on transformation</li> <li>(NEW) Grading and assessment</li> <li>(NEW) Values-based work</li> </ul>
<b>THE PLANET</b>	Through responsible use of all types of resources, AcadeMedia will contribute to reduced climate impact and a more sustainable world.	<ul style="list-style-type: none"> <li>Research reports</li> <li>News reporting</li> </ul>	<ul style="list-style-type: none"> <li>Reduced and sustainable use of resources</li> </ul>

The materiality analysis in the chart shows how important different issues are to our stakeholders and the impact that AcadeMedia has on them. According to our stakeholders, quality of education is our most important sustainability issue.



Another key issue that the younger generation in particular is concerned about is the importance of a continued focus on our carbon footprint and food waste. Previous year, a major stakeholder analysis was carried out. It has not been updated this year. However, informal conversations do not indicate any change.

**OUR STAKEHOLDERS**

	STUDENTS	LEADERS	TEACHERS	TRADE UNIONS	SWEDISH ASSOCIATION OF LOCAL AUTHORITIES AND REGIONS (SALAR)	SWEDISH NATIONAL AGENCY FOR EDUCATION	INVESTORS	AVERAGE
LEARNING AND TRAINING FOR SUSTAINABILITY	1	1	1	1	4	1	1	1
REDUCING CO2	2	2	3	4	2	5	3	2
REDUCING FOOD WASTE	3	4	2	2	1	5	4	2
RECYCLING	5	4	3	3	5	5	2	4
SUSTAINABLE PURCHASING	4	3	5	4	3	5	5	5

# Our key sustainability issues

**Society having confidence in AcadeMedia is crucial to our business, as the majority of our income comes from public funds. Therefore, an ethical approach to everything we do, and open and proactive communication is a natural part of AcadeMedia's way of working. We also have a public intranet where the goal is for 85 percent of the information to be available to everyone who wants to read it.**

**Transparency and ethics are measured through our Code of Conduct, our whistleblowing function and the number of unique visitors to our open intranet.**

### Risks and risk management

The main overarching risks would be that we do not live up to stakeholders' expectations in terms of good business ethics, morality and transparency. Our Code of Conduct is at the centre of how we act to maintain the trust placed in us by society - and our main preventive tool against these overarching risks. A breach of the Code of Conduct by employees is always serious, and a breach by senior managers can have a significant and long-term impact on the organisation. We have control systems in place to prevent corruption and financial fraud.

Irregularities and our whistleblowing system are known within the organisation and available to everyone. The world's demand for transparency is important to meet, and the laws and regulations that govern listed companies must be complied with.

### Learning

By offering a good learning environment, AcadeMedia contributes to the development and growth of people and communities. All students have the same right to a high quality education, regardless of their place of residence and background. A good learning environment is also about recognising the needs and opportunities of each individual student. We should also be a learning organisation, where both employees and leaders can develop. This is measured through our quality goals.

### Risks and risk management

If the quality of teaching declines and thus affects the performance of students/ participants, it could have a major impact on our reputation, and on the number of people who would seek our services.

We counteract this risk primarily through the AcadeMedia model, through which we both monitor and develop quality. There is also an established process for correcting any quality deficiencies found in a unit or throughout an organisation.

### Employees

AcadeMedia will recruit, develop, and motivate the best teachers and school leaders. Our employees should enjoy their work and be given the opportunity to develop in their professional role. We shall always strive for an ethical approach where clear policy documents and a lively discussion guide us in the right direction. This is measured through our employee surveys, staff turnover, sick leave and our whistleblower function.

### Risks and risk management

The biggest risks related to employees are two of the four areas we measure: staff turnover and sick leave. If these indicators go up, it can have a negative impact on both the quality of the organisation and the health and well-being of the employees.

The measurements, which are now supplemented by regular pulse measurements of smaller groups, are an important tool in our preventive work. We also have an easily accessible occupational health service and managers who are trained to identify individuals and groups at risk.

### Environment

AcadeMedia shall use all types of resources responsibly and be a model of environmental responsibility in the education sector. We are working to reduce the Group's climate and environmental impact over time. With certain environmental measures in place, this is a continued area of development for us.

### Risks and risk management

Our environmental risks are linked to our environmental impact. We work strategically to reduce it, including through our Code of Conduct, which all employees and suppliers must follow. We are mainly tenants and therefore work together with property owners to reduce our climate and environmental impact.

We measure and monitor our climate impact in terms of energy consumption in buildings in CO<sub>2</sub> and kWh, CO<sub>2</sub> footprint from purchased computers, travel and meals.

# AcadeMedia's exposure to the EU taxonomy for sustainable investments

To achieve the EU's climate goal of carbon neutrality by 2050 and to simplify the identification of environmentally sustainable economic activities, the EU has introduced the so-called taxonomy. The taxonomy provides a common tool to define and increase investment in sustainable activities within the EU. AcadeMedia conducts education, which is not an economic activity as defined in the current version of the taxonomy, which means our reporting requirements are limited. Nevertheless, we recognise that our core business, education, has an important place on the journey to an environmentally sustainable future. This is AcadeMedia's second year of reporting under the EU taxonomy.

## COMMENTS ON KEY FIGURES AND ACCOUNTING POLICIES

### Turnover

Revenue according to the taxonomy is the same as net sales in the consolidated income statement. AcadeMedia's operations are education. Education is not covered by the current version of the taxonomy, so currently 0 percent of AcadeMedia's revenue is covered by the taxonomy.

### Investments (CapEx)

Total investments (CapEx) as defined in the taxonomy include investments in tangible and intangible fixed assets. (notes C15 and C17) made during the financial year, including through the

acquisition of subsidiaries, to increase the value of fixed assets in AcadeMedia's balance sheet. CapEx also includes new and modified leases recognised as right-of-use assets (see note C18).

AcadeMedia has assessed that the part of CapEx relating to owned but mainly new and modified leased premises that are recognised as right-of-use assets is covered by the taxonomy, Annex I, 7.7 "Acquisition and ownership of buildings".

During the 2022/23 financial year, AcadeMedia has not been able to verify with certainty that the investments are consistent with the taxonomy, i.e., fulfil the criteria for the investments to provide a significant contribution and not detrimental to other environmental objectives (taxonomy-aligned), and therefore we report all these investments as not aligned with the taxonomy.

### Operating expenditure (OpEx)

Total operating expenditure (OpEx) as defined by the taxonomy includes the cost of maintaining tangible fixed assets and short-term leases. These costs are recognised under Other external costs in the income statement.

Since total OpEx according to the taxonomy for the year only amounts to SEK 147 million, AcadeMedia has chosen not to investigate the compatibility with the taxonomy for OpEx, in accordance with the taxonomy's exception for non-significant operating expenses.

## ACADEMEDIA'S ACTIVITIES UNDER THE EU TAXONOMY FOR SUSTAINABLE INVESTMENTS

Million SEK	Total	Share of economic activities not covered by the taxonomy (in %)	Share of economic activities covered by the taxonomy but not environmentally sustainable (in %)	Share of economic activities covered by the taxonomy and environmentally sustainable (in %)
Turnover	15,548	100	0	-
CapEx	2,839	14	86	-
OpEx	147	100	0	-

# Proportion of taxonomy-aligned economic activities

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities disclosure covering year 2022/23

Economic activities	Codes	Absolute Turnover SEK M	Substantial contribution criteria								Does Not Significantly Harm Criteria (DNSH)						Proportion of Taxonomy aligned or eligible turnover, 2022/23 %	Proportion of Taxonomy aligned or eligible turnover, 2021/2022 %	Category enabling activity M	Category transitional activity O
			Proportion of turnover %	Climate Change Mitigation %	Climate Change Adaptation %	Water %	Circular Economy %	Pollution %	Biodiversity %	Climate Change Mitigation Y/N	Climate Change Adaptation Y/N	Water Y/N	Circular Economy Y/N	Pollution Y/N	Biodiversity Y/N	Minimum Safeguards Y/N				
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A.1 + A.2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																				
Turnover of Taxonomy-non-eligible activities (B)		15 548	100%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A + B)		15 548	100%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities disclosure covering year 2022/23

Economic Activities	Codes	Absolute CapEx SEK M	Proportion of CapEx %	Substantial contribution criteria						Does Not Significantly Harm (DNSH) criteria						Proportion of Taxonomy aligned CapEx, 2022/23 %	Proportion of Taxonomy eligible CapEx, 2022/23 %	Category enabling activity M	Category transitional activity O
				Climate Change Mitigation %	Climate Change Adaptation %	Water %	Circular Economy %	Pollution %	Biodiversity %	Climate Change Mitigation Y/N	Climate Change Adaptation Y/N	Water Y/N	Circular Economy Y/N	Pollution Y/N	Biodiversity Y/N				
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
<i>Acquisition and ownership of buildings</i>	7.7	2446	86%																
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2 446	86%																
Total (A.1 + A.2)		2 446	86%																
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
CapEx of Taxonomy-non-eligible activities (B)		393	14%																
Total (A + B)		2 839	100%																

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities disclosure covering year 2022/23

Economic activities	Codes	Absolute OpEx SEK M	Proportion of OpEx %	Substantial contribution criteria							Does Not Significantly Harm (DNSH) criteria							Proportion of Taxonomy aligned OpEx, 2022/23 %	Proportion of Taxonomy aligned OpEx, 2021/22 %	Category enabling activity M	Category transitional activity O
				Climate Change Mitigation %	Climate Change Adaption %	Water %	Circular Economy %	Pollution %	Biodiversity %	Climate Change Mitigation Y/N	Climate Change Adaption Y/N	Water Y/N	Circular Economy Y/N	Pollution Y/N	Biodiversity Y/N	Minimum Safeguards Y/N					
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total (A.1 + A.2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																					
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (B)		147	100%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total (A + B)		147	100%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

# Non-financial key figures

## OTHER

MEDARBETARE	Note	FULL YEAR				
		2022/23	2021/22	2020/21	2019/20	2018/19
Average number of annual employees		14,459	13,829	13,360	12,686	12,405
Proportion of women AcadeMedia Group		72.3%	72.1%	71.7%	72.0%	72.5%
Proportion of women among senior executives		45.3%	56,0%	58.0%	60.0%	55.0%
Proportion of women on the board (elected members)		42.9%	49.2%	56.0%	47.0%	43.0%
Staff turnover (SE)	1,2	21.0%	17.8%	15.0%	18.4%	22.6%
Sick leave (SE)	1,3	4.4%	5.1%	4.7%	4.6%	4.4%
Employee satisfaction index (SE)		71	74	74	72	71
Employee satisfaction (NO)	4	–	-	4,4	4.3	4.4
Leadership index	1	77	77	79	77	77
<b>ENVIRONMENT</b>						
Property electricity, kg CO <sub>2</sub>	5	483,364	449,859	483,269	-	-
Computers (purchased), kg CO <sub>2</sub>	5	5,710,782	6,675,879	4,363,042	-	-
Travel (business trips), kg CO <sub>2</sub>	5	545,440	418,394	38,181	660,526	824,469
Food (rough estimate), kg CO <sub>2</sub>	5	22,485,000	21,250,000	20 200 000	-	-
Percentage of ecolabelled raw materials		20,4	20.7	21.2	22.5	21.2
<b>TRANSPARENCY</b>						
Number of unique visits to AcadeMedia's public intranet.		466,960	146,459	206,296	299,249	267,780
Number of unique visits to the AcadeMedia Code of Conduct.		151	295	351	279	470
Number of whistleblowing cases	6	66	30	34	17	11
Number of qualified whistleblowing cases	6	47	13	5	4	1

1 Statistics are only available for the Swedish operations.

2 (Number of permanent and probationary staff who left) / (Average number of permanent and probationary staff).

3 Cumulative average short-term sickness absence <90 days.

4 Espira did not conduct any survey in 2023 due to a strike.

5 AcadeMedia's CO<sub>2</sub> footprint is detailed on page 31.

6 Whistleblows are received and handled by an external party that ensures the anonymity of the whistleblower and makes an initial assessment. During the year, 82 whistles were submitted, of which 16 related to two cases. In total, 47 whistles were assessed as qualified.

## QUALITY

	2022/23	2021/22	2020/21	2019/20	2018/19
<b>PRESCHOOL</b>					
Recommendation rate – Norway <sup>1</sup>	4.5	4.5	4.5	4.5	84.7%
Recommendation rate – Germany (Joki) <sup>2</sup>	-	-	84%	-	88%
Recommendation rate – Germany (KTS) <sup>2</sup>	-	-	81%	-	79%
Recommendation rate – Germany (StepKe) <sup>2</sup>	-	-	77%	-	76%
Recommendation rate – Germany (Espira) <sup>2</sup>	-	-	86%	-	-
Recommendation rate – Sweden	87%	87%	88%	86%	83%
Satisfaction with preschool activities – Sweden	87%	87%	87%	84%	84%
<b>COMPULSORY SCHOOL</b>					
Proportion of students enrolled in upper secondary education	90.1%	89.8%	92.8%	91.8%	91.3%
Proportion with at least a pass mark (A-E) in all subjects	80.2%	80.6%	85.0%	83.9%	82.3%
Average grade point average	242.4	243.5	249.5	246.7	242.3
Recommendation rate – students	66%	66%	70%	68%	65%
Recommendation rate – parents	81%	81%	81%	78%	74%
Satisfaction with teaching – students	72%	72%	74%	72%	70%
Satisfaction with teaching – parents	80%	80%	82%	78%	77%
<b>UPPER SECONDARY SCHOOL</b>					
Percentage with diploma (based on students with 'leaving certificate') <sup>3</sup>	88.2%	90.0%	92.0%	90.3%	89.5%
Grade point average (students with 'leaving certificate') <sup>3</sup>	14.1	14.2	14.2	14.2	14.1
Percentage of students leaving with a diploma within three years <sup>4</sup>	-	-	79.2%	76.5%	74.5%
Recommendation rate – students	72%	72%	76%	69%	68%
Satisfaction with teaching – students	76%	76%	78%	72%	69%
<b>ADULT EDUCATION<sup>5</sup></b>					
Average number of hours per completed course/learning path – sfi	n.a.	n.a.	291	247	240
Pass rate – sfi	94.9%	94.9%	-	-	-
Proportion with at least grade E – basic adult education	88.0%	88.0%	87.6%	87.3%	88.0%
Proportion with at least grade E – upper secondary adult education programme	83.9%	83.9%	85.0%	83.9%	83.3%
Percentage with diploma – higher vocational education	68%	68%	68%	66%	69%
Recommendation rate – pupils/students/participants (total) (VT HT) <sup>6</sup>	87.1%	87.1%	87.1%	86.4%	86.4% 84.3%

1 According to the national user survey, Espira's recommendation rate is 4.5 on a 5-point scale.

2 The results of the parent surveys in the German preschools were not available at the time of publication of this report.

3 Preliminary result 2022/23.

4 The throughput is based on the students' starting year. Outcomes for 2022/23 are presented by the Swedish National Agency for Education in November.

5 Adult education segment learning outcomes are based on a full year, not an academic year.

6 Monitoring of the recommendation rate in adult education has been done once a year since 2019/20.

# GRI-Index

The Global Reporting Initiative (GRI) is an independent organisation that has created a standard for sustainability reporting.

AcadeMedia's sustainability report is inspired by GRI.

The GRI index below contains references to where in our annual and sustainability report each GRI disclosure can be found.

For more information, please contact Paula Hammerskog, Head of Communications, paula.hammerskog@academedia.se, +46 733 34 87 50.

Statement of use	AcadeMedia reports with reference to GRI Standards 2021 for the period 1 July 2022 to 30 June 2023.
GRI 1	GRI 1: Foundation 2021
GRI Sector Standard	No sector standard available

GRI STANDARD	DISCLOSURE	THE NAME OF ENLIGHTENMENT	PAGE	REFERENCE
<b>GENERAL INFORMATION</b>				
GRI 2: General information 2021	2-1	Information about the organisation	42	
	2-2	Entities covered by the sustainability report	44, 45	The sustainability report has the same scope.
	2-3	Reporting period, frequency and contact person	40	
	2-4	Changes in previously reported information	-	No changes in the information compared to previous reporting periods
	2-5	External attestation	41	The sustainability report has not been subject to external certification, but the auditor has expressed his opinion on the statutory sustainability report.
	2-6	Activities, value chain and other business relationships	3-4, 18	
	2-7	Employees	26-29, 39, 69	
	2-8	Employees who are not employees		The information is not available/not applicable.
	2-9	Composition and governance structure	17, 49-52, 55-57	
	2-10	Nomination and election of the highest governance body	49	
	2-11	Chairman of the highest governing body	56	
	2-12	Role of the Supreme Governing Body in overseeing influence management	49-53-54, 55,	
	2-13	Delegation of responsibility for managing impacts	49	
	2-14	Role of the highest governance body in sustainability reporting	17, 49-52, 53-54, 55-56	
	2-15	Conflicts of interest	49-52, 53-54	
	2-16	Communication of critical issues	18	
	2-17	Collective knowledge of the highest governance body	56	
	2-18	Evaluation of the work of the highest governance body	51	
	2-19	Remuneration policy		The compensation report that is published on the website
	2-20	Process for determining remuneration	50, 69	Note K5
	2-21	Annual total replacement rate		The compensation report that is published on the website
	2-22	Statement on sustainable development strategy	15	
	2-23	Corporate responsibility commitments	3, 5, 14, 15, 17, 18, 19	
	2-24	Embedding the commitments in operations and business relationships	17, 49-52	
	2-25	Processes to address negative impacts	21, 26, 30, 53-54	
	2-26	Mechanisms for counselling and reporting concerns	34, 50, 52, 53-54, 79	
	2-27	Compliance with laws and regulations	18	No violations of the law have occurred during the fiscal year
	2-28	Membership of organisations	19	
	2-29	Methods of stakeholder engagement	33	
	2-30	Collective agreements	27	

Continue next page ➡



Continued from page 40 ➔

GRI STANDARD	DISCLOSURE	THE NAME OF ENLIGHTENMENT	PAGE	REFERENCE
<b>KEY ISSUES</b>				
GRI 3: Key issues 2021	3-1	Process for identifying material issues	33-34	
	3-2	List of essential questions	34	
<b>SPECIFIC INFORMATION GRI 200:ECONOMY</b>				
Economic performance				
GRI 3: Key issues 2021	3-3	Governance of material issue	17	
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	20	
	201-3	Defined benefit and other pension plans	64, 71	Note K1, note K6
Anti-corruption				
GRI 3: Key issues 2021	3-3	Governance of material issue	17-18	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for corruption risks	15, 17, 18, 26, 34, 53	
<b>SPECIFIC INFORMATION GRI 300:ENVIRONMENT</b>				
Supplier assessments				
GRI 3: Key issues 2021	3-3	Governance of material issue	17	
GRI 308: Assessment of suppliers against environmental criteria in 2016	308-1	New suppliers screened against environmental criteria	18, 31	
<b>SPECIFIC INFORMATION GRI 400:SOCIAL</b>				
Employment				
GRI 3: Key issues 2021	3-3	Governance of material issue	17	
GRI 401: Employment 2016	401-1	Recruitment and staff turnover	39	
Occupational health and safety				
GRI 3: Key issues 2021	3-3	Governance of material issue	17	
GRI 403: Occupational health and safety 2018	403-1	Health and safety management system	28, 45, 53-54	
Diversity and equal opportunities				
GRI 3: Key issues 2021	3-3	Governance of material issue	17	
GRI 405: Diversity and equal opportunities 2016	405-1	Diversity in the board, management and workforce	26, 49	
	405-2	Gender pay gap		
Customer health and safety				
GRI 3: Key issues 2021	3-3	Governance of material issue	17	
GRI 416: Customer health and safety 2016	416-1	Evaluation of the health and safety effects of products	27	

## Auditor's opinion on the statutory sustainability report

To the General Meeting of AcadeMedia AB (publ.),  
 reg. no. 556846-0231.

### Tasks and responsibilities

It is the Board of Directors who is responsible for the sustainability report for the financial year 1 July 2022 - 30 June 2023 on pages 13-41 and that it has been prepared in accordance with the Annual Accounts Act.

### Focus and scope of the audit

Our review has been conducted in accordance with FAR's recommendation RevR 12, the auditor's opinion on the statutory sustainability report. This means that our review of the sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides us with a sufficient basis for our opinion.

### Statement

A sustainability report has been prepared.

Stockholm, 24 October 2023  
 PricewaterhouseCoopers AB

**Patrik Adolfson**

Authorised auditor  
 Auditor in charge

**Eva Medbrant**

Authorised Public Accountant

# Administration Report

The Board of Directors and the Chief Executive Officer of AcadeMedia AB (publ), referred to below as AcadeMedia, corporate registration number 556846-0231, registered office in Stockholm, Sweden, hereby submit their Annual Report and consolidated accounts for the financial year 1 July 2022–30 June 2023.

## Business overview

AcadeMedia is the largest independent education provider in northern Europe. In 2022/2023 nearly 98,000 children and students attended AcadeMedia's preschools, compulsory schools and upper secondary schools. A further approximately 100,000 people took part in one of AcadeMedia's education programmes for adults. On average, during the 2022/23 financial year, AcadeMedia operated 731 preschools, compulsory schools, upper secondary schools and adult education units, geographically located all over Sweden and Norway, as well as in parts of Germany and the Netherlands.

AcadeMedia operates along the entire education ladder, from preschool to adult education. Operations are divided into four segments: Preschool, Compulsory School, Upper Secondary School and Adult Education. As a rule, education programmes are commissioned exclusively by customers in the public sector, such as municipalities in Sweden, Norway, Germany and the Netherlands, as well as the Swedish Public Employment Service and the National Agency for Higher Vocational Education in Sweden.

### Significant events during the financial year

The 2022/23 financial year was dominated by a number of major events.

#### AcadeMedia signs new loan agreement.

AcadeMedia has signed a new loan agreement refinancing existing loans totalling the equivalent of

SEK 1,650 million until mid-2025, with the option of extending until 2027. This will reduce annual amortisation by SEK 34 million and deliver positive impact on cash flow.

#### Changes in Executive management and Board of Directors

During the financial year, changes took place in Executive management and the Board of Directors. See pages 50 and 55–57 for more information.

#### Clarification of dividend policy and new financial KPIs

In November 2022, AcadeMedia's Board of Directors announced a clarification of the Company's dividend policy and introduced new financial KPIs regarding capital structure. The clarification is intended to shed greater light on both AcadeMedia's capital structure and how the capital is to be allocated over time. The Board's deliberations in the course of its work on the new policy are described on page 47 of the Annual Report.

#### Acquisition of FAWZ gGmbH

In November 2022, AcadeMedia acquired FAWZ gGmbH, expanding the Company's operations in Germany to include all aspects of education from preschool to adult education.

#### Compulsory school damaged by fire

In January 2023, a school in Helsingborg, Sweden, sustained damage by fire. Most of the additional costs arising from the fire are expected to be covered by insurance.

## Revenue and earnings

GROUP, SEK m.	FULL YEAR				
	2022/23	2021/22	2020/21	2019/20	2018/19
Net sales	15,539	14,339	13,340	12,271	11,715
Adjusted EBITDA*	1,422	1,398	1,295	1,066	931
Adjusted EBITDA margin, %	9.2%	9.7%	9.7%	8.7%	7.9%
Operating profit, EBIT	1,270	1,224	1,174	973	635
EBIT margin, %	8.2%	8.5%	8.8%	7.9%	5.4%
Adjusted operating profit/loss, EBIT*	964	1,001	939	728	634
Adjusted EBIT margin, %	6.2%	7.0%	7.0%	5.9%	5.4%
Net financial items	-511	-441	-402	-417	-69
Pre-tax profit	759	784	772	556	566
Profit for the year	578	605	599	431	431
Earnings per share, basic (SEK)	5.47	5.73	5.64	4.09	4.09
Earnings per share, diluted (SEK)	5.47	5.72	5.62	4.09	4.09
Free cash flow	792	922	1,117	805	356
Number of children and students**	97,916	92,549	87,823	82,433	79,493
Number of full-time employees	14,459	13,829	13,360	12,686	12,405

\* See definitions of key performance indicators on pages 104–105. \*\* Excl. Adult Education.

Unless otherwise indicated, all figures from and after the 2019/2020 financial year are reported in accordance with the accounting standard IFRS 16 Leases. The segments are reported excluding the effects of IFRS 16. The financial years 2018/19 have not been restated.

## Volume growth and net sales

Net sales increased by 8.4 percent to SEK 15,539 million (14,339). The acquisitions of Sandvik AS and FAWZ contributed 1.9 percent. Organic growth, including minor bolt-on acquisitions, was measured at 6.0 percent. Exchange rate fluctuations had an impact of 0.5 percent on sales. The average number of children and students, excluding the Adult Education segment, increased by 5.8 percent to 97,916 (92,549).

### Adjusted operating profit/loss and operating profit/loss (EBIT)

Adjusted profit for the full year decreased to SEK 964 million (1,001). The adjusted EBIT margin was recorded at 6.2 percent (7.0). The decline in profit was an effect of lower volumes in parts of the Adult Education segment. In the Swedish school segments, an increase of around SEK 70 million in operating costs – mainly for electricity and food – and lower capacity utilisation due to expansion were offset through effective cost control. Index-adjusted rental costs affected adjusted profit by approximately SEK 70 million compared with the same period last year.

Factors affecting the Preschool segment consisted of higher operating costs due to inflation, and lower pension increases in Norway during the first half-year, totalling around SEK 20 million. This was offset through higher capacity utilisation in the Swedish and Norwegian preschools and an increase in school voucher funding in Norway, which partly compensates for cost increases in previous years. The acquisitions contributed SEK 15 million during the year.

## &gt;&gt;ADMINISTRATION REPORT &gt;OPERATIONS

Costs were lower at Group level than last year due to a lower level of activity and cost-cutting programmes.

Operating profit (EBIT) totalled SEK 1,270 million (1,224), representing an EBIT margin of 8.2 percent (8.5).

**Items affecting comparability**

Items affecting comparability totalled SEK -45 million (-64).

(SEK M.)	2022/23	2021/22
Transaction costs (FAWZ)	-11	-
Restructuring (Comp. sch.)	-13	-
Restructuring (Upp. sec.sch.)	-23	-15
Fire 2023 (Comp. sch.)	-6	-
Fire insurance claim payment 2021 (Comp. sch.)	+9	+24
Fire 2021 (Comp. sch.)	-	-42
VAT costs (Ad. ed.)	-	-11
Loan loss reserve (Presch. NO)	-	-21
<b>TOTAL</b>	<b>-45</b>	<b>-64</b>

**Net financial items**

Net financial items amounted to SEK -511 million (-441), including SEK -469 million (-401) in interest expense from real estate related lease liabilities.

**Profit and comprehensive income for the year**

Profit after tax decreased to SEK 578 million (605). The tax charge for the full year totalled SEK 181 million (179), representing an effective tax rate of 23.9 percent (22.8). The increase arose partly through higher non-deductible expenses, recognised losses where no deferred tax asset is recognised, and higher standard revenue for the tax allocation reserve.

Comprehensive income for the year was SEK 559 million (636), mainly impacted by actuarial gains and losses of SEK -24 million (-4). Translation differences totalled SEK 5 million (35).

Adjusted for real estate related lease costs, profit for the period was lower than profit for the preceding year, at SEK 675 million (692), with comprehensive income falling to SEK 656 million (723).

Earnings per share were SEK 5.47 (5.73) basic and SEK 5.47 (5.72) diluted.

**Financial position and cash flow****Cash flow**

Following implementation of IFRS 16 in 2019/2020, lease payments are recognised under the heading of financing activities. In the cash flow statement presented below, lease payments related to the rental of real estate are recognised, as previously, under operating activities.

For the full year, cash flow from operating activities decreased to SEK 1,075 million (1,225), an effect of lower earnings. The change in working capital was in line with the previous year at SEK 31 million (33). Tax paid during the year totalled SEK 276 million (179), where tax paid in the previous year was lower due to a positive settlement of SEK 45 million of final tax in Norway and Sweden. Tax paid in the current year was higher due to higher preliminary tax of approximately SEK 55 million in Sweden.

**CASH FLOW**

(SEK m.)	Full year	
	2022/23	2021/22
<b>Cash flow from operating activities before changes in working capital</b>	<b>1,044</b>	<b>1,192</b>
Cash flow from changes in working capital	31	33
<b>Cash flow from operating activities</b>	<b>1,075</b>	<b>1,225</b>
Investments regarding existing activities <sup>1</sup>	-283	-303
Expansion investments <sup>2</sup>	-198	-234
<b>Cash flow from investing activities</b>	<b>-481</b>	<b>-536</b>
<b>Cash flow from financing activities</b>	<b>-770</b>	<b>-530</b>
<b>CASH FLOW FOR THE YEAR</b>	<b>-176</b>	<b>158</b>
<i>Free cash flow before expansion investments<sup>3</sup></i>	<i>792</i>	<i>922</i>

<sup>1</sup> Investments in existing operations consist of investments in leasehold real estate, equipment, non-current intangible assets, non-current financial assets and sale of non-current financial assets.

<sup>2</sup> Expansion investments are investments in owned preschool buildings in Norway, and in business combinations.

<sup>3</sup> Free cash flow before expansion investments is the cash flow from operating activities less investments in existing operations.

Investments in existing operations<sup>1</sup> were somewhat lower than last year, at SEK -283 million (-303), providing a free cash flow of SEK 792 million (922) before expansion<sup>3</sup>. Expansion investments<sup>2</sup> in the period totalled SEK -198 million (-234) and included the acquisition of Framtidsutveckling, Futuregames, preschools in the Netherlands, a compulsory school in Sweden and FAWZ in Germany. In total, cash flow from investing activities amounted to SEK -481 million (-536). Cash flow from financing activities totalled SEK -770 million (-530), including dividends of SEK -185 million (-185) paid and amortisation of loans totalling SEK -300 million in connection with the loan restructuring. All in all, cash flow during the year was SEK -176 million (158).

**Financial position**

The Group's net interest-bearing debt, including real estate related lease liabilities, amounted to SEK 10,142 million (9,460), including real estate related lease liabilities of SEK 9,317 million (8,474). The increase from the previous year is due to expansion and signing of new leases, expiry and re-signing of existing leases and indexation of existing leases. Financial expenses increased to SEK 543 million (441), as a result of the increased lease liability and

higher interest rates. Interest expenses related to leases of real estate totalled SEK 469 million (401), an effect of the higher lease liability and a higher marginal borrowing rate.

On 30 June 2023, the Group's interest-bearing net debt, excluding real estate related lease liabilities amounted to SEK 825 million (987). The decrease in net debt over the past 12 months was due to the Group's strong cash flow. Currency effects added SEK 8 million to the net debt. Early in the financial year, AcadeMedia signed a new loan agreement with DNB and SEB to refinance existing loans totalling the equivalent of SEK 1,650 million. The loan runs until mid-2025, with an option to extend until 2027. This will reduce annual amortisation by SEK 34 million and deliver positive impact on cash flow. Please see Note G27 for more information.

Real estate loans have decreased compared to the preceding year, due to amortisation and weakening of the Norwegian krone. Real estate loans amounted in all to SEK 727 million (750), which includes the negative currency impact of SEK 16 million. Through the acquisition of FAWZ, real estate loans increased by SEK 19 million compared with the previous year. In the same period, the value of buildings rose SEK 113 million to SEK 1,170 million (1,057), mainly via the acquisition of FAWZ, which included real estate valued at SEK 119 million.

Net debt in relation to adjusted EBITDA1 (rolling 12 months) was calculated at 0.6 (0.7), in line with 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, as per IFRS 16 (rolling 12 months) was 3.1 (3.1).

**Preschool segment**

**AcadeMedia's Preschool segment operates preschools in Sweden, Norway, Germany and the Netherlands. The segment also includes school activities, from compulsory school to adult education, in Germany and educational services through Sandvik AS. In Sweden, the Group operates preschools in a large number of municipalities, with a total of 110 units. In Norway, Espira is the third largest preschool pro-**

**vider, with 107 units. In Germany, the Group operates 83 preschools, 2 compulsory schools and 5 upper secondary schools, and in the Netherlands 10 preschools. The segment had a total of 317 units towards the end of the financial year.**

The average number of children during the year increased by 12.3 percent, to 25,163 (22,413). Sales increased by 19.2 percent to SEK 4,983 million (4,180). The acquisition of Sandvik and FAWZ and favourable movements in exchange rates contributed 6.6 and 1.7 per cent, respectively. Organic growth was recorded at 10.9 per cent.

Adjusted operating profit for the year amounted to SEK 194 million (163) and the operating margin was 3.9 percent (3.9). The increase in profit arose in the main through acquisitions and an increase in school voucher funding in Norway, which partly compensated for cost increases in previous years. Inflation and higher operating costs of around SEK 30 million, along with an indexed increase of around SEK 15 million in rents were offset through higher school voucher funding and higher capacity utilisation in Sweden and Norway. Higher salary costs in Norway combined with lower pension increases, totalling SEK 22 million, were charged in the first half of the financial year.

Items affecting comparability totalling SEK -11 million (-21) consist of transaction and integration costs for the acquisition of FAWZ. Operating profit (EBIT) was higher than in the preceding year at SEK 182 million (142), with a margin of 3.7 percent (3.4).

During the second quarter, the Group acquired FAWZ in Germany. FAWZ operates a preschool, seven compulsory schools with before- and after-school care, three upper secondary schools and adult education services. In net terms, the number of units in the segment has increased by 25, 11 new starts and 15 acquired units. One unit in Sweden closed early in the financial year.

Next year, the plan is to open around 15 new preschools in Germany, including 6 in the first quarter. As of next year, the acquisitions of Winford College in the Netherlands and MediaDesign Academy in

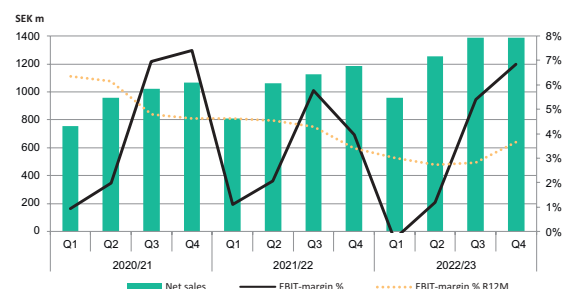
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Germany will be incorporated into the segment. In Sweden, three preschools with more than 200 children in Malmö will close in the course of the next financial year.

PRESCHOOL	2022/23	2021/22	CHANGE
Number of children/students*	25,163	22,413	12.3%
Number of employees*	7,390	6,855	7.8%
Number of units*	312	286	9.1%
Capacity utilisation			
Sweden	93.2%	92.2%	1.0 p/e
Norway	88,3	86.4%	1.9 p/e
Germany	90.4%	90.2%	0.2 p/e

\* Annual average  
For further financial information, see Note G2 on page 67, where segment reporting is provided.

**PRESCHOOL SEGMENT, NET SALES AND EBIT MARGIN**



**Compulsory School segment**

AcadeMedia's Compulsory School segment operates compulsory schools and integrated preschools in a large number of Swedish municipalities under the brands Innovitaskolorna, Montessori Mondial, Noblaskolorna, Pops Academy, Snitz and Vittra. The schools operate entirely on the basis of the school voucher system. At the end of the financial year, the segment was operating 117 units, including 38 integrated preschools.

The average number of children and students increased by 2.7 percent to 28,641 (27,896). Net sales rose 6.4 percent to SEK 3,769 million (3,543) due to an increase in student numbers, but also to the annual adjustment of school voucher funding and increased State subsidies.

The adjusted operating profit was in line with the previous year, SEK 271 million (271). The profit was affected by the generally higher level of costs, in which energy and school meal costs increased by approximately SEK 20 million. Indexation of rents had a negative impact of just over SEK 20 million. Initiatives to boost student health services in our schools also led to higher costs. The newly established unit has a temporary negative impact on results until all places at the school have been filled.

Items affecting comparability of SEK -10 million (-18) comprise restructuring costs, insurance claim relating to the school fire in July 2021, which has now been finally settled, and costs arising from a fire at a compulsory school in January 2023, which are largely expected to be covered by an insurance claim payment.

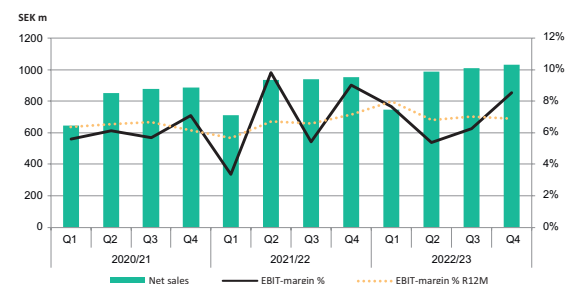
Operating profit (EBIT) totalled SEK 260 million (253). The operating margin was 6.9 percent (7.1).

In the first quarter, the Group opened a new compulsory school in Örebro, with a total of 130 children. Two units were merged into one. In the third quarter the Group acquired a compulsory school – Montessori Compulsory School Maria – with 230 pupils in Malmö.

COMPULSORY SCHOOL (SWEDEN)	2022/23	2021/22	CHANGE
Number of children/students*	28,641	27,896	2.7%
Number of employees*	5,037	4,974	1.3%
Number of units*	117	116	0.9%
Capacity utilisation	92.6%	93.7%	-1.1 p/e

\* Annual average  
For further financial information, see Note G2 on page 67, where segment reporting is provided.

**COMPULSORY SCHOOL SEGMENT, NET SALES AND EBIT MARGIN**



**Performance per segment**

	STUDENT ENROLMENT (AVERAGE)		NET SALES, SEK m.		ADJ. OPERATING PROFIT/LOSS (EBIT), SEK m.		ADJ. EBIT MARGIN		OPERATING PROFIT/LOSS (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	25,163	22,413	4,983	4,180	194	163	3.9%	3.9%	182	142	3.7%	3.4%
Compulsory School	28,641	27,896	3,769	3,543	271	271	7.2%	7.6%	260	253	6.9%	7.1%
Upper Secondary School	44,112	42,240	5,154	4,807	457	450	8.9%	9.4%	434	435	8.4%	9.0%
Adult Education	- <sup>1</sup>	- <sup>1</sup>	1,628	1,804	126	214	7.7%	11.9%	126	203	7.7%	11.3%
Group adj., Parent Company	-	-	5	4	-83	-97	-	-	-83	-97	-	-
Effects of IFRS 16	-	-	-	-	-	-	-	-	350	288	-	-
<b>Total</b>	<b>97,916</b>	<b>92,549</b>	<b>15,539</b>	<b>14,339</b>	<b>964</b>	<b>1,001</b>	<b>6.2%</b>	<b>7.0%</b>	<b>1,270</b>	<b>1,224</b>	<b>8.2%</b>	<b>8.5%</b>

1 Volumes in adult education are not calculated on the basis of the number of participants, since the length of the programmes varies from individual occasions to several school years.

**Upper Secondary School segment**

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 on the basis of the school voucher system. At the end of the financial year, the segment was operating 152 units.

The number of students increased by 4.4 percent to 44,112 (42,240) and net sales rose 7.2 percent to SEK 5,154 million (4,807). Growth was attributable to expansion and higher revenue per student.

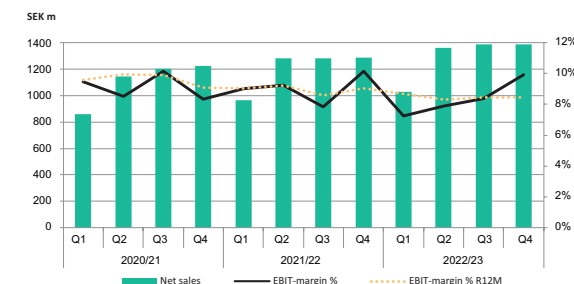
The adjusted operating profit was SEK 457 million (450), representing a margin of 8.9 percent (9.4). Profit and margins were affected by an increase of just over SEK 20 million in general costs, an increase of about SEK 40 million in indexed rents and lower capacity utilisation due to expansion.

Items affecting comparability totalling SEK -23 million (-15) consisted of restructuring costs in connection with a review of the portfolio of units. Operating profit (EBIT) totalled SEK 434 million (435), with an operating margin of 8.4 percent (9.0).

UPPER SECONDARY SCHOOL (SWEDEN)	2022/23	2021/22	CHANGE
Number of children/students	44,112	42,240	4.4%
Number of employees*	5,139	4,983	3.1%
Number of units*	152	151	0.7%
Capacity utilisation	84.2%	87.1%	-2.9 p/e

\* Annual average  
For further financial information, see Note G2 on page 67, where segment reporting is provided.

**UPPER SECONDARY SCHOOL SEGMENT, NET SALES AND EBIT MARGIN**



### Adult Education segment

AcadeMedia's Adult Education segment is Sweden's largest provider of adult education, operating in approximately 150 locations across the country. The segment serves three main customer categories: municipal adult education (43 percent of sales), higher vocational education (42) and labour market services (9).

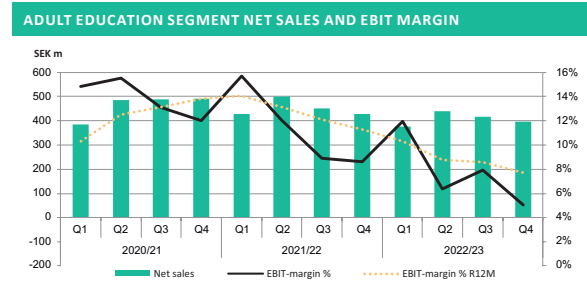
Net sales decreased by 9.8 percent to SEK 1,628 million (1,804). Adjusted profit was SEK 126 million (214), representing a margin of 7.7 percent (11.9). Operating profit was SEK 126 million (203) and the operating margin was 7.7 percent (11.3). The decline in profit was mainly attributable to lower volumes in municipal services.

The Swedish labour market continued to resist the recession and in June the unemployment rate was 6.2 per cent (6.6 per cent in the previous year). However, the number of layoffs increased slightly. The Swedish Public Employment Service's labour market forecast indicates a lower unemployment rate for 2023 compared to 2022 – 6.4 percent and 6.8 percent respectively – and a marginal increase between 2023 and 2024.

In the fourth quarter, the final report of the inquiry into the future of higher vocational education in Sweden ("YH-utredningen") was presented. The report proposes the expansion of higher vocational education and training and an increase of 17,700 training places between 2024 and 2033. This represents about 35 per cent in total and 3 percent annually.

OPERATION'S PERCENTAGE OF SALES IN THE SEGMENT	2022/23	2021/22	CHANGE
Swedish for Immigrants	6%	9%	-3 p.p
Komvux	37%	44%	-7 p.p
Company training programmes	3%	2%	1 p.p
YH (Higher Vocational Education)	42%	34%	8 p.p
Labour market training programme	9%	10%	0 p.p
Other	3%	1%	2 p.p

For further financial information, see Note G2 Segment reporting on page 67.



### Seasonal variations

AcadeMedia's four segments are subject to different seasonal variations.

The three school segments show a recurring seasonal variation, in which weaker sales and earnings are typically reported in the first half of the financial year, July to December. This is mainly due to school holidays, annual leave and the annual salary review. The second half of the year, January to June, is stronger, as sales typically rise because of annual school voucher funding reviews and higher numbers of children and students.

The Adult Education segment shows a more irregular seasonal variation. However, with a stable portfolio of contracts, the fourth and first quarters are typically weaker, while the second and third are stronger quarters due to the distribution of the number of programme days over the year. However, the seasonal variation in the Adult Education segment may show sharp deviations from this pattern as a result of major contractual changes or changes in social initiatives.

The following is a summary of the key events driving seasonal variations for AcadeMedia during the year. The description of AcadeMedia's seasonal variations is a summary based on experience and general patterns.

#### School holidays and annual leave

Part of the first quarter of the Group's financial year coincides with the school summer holidays. During this period, with no activities taking place, the Group's revenue is lower than in the other quarters. Personnel expenses are also lower, as personnel are taking annual leave.

In the Adult Education segment, the number of working days or education days in the period may have some impact. These are governed by factors such as vacation periods and major holidays (e.g. Christmas, New Year and Easter).

#### Salary adjustments

The salaries of the Group's employees are adjusted annually. The highest proportion of the Group's employees are teaching staff, whose salaries are adjusted as of 1 September each year. After that date, personnel expenses rise without a corresponding increase in school voucher funding. This means that margins are usually lower in the second quarter of the financial year.

#### School voucher funding review

School voucher funding is adjusted at the end of the calendar year in Sweden, Norway and Germany. Consequently, revenues increase during the third and fourth quarters, without any actual

change in the cost structure. Normally, the fourth quarter is the strongest in terms of revenues. Partly for the above reason, and partly because direct costs are lower. For example, the requirement for school meal provision goes down and the holiday period starts, while revenues do not decline at the same rate.

In the Swedish school operations, some retroactive reimbursements from the municipalities may also be received during the spring, depending on whether the municipal accounts show higher costs than budgeted in the school voucher calculations.

#### Growth in student numbers

In preschools, children are enrolled continuously throughout the year, particularly in May and June, with a corresponding increase in revenue. However, at upper secondary schools, the number of pupils decreases during the year due to students dropping out. Student attrition is also evident over the summer holidays.

#### Accentuated seasonal pattern in Norway

Preschools in Norway show the same seasonal variation as those in Sweden and Germany, but the pattern is accentuated by national regulations on staff density. Younger children require higher staff densities than older children. The change, when younger children are considered older, takes place at the end of the calendar year. This leads to a higher level of staffing in the first half of the year than in the second.

### Sustainability Report

AcadeMedia's foremost contribution to a sustainable society lies in our core activity, education. The prime duty of our personnel is to deliver education of a good standard to all, a formula that is enshrined in one of the UN's Global Sustainable Development Goals. We strive to be a responsible employer, we work to reduce our climate footprint and our strong focus on transparency is in line with what society demands and expects of a private sector provider in a public sector market.

At AcadeMedia, sustainability is a priority issue and is therefore an important part of Roadmap 2030, which was presented to the organisation's managers in spring 2023. The roadmap will be launched across the entire organisation in autumn 2023. The document sets out the strategic direction for the Group.

We conduct our sustainability work in three focus areas: learning, employees and environment/climate. Sustainability work is integrated into our operations and to a large extent is conducted at our units.

AcadeMedia is a decentralised organisation and sustainability work is controlled via a number of policies, for which the Code of Con-

duct is the overriding document. All policies are published on AcadeMedia's open access employee website. Executive management is ultimately responsible for AcadeMedia's sustainability work.

AcadeMedia's Sustainability Report is included as pages 13–41 of this integrated Annual and Sustainability Report.

#### Learning

AcadeMedia's main contribution to a sustainable society lies in our core business, education, which is also the subject of the UN's 4th Global Goal. However, our contribution goes beyond providing a quality education to everyone who attends one of our schools or a high-quality programme that prepares them for the future. We also contribute by educating and sharing knowledge on all manner of sustainability issues, from human rights to the environment and climate.

To measure the quality of our teaching and our schools, we closely monitor a number of quality and performance indicators. A selection of these indicators is presented on pages 25 and 39 of this integrated Annual and Sustainability Report. A more comprehensive account is included in our annual quality report. The single most important objective is that all students should achieve the goals of their educational programme.

#### Employees

Our most important resource is our nearly 20,000 employees. Their work environment and well-being are important to the quality of our core business. We encourage our employees to take part in our in-house skills development, collegial learning and career development initiatives. The right to form and join trade unions and to collective pay bargaining is a given. Within the framework of the independent schools agreement in Sweden, AcadeMedia also has local cooperation agreements with the Swedish Teachers' Union and the National Federation of Independent Schools. As part of the agreement, AcadeMedia pays for more than ten full-time positions. The teachers' unions also have three seats on AcadeMedia's Board of Directors.

To measure the well-being of our employees, we monitor a number of key performance indicators, including employee turnover, absence due to illness, gender equality and employee satisfaction. A selection of these indicators and a description of how AcadeMedia works on employee issues are presented on pages 26–29 of this integrated Annual and Sustainability Report.

#### Environment

Five days a week, nearly 200,000 individuals are, collectively, present on our premises, overseen by our 20,000 employees. Educational materials, cleaning products, food and computers

**>>ADMINISTRATION REPORT >OPERATIONS**

are purchased each year on a major scale. The same applies to the volume of energy consumed in operating our premises, which cover a total area of around 1,044,000 sq. m.

By active choices in what we buy, by making sure and teaching that it is used in a long-term sustainable way – and by properly recycling what can no longer be used – we make a difference. Our purchasing policy, healthy physical environments that make it easy to do the right thing and training are the main tools we use to reduce our environmental footprint.

We are at the start of analysing our current situation, and according to our students in the stakeholder analysis, environment and climate issues are those that rank highest. We must ensure that what we teach is mirrored in the environments in which we provide our teaching. A selection of indicators that we have started to monitor and a description of how AcadeMedia works on environmental and climate issues are presented on pages 30–38 of this integrated Annual and Sustainability Report.

### Guidelines for remuneration to senior executives

The guidelines for CEO and other senior executive remuneration, the main points of which are set out below, were adopted at the Annual General Meeting held on 30 November 2021 and have been applied to remuneration agreed, and amendments made to remuneration already agreed, since then. The guidelines thus do not apply to forms of remuneration adopted by the Shareholders' Meeting.

#### How the guidelines promote the Company's business strategy, long-term interests and sustainability

In brief, AcadeMedia's business concept is to develop and operate leading, clearly profiled educational institutions along the entire education ladder. AcadeMedia's strategies to achieve that are based on the following elements:

1. Clear focus on education and well-defined brands
2. Knowledgeable and committed employees and managers
3. Common quality assurance system (the AcadeMedia Model)
4. Continuous improvement and innovative solutions
5. Long-term sustainable growth
6. Sustainability strategy

One prerequisite for successful implementation of AcadeMedia's business strategies, and to safeguard the Company's long-term interests including its sustainability, is our ability to recruit and

retain qualified employees. For this, we need to be able to offer competitive remuneration. The aim of these remuneration guidelines is to provide AcadeMedia with an environment that attracts, motivates and retains qualified employees.

AcadeMedia has also established long-term share-based incentive plans. Further information on these plans are provided in Note G5 Personnel expenses.

#### Forms of remuneration etc.

Remuneration of senior executives shall be in line with market conditions and may consist of fixed cash remuneration, variable cash remuneration, pension benefits and other benefits. In addition – and independently of these guidelines – the Shareholders' Meeting may resolve on, for example, share-based and share price related remuneration.

The fixed cash salary forms the basis of the total market remuneration that is required to attract senior executives. The fixed cash salary is to take the individual's responsibilities and performance into account.

The variable cash remuneration may amount to a maximum of fifty (50) per cent of the total fixed cash salary during the measurement period. Compliance with the criteria for the payment of variable cash remuneration must be measurable over a period of one year.

Pension benefits and other insurance for the CEO shall be based on defined-contribution plans. The variable cash remuneration shall not be pensionable but may be converted into a pension by agreement. Pension premiums for defined-contribution pensions shall not exceed thirty (30) percent of the fixed annual cash salary.

Pension benefits for other senior executives, over and above the mandatory pension benefits under the collective agreement, shall be based on defined-contribution plans. Mandatory pension benefits here consist of the ITP plan's disability pension, premium waiver and, where applicable, equalisation payment and any defined-benefit pension on salary components up to 7.5 income base amounts. In the absence of a collective agreement, or if one is not applicable to the executive, the benefit corresponding to the mandatory disability pension under the ITP plan shall apply in addition to the defined-contribution pension benefit. Variable cash remuneration shall be pensionable to the extent that this is required by mandatory collective agreement provisions applicable to the executive. Pension premiums for defined-contribution pension benefits shall not exceed twenty-five (25) percent of the fixed annual cash salary. The fixed annual cash salary shall also include statutory holiday pay.

Other benefits may be paid if deemed to be in line with market conditions, and in such cases shall constitute a minor part of the total remuneration. Such benefits must not exceed a total of ten (10) percent of the fixed annual cash salary.

In the case of employment conditions governed by rules other than those of Swedish law, appropriate adjustments have to be made to pension and other benefits in order to comply with such mandatory rules or established local practice. In such a case, the overall purposes of these guidelines must to the maximum extent possible be fulfilled.

#### Termination of employment

In the event of termination by the Company, the notice period shall be no more than twelve months. Fixed cash remuneration during the period of notice and severance pay must not in total exceed an amount equal to the fixed cash remuneration for two years for the CEO and for one year for other senior executives. In the event of termination by the executive, the period of notice shall be no more than six months, and will include no right to severance pay.

In addition, remuneration may be paid for any anti-competitive commitment.

#### Criteria for the award of variable cash remuneration, etc.

Variable cash remuneration shall be aimed at promoting AcadeMedia's business strategy and long-term interests, including its sustainability, by:

- Promoting the Group's objectives by rewarding good performance.
- Helping to develop commitment and motivation on the part of managers, who in turn will motivate their employees.
- Creating clarity by communicating and contracting objectives and expected work performance.
- Developing an attractive image to aid the recruitment of new managers.
- Incentivising existing managers to stay with the Group.

The variable cash remuneration shall therefore be linked to predetermined and measurable criteria, which may be financial or non-financial. These may also be general or personalised quantitative or qualitative targets. The criteria shall be designed to promote the Company's business strategy and long-term interests, including its sustainability, for example by establishing a clear link to the business strategy or promoting the executive's long-term development.

At the end of the measurement period for the fulfilment of criteria for the payment of variable cash remuneration, the extent to which the criteria have been met shall be determined. The Board of Directors and, where appropriate the CEO, may at their discretion, withdraw or reduce all variable salary components for an individual if the individual has shown a lack of judgement and has ignored negative consequences regarding quality in order to maximize financial targets. As regards financial targets, the assessment shall be based on the established financial framework for the current period.

The Board of Directors shall have the option, in accordance with the law or the contract, and subject to any restrictions that may result therefrom, to recover, in whole or in part, variable remuneration paid on the basis of irregularities.

#### Decision-making process for establishing, reviewing and implementing the guidelines

The Board has established a Remuneration Committee. The committee's tasks include preparing the Board's decision on proposed guidelines for remuneration to senior executives. The Board shall draw up proposals for new guidelines at least every four years, and submit them to the Annual General Meeting for resolution. The guidelines shall remain in force until new guidelines are adopted by the Shareholders' Meeting. The Remuneration Committee shall also monitor and evaluate the variable remuneration programmes for Executive management, the application of the guidelines for remuneration of senior executives and the current remuneration structures and levels in AcadeMedia.

#### Deviation from the guidelines

The Board of Directors is permitted resolve to deviate temporarily from the guidelines in whole or in part if there are specific reasons for doing so in an individual case and if a deviation is necessary in order to satisfy the long-term interests of the Company, including its sustainability, or to ensure the financial viability of AcadeMedia. As stated above, the Remuneration Committee's tasks include preparing the Board's decisions on remuneration issues, including decisions on deviations from the guidelines.

A more detailed description of the incentive programmes is provided in Note G5.

#### Review of the guidelines prior to the 2023 AGM

Prior to the 2023 AGM, the Remuneration Committee has conducted a review of the guidelines. The proposed guidelines have been updated to reflect AcadeMedia's recently adopted Roadmap 2030 and include updated wording on the Company's goals and business

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strategies. In other respects, the amendments do not significantly alter the guidelines but are merely editorial in nature.

### Related party transactions in the Group

Salaries and other remuneration to senior executives and the Board of Directors are paid as described in Note G5. The senior executives also participate in the Group's incentive programmes as described in Note G5.

Further details of the Group's transactions with related parties are provided in Note G31.

### Parent Company

The Parent Company AcadeMedia AB (publ) is listed on the stock market and exercises certain management functions such as those of the CEO.

Operations are conducted in individual subsidiaries that, directly or indirectly, are 100 percent owned by the Parent Company. At year-end, AcadeMedia had 217 (173) wholly owned subsidiaries, as listed in Note P8. All education services are provided by subsidiaries owned by AcadeMedia AB, referred to below as the AcadeMedia Group.

Revenue during the year totalled SEK 16 million (7). Operating profit (EBIT) for the year was SEK -16 million (-17). Profit after tax was SEK 3 million (7).

The Parent Company's assets consist essentially of participations in Group companies and receivables from Group companies. Operations are funded by equity, bank loans, and intra-Group loans. Equity in the Parent Company as of 30 June 2023 was SEK 2,237 million (2,418). The Parent Company's interest-bearing external loans as of 30 June 2023 totalled SEK 249 million (658).

### Share capital and shareholders

AcadeMedia AB (publ) is a public limited company that has been listed on Nasdaq Stockholm since 2016. As of 30 June 2023, the share capital was SEK 105,793,382 and the number of shares totalled 105,793,382, represented by 105,587,477 ordinary shares and 205,905 Class C shares, where the C shares are owned 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 30 June 2023.

The number of shares and votes in AcadeMedia AB increased during September 2022 as a result of the conversion of convertible bonds under the convertible bond programme, introduced at

the Annual General Meeting held on 22 November 2018, for employees of the AcadeMedia Group. The total number of shares increased by 504 ordinary shares, as did the number of votes.

During the third quarter 2022/23, the warrant programme (TOP 2022/2026) approved AcadeMedia AB (publ)'s Annual General Meeting on 30 November 2022 entered into force. The warrant programme is aimed at a number of senior executives, other key persons and employees of the AcadeMedia group. Further information on the programmes is provided in the notice of the 2022 Annual General Meeting, item 17.

Further information regarding the incentive programmes is provided in Note G5.

### Dividend policy and proposal

In November 2022, AcadeMedia's Board of Directors announced a clarification of the Company's dividend policy and introduced new financial KPIs regarding capital structure. The clarification is intended to shed greater light on both AcadeMedia's capital structure and how the capital is to be allocated over time. AcadeMedia's new dividend policy:

AcadeMedia's purpose is to provide quality education for the remuneration it receives. AcadeMedia's unrestricted cash flow will primarily be reinvested in the business in order to maintain high quality and to finance future development of the business and growth. The Board believes that AcadeMedia should maintain a strong balance sheet and with it strong financial stability. Any surplus may be distributed to shareholders provided that AcadeMedia's targets relating to quality and financial position have in all material respects been met. This can be effected through dividends and/or through buyback of shares or other alternative methods, provided that all AcadeMedia shareholders are treated equally. AcadeMedia's aim is to distribute approximately 30 per cent of the Group's profit after tax.

The Board has considered the following aspects in developing the new policy:

- AcadeMedia needs a strong balance sheet as Swedish authorities demand financial stability from providers in the independent school sector. There must never be any financial uncertainty associated with AcadeMedia, which is a socially important company.
- AcadeMedia's Board intends to prioritise continued growth and allocate capital to strategic and value-creating acquisitions when attractive opportunities arise in line with the Company's established strategy.

- If, at any time, the Board judges that the Company is overcapitalised, the surplus may be distributed to shareholders through a share buyback or other method that treats all AcadeMedia's shareholders equally.

#### Board of Directors' proposal to the AGM

The Board proposes that the Consolidated income statement and balance sheet be presented to the Annual General Meeting on 30 November 2023 for adoption.

The Board proposes to the Annual General Meeting that a dividend of SEK 1.75 (1.75) per share be paid for the 2022/23 financial year.

#### AVAILABLE FOR APPROPRIATION BY THE AGM

PARENT COMPANY	SEK
Retained earnings	2,129,051,371
Profit for the year	2,634,880
<b>Amount to be carried forward</b>	<b>2,131,686,251</b>
The Board proposes that the retained earnings be appropriated as follows:	
Dividend to shareholders SEK 1.75 per share	184,778,232
To be carried forward	1,946,908,019
<b>TOTAL</b>	<b>2,131,686,251</b>

#### Board of Directors' statement regarding the proposed dividend

The Board hereby issues the following statement regarding the dividend proposal, in accordance with Chapter 18, Section 4 of the Swedish Companies Act. The Company's unappropriated earnings as per 30 June 2023 amounts to SEK 2,129,051,371 and profit for the year to SEK 2,634,880. A profit of SEK 2,131,686,251 is available for appropriation by the AGM before the resolution regarding dividend for the 2022/23 financial year. Provided that the 2023 AGM resolves in accordance with the Board's proposal on appropriation of profits, SEK 184,778,232 will be paid as dividend and SEK 1,946,908,019 carried forward. Full coverage is available for the Company's restricted equity following the proposed appropriation of profit.

Regarding the proposed dividend, the Board has taken into account the consolidation requirements and liquidity of the Company and the Group through a comprehensive assessment of the financial position of the Company and the Group, and the ability of the Company and the Group to fulfil their commitments in the long term. The proposed dividend does not jeopardise the Company's ability to perform the investments deemed necessary. The

Company's financial position does not give rise to any conclusion other than that the Company can remain a going concern, and that the Company is expected to fulfil its obligations in the short and long term. In addition to the assessment of the Company's consolidation requirements and liquidity, the Board of Directors also took into account all other known circumstances that may have significance in terms of the Company's financial position. With reference to the above, the Board of Directors considers the proposed dividend is justifiable in view of the requirements which the type of operations, size and risks of the Company and the Group place on the size of the Company's and the Group's equity, consolidation requirements, liquidity and position in general.

### Outlook and financial targets

#### Market outlook

All four of AcadeMedia's segments are in the field of education. The business models are structured differently, but all four are primarily financed by public funds. External factors that may affect the demand for our services include demographic trends, urbanisation, proportion of parents with children in preschools and schools, state of the general economy, unemployment, integration and trade and industry's need for suitably qualified personnel. In addition, the finances of the municipalities, along with government initiatives and prioritisations, may affect the markets where we operate.

A considerable need remains for new preschool places in major areas of Europe. Germany, where at the financial year-end AcadeMedia operated 83 preschools, has a shortage of more than 350,000 preschool places, with the most urgent need in regions such as North Rhine-Westphalia, Bavaria and Baden-Württemberg. The shortage of preschool places is a major problem for society when young people, especially women, are struggling to be able to maintain their professional lives and establish a family. Political decisions in Germany are helping to make preschool places available to all. Free preschool was introduced in a number of Germany's federal states in 2019.

The preschool market in Sweden and Norway is mature, with most children of preschool age attending preschool. The forecast demographic trend in both countries regarding the number of children of preschool age is negative over the next few years. AcadeMedia's strategy, which takes on particular importance in times of lower child populations, is to ensure that our preschools are the first choice and that new preschools are established in growth areas. The preschool market in the Netherlands has a level of maturity similar to that in Sweden and Norway.

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The number of children aged 5-15 in Sweden is expected to decrease, -2.4 percent, over the next five years according to Statistics Sweden (SCB). However, demand for compulsory school places in the main areas where the AcadeMedia is established is expected to develop better than the national average.

Student numbers in upper secondary schools are rising and over the next five years the number of students is expected to increase by 5.9 percent, according to SCB. To deal with the growing number of students, AcadeMedia has since autumn 2017 opened 27 new upper secondary schools and established upper secondary school campuses with several separate schools on the same site.

The market for adult education in Sweden continued to decline over the past financial year, mainly due to a strong recovery in the labour market. At the same time, skills shortages persist in many sectors, so the need for training and reskilling remains high. AcadeMedia is the market leader in adult education in Sweden with a broad portfolio of contracts. In the long term, AcadeMedia holds a strong position in an attractive adult education market.

A more detailed description of the market is provided on pages 10–12.

**Ongoing policy studies**

Publicly funded independent schools in Sweden and Norway have been, and continue to be, subject to extensive scrutiny by public authorities, the media and others. The governing parties may commission studies as a basis for future legislation. A common feature of various political proposals is that in many cases the processes involved are long-winded, and such proposals have to be scrutinised by various consultation bodies, in which AcadeMedia often participates. In the face of wide-ranging criticism, it may be difficult to mobilise a majority in the parliament of the country concerned, and then the government may decide to proceed with individual elements of the proposals. These also have to be expressed as legally viable proposals that also have to pass a vote in the parliament of the country concerned. The following is a description of a selection of existing studies. The status of the studies described may have changed since publication of this annual report. To read more about the risks associated with changes in laws, regulations and political risks, see page 54.

In Sweden, the issue as to whether the principle of public access to information should also apply to independent schools has been debated in recent years and has also been the subject of several studies. The government that took office after the 2022 elections has announced that it considers it would be overly burdensome for independent schools if the principle of public access to information were to be introduced. On that basis, the govern-

ment's Information Provision in the Education Sector (U 2021:04) inquiry has been issued with an additional directive to investigate whether a "principle of transparency for independent schools" may instead be established. The work of the inquiry is expected to be completed in March 2024.

In the "Tidö Agreement", the new government has stated that it intends to tighten the requirements for owners of independent schools, set stricter requirements regarding long-term ownership, introduce requirements for financial guarantees and rules on the recovery of school voucher funding in the event of criminal activity, introduce a ban on profit distribution in the first few years after a school is established and tighten sanctions in the event of quality failures. To take these proposals forward, it is likely that a special enquiry into independent schools will be appointed. Based on known information, the proposals are not expected to affect AcadeMedia's financial position.

In July 2023, the Swedish government issued additional directives (Dir 2023:109) to its Inquiry into Profit in Schools (U 2022:08). The additional directives include, for example, that the commission of inquiry should propose how any prohibition on or limitations of profit distribution can be introduced for independent education providers that are newly established, are involved in ongoing regulatory cases with the supervisory authority or otherwise show quality shortcomings. They also include requirements to investigate the possibilities for stricter sanctions and higher fines for independent schools with quality shortcomings, for reclaiming school voucher funding if representatives of the independent school are found guilty of a crime, and for restricting non-EU or -EEA foreign owners from exercising significant influence over Swedish independent schools. The inquiry is due to present its proposals in February 2025.

The government's Equivalent Grades and Qualification Points (U 2023:02) inquiry is charged, for example, with presenting proposals for a change in the system to ensure that the results of national tests, examinations or the like may be used to improve the equivalence of grades or qualification points. The inquiry is also required to present proposals for tackling grade inflation and lack of equivalence in grading even in subjects for which national tests do not exist. The inquiry is to be completed in February 2025.

A key issue for AcadeMedia is long-term funding for schools and the structure of the school voucher system. In a report from the Swedish National Audit Office presented in the summer of 2022, the agency's proposals include, for example, the introduction of a government-set flat-rate model for compensation to individual providers. In the light of the Swedish National Audit Office's rec-

ommendation and the ongoing discussion on the school voucher system, the government has announced that the issue of long-term school funding will be investigated separately with the focus on a national standard school voucher scheme with scope for local variations. A new commission of inquiry will be tasked with investigating these issues. The commission is expected to start its work in autumn 2023 at the earliest.

In Norway, a political debate on private preschools continues. In recent years, the sector has gradually become more heavily regulated, in the form of regulations on staffing and on a requirement for every preschool to be structured as an independent legal entity. Effective January 2022, the level of pension contributions was reduced. The Norwegian government is now developing a new funding model. The government wants to give municipalities greater responsibility for funding and managing private preschools. A new funding model is expected to be proposed in autumn 2023. It will then be sent out for consultations and subject to parliamentary hearings before the new model is implemented, probably in 2025.

**Financial targets**

AcadeMedia's overarching goal is to provide the highest-quality education in the areas where the Group operates.

AcadeMedia's financial targets are unchanged from earlier years. Adoption of IFRS 16 Leases has not affected the Company's financial targets, as they are still defined and accounted for excluding the effects of IFRS 16. AcadeMedia's financial targets are as described below:

- Profitability: AcadeMedia's profitability target for operating profit (EBIT) excluding non-recurring items shall amount to seven to eight percent of net sales over time.
- Growth: AcadeMedia intends to grow organically by utilising spare capacity in existing units, and by opening new units. AcadeMedia also intends to continue to grow by taking over education units, as well as through continued consolidation of the market through acquisitions. AcadeMedia's target for sales growth is five to seven percent annually, excluding major acquisitions.
- Indebtedness: AcadeMedia's target for indebtedness for interest-bearing debt to be no more than three times operating profit before depreciation and amortisation (EBITDA), excluding items affecting comparability. During brief periods, however, deviation from this target may occur, such as in the case of major acquisitions.

In the view of the Board of Directors, the financial position is stable and other objectives have been fulfilled. The Board of Di-

rectors therefore proposes an ordinary dividend of SEK 1.75 per share (1.75) for the 2022/23 financial year. This amounts to SEK 185 million (185), 27 percent (27) of profit for the year excluding the effects of IFRS 16 and 32 percent (31) of profit for the year including the effects of IFRS 16.

**Significant events after the end of the financial year**

- As of 1 July 2023, Katarina Wilson assumed the position as Deputy CEO and COO. At the same time, Hanna Clausén, Group Accounting Manager and Head of IR, was appointed acting CFO. Jimmy Kjellström, who was acting Head of the Upper Secondary School segment, assumed as permanent Head of the Upper Secondary School.
- July 2023, the Group completed its acquisition of MediaDesign Academy gGmbH in Germany. The organisation consists of upper secondary and post-upper secondary education in media and design. In the 2022/23 financial year, sales amounted to EUR 1.9 million and EBITDA to EUR 0.3 million.
- August 2023, the Group completed its acquisition of Winford College in the Netherlands. The organisation consists of 10 compulsory and upper secondary schools with a total of around 600 students and 100 staff. The acquisition represents another step in our strategy to expand abroad. In the 2022/23 financial year, sales amounted to EUR 13.6 million and EBITDA to EUR 2.0 million.
- The number of children and students in the first quarter of 2023/24 was higher than ever before. Preliminary student numbers for autumn 2023 show aggregate average growth of around 5 percent and we now have more than 100,000 children and students (95,834) in our three school segments. Almost 16,000 of them are attending their first year in upper secondary school.
- In September 2023, the convertible program for employees at AcadeMedia Group expired. In connection with this, the number of ordinary shares and votes in AcadeMedia AB increased by 84 as a result of the conversion of convertibles.
- October 2023, the Group completed its acquisition of Berghs School of Communication AB. Berghs will be included in AcadeMedia's Adult Education Segment.

**Annual General Meeting**

The Annual General Meeting will be held on 30 November 2023 in Stockholm.



# Corporate Governance Report

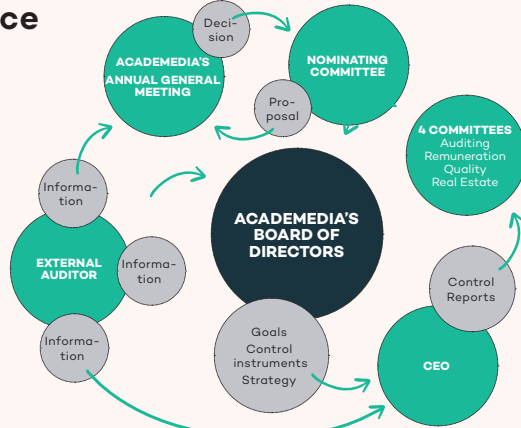
## Corporate governance AcadeMedia

### EXTERNAL CONTROL INSTRUMENTS

- Swedish Companies Act
- Swedish Annual Accounts Act
- Other applicable laws
- Nasdaq Stockholm's Rules for Issuers of Shares
- Swedish Code of Corporate Governance

### INTERNAL CONTROL INSTRUMENTS

- AcadeMedia's Articles of Association
- Rules of procedure, instructions for the Board/CEO
- Values and culture
- Codes of Conduct
- Policies and guidelines



AcadeMedia AB (publ) is a public limited company with its registered office in Stockholm. Its shares were listed on 15 June 2016 on the Mid Cap List of Nasdaq Stockholm.

The purpose of corporate governance at AcadeMedia is to ensure that the Board of Directors and management act such that the Group's operations focus on development to create long-term value for shareholders and other stakeholders, such as students, employees and customers. This includes ensuring:

- a fit-for-purpose organisation,
- quality management, risk management and internal control, and
- transparent internal and external reporting.

Corporate governance at AcadeMedia is exercised via principles established in external and internal systems of regulation. The external system of regulation consists of relevant statutes and regulations, including the Swedish Companies Act, the Swedish

Annual Accounts Act and IFRS, Nasdaq Stockholm's Rules for Issuers of Shares and the Swedish Code of Corporate Governance ("the Code"). The internal system of regulation consists of the Company's Articles of Association and the control instruments that AcadeMedia has established in the form of rules of procedure for the Board of Directors, as well as internal instructions, policies and guidelines to Board committees, the Chief Executive Officer and the operational organisation.

The structure of corporate governance at AcadeMedia is shown in the above illustration.

This Corporate Governance Report was prepared in accordance with the Swedish Annual Accounts Act and the Code.

### Deviations from the Code

AcadeMedia uses some qualitative criteria in determining the quality goals in the share-matching plan (AMP 2021/2025) for senior executives. This represents a deviation from section 9.4 of the Code, which states that forms of variable remuneration

must be linked to measurable criteria. Achievement of quality goals is measured in detail via quantitative measurements at school unit level up to Group level and is described in detail in AcadeMedia's annual quality report and on the Company's website. AcadeMedia's Board of Directors has determined that it is also appropriate to evaluate whether management has used good judgement in its quality improvement work. This is important in terms of ensuring that operations develop in a way that is beneficial for the students and is sustainable in the long term for the Company. It enables the Board of Directors to deny allocation of matching shares if it is found that management has failed to exercise good judgement and, for example, has prioritised profit over quality.

## Shares and shareholders

AcadeMedia's ordinary shares were listed on the Nasdaq Stockholm exchange in 2016 and are traded on the Nasdaq Stockholm Mid Cap market. The number of shares in issue is 105,587,477 ordinary shares, each carrying an entitlement of one vote per share, and 205,905 C series treasury shares, each carrying an entitlement of one tenth of a vote per share, but no right to representation at the Shareholders' Meeting (in all, 105,793,382 shares in the Company). The biggest shareholder in AcadeMedia since its IPO has been Mellby Gård. On 30 June 2023, the company owned 22.83 percent of the capital and 22.87 percent of the votes. Other major shareholders are shown on the list of shareholders on page 100.

## Shareholders' Meeting

The shareholders' meeting is AcadeMedia's highest decision-making body. At the meeting, the shareholders exercise their right of decision over the affairs of the Company. The Annual General Meeting resolves on issues such as the adoption of income statements and balance sheets, appropriation of the Company's profit or loss, discharge from liability of

members of the Board of Directors and the Chief Executive Officer, election of members of the Board of Directors and auditor, as well as remuneration of Board members and the auditor.

The Annual General Meeting (AGM) of shareholders shall be held within six months from the end of the financial year. AcadeMedia's 2023 AGM will be held on 30 November 2023 in Stockholm. Notice convening a Shareholders' Meeting shall be published via press release and by posting the notice on the Company's website. The day after the notice has been published it shall be printed in the Swedish National Gazette (Sw.: Post och Inrikes Tidningar). At the same time, the notice shall be published in the financial newspaper Dagens Industri.

### Right to participate in Shareholders' Meeting

Shareholders wishing to participate in a Shareholders' Meeting must be included in the shareholders' register maintained by Euroclear Sweden, and must notify the Company of their intention to participate no later than on the date indicated in the notice convening the meeting. Shareholders may attend the Shareholders' Meeting in person or by proxy and may be accompanied by a maximum of two advisors. Shareholders may register for the Shareholders' Meeting in several different ways, as detailed in the notice of the meeting.

Shareholders are entitled to vote for all shares in the Company that are held by the shareholder. Since the decision of the 2020 Annual Shareholders' Meeting to amend the Company's Articles of Association, the Board of Directors has the option to collect proxies in accordance with the Swedish Companies Act and to resolve that shareholders can exercise their vote by post before the Annual General Meeting.

### Shareholder initiatives

Any shareholder wishing to have a matter brought before the Shareholders' Meeting must submit a written request to that effect to the Board of Directors. Such requests must be received by the Board of Directors well in advance of the meeting, in accordance with the information provided on the

Company's website in conjunction with the announcement of the time and place of the Shareholders' Meeting.

### Nominating Committee

The Nominating Committee is tasked with presenting proposals to the Shareholders' Meeting regarding election of and fees to Board members and auditor. The Nominating Committee shall also propose the chair for the AGM. The Nomination Committee shall perform its duties in accordance with the Code and the instructions to the Nomination Committee adopted by the Annual General Meeting.

The Nomination Committee applies section 4.1 of the Code as a diversity policy, whereby the Nomination Committee shall ensure that the Board, in view of AcadeMedia's business, stage of development and circumstances in general, has an appropriate composition, characterised by diversity and breadth in terms of the skills, experience and background of the members elected by the General Meeting. Furthermore, the Nomination Committee shall work towards the goal of achieving balanced gender representation on the Board.

According to the instructions to the Nominating Committee, AcadeMedia's Nominating Committee shall consist of one representative of each of the three biggest shareholders, based on their holding in the Company at the end of the financial year's third quarter and as can be determined from Euroclear's shareholder register and other reliable information provided to the Company at that point in time. The Chair of the Board shall serve as a co-opted member. The composition of the Nomination Committee for the 2023 Annual General Meeting was announced on 11 May 2023 and is as follows:

- Rune Andersson (Chair), Mellby Gård, 22.87 percent of votes at the end of the third quarter.
- Mats J. Andersson, Nordea Fonder, 6.72 percent of votes at the end of the third quarter.
- Ola Wessel-Aas, Taiga Fund Management AS, 3.81 per cent of the votes at the end of the third quarter.
- Håkan Sörman, Chair of the Board (co-opted).

## Board of Directors

### Composition of the Board of Directors

According to AcadeMedia's Articles of Association, the Board of Directors, as elected by the Shareholders' Meeting, shall consist of no less than three and no more than ten members. The Company's Board of Directors currently consists of seven members, including the Chair, elected by the Shareholders' Meeting for the period until the AGM in 2023. Employee organisations are entitled by law to appoint employee representatives to the Board with the same rights and duties as other Board members. The Swedish Teachers' Union has appointed a total of two members and one alternate to serve on the Board. The list on this page shows AcadeMedia's Board members, when they were first elected to the Board and whether the elected members are independent of the Company, management and/or the principal owner. The composition of the Board of Directors of AcadeMedia meets the requirements for independent Board members. None of the members of Executive management has any significant shareholding or partnership in any company with which the Company is engaged in material business relationships.

Håkan Sörman has served as AcadeMedia's Chair of the Board since 2022. The Chair is elected by the AGM.

### Division of work

The Board of Directors is responsible for ensuring that the Company's organisation is fit-for-purpose in order to administer the Company's affairs in the best way possible, for continuously assessing the Group's financial situation and for ensuring that the business is conducted in accordance with the Articles of Association, the Swedish Companies Act, the Code and other applicable laws and regulations, as well as with the Board's rules of procedure. The Chair supervises the work of the Board, and ensures that the Board fulfils the functions that are incumbent on the Board, and that this work is conducted in an efficient and well-organised way.

The Board follows written rules of procedures that are reviewed and adopted annually at the statutory Board meeting. The rules of procedure govern

for example, Board functions and allocation of duties between Board members and the Chief Executive Officer, as well as between the Board and its various committees. At the statutory Board meeting, the Board also adopts the instructions to the Chief Executive Officer, including instructions for financial reporting.

The Board meets according to an annually fixed schedule. In addition to these Board meetings, additional meetings may be convened to address issues that cannot be referred to a regular Board meeting. In addition to Board meetings, the Chair and the Chief Executive Officer maintain continuous dialogue concerning management of the Company.

### Board of Directors' work during the 2022/23 financial year

During the financial year, the Board held 12 meetings at which the minutes were recorded. Board member attendance is presented in the above table. The Secretary at the Board meetings was Chief Legal Officer Jonas Nordström. Before the meetings, Board members received written information on the issues to be discussed at the meeting.

During the 2022/23 financial year, the Board's work was greatly affected by the economic situation in the country and abroad, with sharply rising inflation and its impact on energy prices and rents, among other things. The economic situation also led to a particular focus on developments in the school voucher system in Sweden and abroad.

During the year, as in previous years, the Board continuously monitored the performance and finances of the Group and the segments, and reviewed and analysed the Company's financial reporting. The Board continued to focus on quality work and in particular on issues of equal assessment and grading. In light of the media debate on independent schools, the Board also spent considerable time discussing strategic communication issues.

The Board's strategy discussions largely centred on analysing the conditions for expanding AcadeMedia's international operations, not least in terms of game programming courses in the Adult Education segment. During the year, the Board of Directors

### BOARD COMPOSITION, INDEPENDENCE AND ATTENDANCE IN 2022/23

Member	Elected	Position	Independent of		Attendance				
			The Company and executive management	The Company's major shareholders	Board meetings	Audit Committee	Remuneration Committee	Quality Committee	Real Estate Committee
Håkan Sörman <sup>1</sup>	2017	Chair of the Board	Yes	Yes	12 (12)	–	2 (4)	5 (5) *	–
Johan Andersson	2017	Board member	Yes	No	12 (12)	7 (7)	4 (4) *	–	–
Ann-Marie Begler <sup>2</sup>	2020	Board member	Yes	Yes	12 (12)	–	–	5 (5) *	–
Jan Bernhardsson	2021	Board member	Yes	Yes	12 (12)	–	4 (4)	–	8 (8) *
Anders Bülow <sup>3</sup>	2016	Former Chair of the Board	Yes	No	4 (12)	4 (7)	–	–	4 (8)
Mikael Helmersson <sup>4</sup>	2022	Board member	Yes	No	8 (12)	3 (7)	–	–	–
Pia Rudengren <sup>5</sup>	2017	Board member	Yes	Yes	12 (12)	7 (7) *	–	–	4 (8)
Silvija Seres <sup>6</sup>	2015	Board member	Yes	Yes	11 (12)	–	2 (4)	4 (5)	–
Anna Lundmark Boman	2021	Employee representative	–	–	11 (12)	–	–	5 (5)	–
Anders Lövgren	2016	Employee representative	–	–	11 (12)	–	–	4 (5)	8 (8)
Pernilla Larsson	2016	Deputy employee representative	–	–	10 (12)	–	–	–	–
Christian Liljeros <sup>7</sup>	2021	Former deputy employee representative	–	–	3 (12)	–	–	–	–

1. Håkan Sörman was elected as the new Chair of the Board at the 2022 Annual General Meeting and was also appointed as a member of the Remuneration Committee.  
 2. Chair of the Quality Committee since 30 November 2022.  
 3. Anders Bülow resigned as Chair and Board member at the 2022 AGM.  
 4. Mikael Helmersson was elected as a new Board member at the 2022 Annual General Meeting and then also took up his role as a member of the Audit Committee.

5. Pia Rudengren took up her position as a member of the Real Estate Committee on 30 November 2022.  
 6. Silvija Seres resigned from the Real Estate Committee on 30 November 2022.  
 7. Christian Liljeros resigned as an employee representative in February 2023.  
 \* Committee Chair.

also approved new preschools in Germany and further acquisitions in the preschool sector in the Netherlands. In addition to the ongoing development of preschool activities, decisions were also approved to establish school and adult education activities in the German market.

Other matters regularly addressed by the Board included governance issues such as the development and updating of policies, internal control, clarification and streamlining of the Group's legal structure and decisions on growth and expansion projects, i.e. acquisitions, investments and major real estate matters.

### Audit Committee

AcadeMedia's Board of Directors has established an Audit Committee comprising three members, who are independent of the Company and its management: Pia Rudengren (Chair), Johan Andersson and Mikael Helmersson. The Company's CFO takes part in the Audit Committee's meetings, which are also regularly attended by the Company's auditors.

The Audit Committee shall *inter alia*, without compromising the other responsibilities and tasks of the Board of Directors, monitor the Company's financial reporting, monitor the effectiveness of the Company's internal control, compliance and risk management, keep informed of the auditing of the annual report and the consolidated accounts and of the conclusions of the Swedish Inspectorate of Auditors (Revisorsinspektionen) regarding quality controls of the Company's auditor, examine and monitor the auditor's impartiality and independence, and pay particular attention as to whether the auditor is providing the Company with other services besides audit services. The Committee is also tasked with evaluating the audit work and providing this information to the Nominating Committee. A further task is to assist the Nominating Committee in the preparation of proposals regarding election of auditors and auditors' fees.

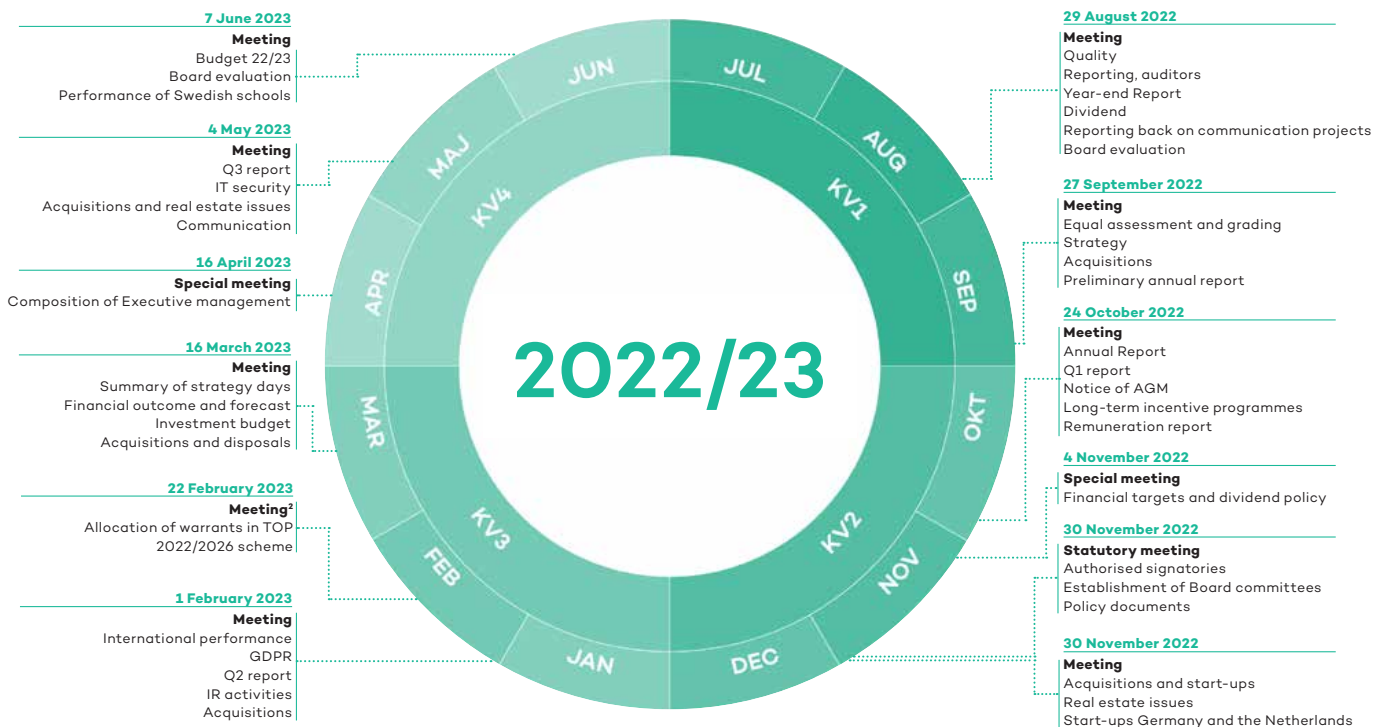
The Audit Committee has a scheduled annual cycle of five planned meetings each year. During the

2022/23 financial year, seven meetings were held. During the year, the Audit Committee addressed a number of issues that were specific to that financial year. These included business monitoring including with regard to acquisitions, tax and VAT issues and internal control.

### Remuneration Committee

The Board of Directors of AcadeMedia has a Remuneration Committee comprising three members: Johan Andersson (Chair), Håkan Sörman and Jan Bernhardsson. The Remuneration Committee prepares proposals concerning remuneration principles and remuneration, as well as other terms of employment for the CEO and senior executives. The Remuneration Committee is also tasked with monitoring and evaluating variable remuneration programmes for management, application of the guidelines for remuneration to senior executives, as adopted by the AGM, and the structures and levels of remuneration applied in the Group.

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<sup>1</sup>In addition to the issues specifically mentioned above, other areas are discussed on an ongoing basis, such as operational performance, information from the CEO, financial updates from the CFO, reporting back from Board committees, investigations and responses to consultation referrals, updates from the segments, strategy, market, acquisitions and start-ups, real estate issues etc.

<sup>2</sup>The meeting was held per capsulam.

The Remuneration Committee held four meetings during the financial year. In addition to the day-to-day issues addressed by the Remuneration Committee, particular focus during the year was on the introduction of new long-term incentive schemes for the Company's employees and the supply of talent in the AcadeMedia Group.

**Quality Committee**

The Board of Directors of AcadeMedia also has a Quality Committee comprising three members: Ann-Marie Begler (Chair), Håkan Sörman and Silvija Seres. Employee representatives Anna Lundmark Boman and Anders Lövgren also serve on the Qual-

ity Committee. The purpose of the Quality Committee is to take a more active role in operations-related issues connected with systematic quality work, digitalisation, branding and leadership development. The Quality Committee held five meetings during the financial year.

Particular emphasis was placed on the work to improve equivalence in assessment and grading. An external research company conducted a comprehensive review of grading in AcadeMedia's schools. As a consequence, the work on grading and assessment already ongoing was strengthened through implementation of a highly developed package of measures. This is intended to continuously pro-

gress the work on correct grading and assessment and to reduce the discrepancies between grades and national tests.

Another focus area has been to increase the proportion of qualified teachers. In addition, a further correlation analysis was performed over the past year to identify factors that are particularly important in ensuring satisfaction with AcadeMedia's activities on the part of students, guardians and employees.

The Committee also continued to continuously monitor quality performance in the segments, as well as its work on units not fully living up to the quality objectives set. The quarterly quality report

structure used will undergo further development during the current financial year.

**Real Estate Committee**

AcadeMedia's Board of Directors also established a two-member Real Estate Committee: Jan Bernhardsson (Chair) and Pia Rudengren. Employee representative Anders Lövgren also serves on the Real Estate Committee. The committee's task is to manage and decide on ongoing real estate related issues, with the aim of reducing the burden on the Board.

The committee held eight meetings during the financial year. The matters addressed and decided upon by the committee mainly consist of real estate lease renewals and the signing of new real estate leases for AcadeMedia's existing operations.

**Evaluation of the Board's work**

The Board's work is evaluated annually via a structured process in which all Board members and deputy members answer questions about how they feel the Board is performing in a number of areas. The areas evaluated include whether the Board's skills and composition are fit-for-purpose, and the focus and direction of its work. The Chair of the Board is responsible for the evaluation, and ensures that the findings are presented and discussed on the Board, as well as in the Nominating Committee. The evaluation thus serves as a basis for the Board's continued work and performance, as well as for the work of the Nominating Committee. The evaluation of the Board's work during 2022/23 was shared with the Nomination Committee and distributed before the Board meeting in August 2023.

**Remuneration to Board members and shareholdings**

The 2022 AGM resolved that remuneration for the period until the next AGM shall be paid at SEK 620,000 per year to the Chair of the Board and SEK 280,000 per year to each of the other Board members who are not employed by the Group. In addition, the Chair of the Audit Committee will receive a fee of SEK 170,000 and each of the other mem-

bers of the Audit Committee who are not employees of the Group will receive SEK 85,000. SEK 70,000 will be paid to the Chair of the Remuneration Committee and SEK 35,000 to each of the other members of the Remuneration Committee who are not employees of the Group. SEK 110,000 will be paid to the Chair of the Quality Committee and SEK 55,000 to each of the other members of the Quality Committee who are not employees of the Group. SEK 90,000 will be paid to the Chair of the Real Estate Committee and SEK 45,000 to each of the other members of the Real Estate Committee who are not employees of the Group.

For information on the Board members and their shareholdings, see page 56. As regards remuneration paid to the Board members during the 2022/23 financial year, see Note G5.

**Chief Executive Officer and Senior Management**

Marcus Strömberg has served as President and Chief Executive Officer of AcadeMedia since 2005. The division of work between the Board of Directors and the CEO is set out in the rules of procedure for the Board of Directors and the instructions to the CEO.

The CEO shall attend to day-to-day management and coordinate the activities of the Company, with the care and to the extent required to handle these affairs, and in accordance with the Articles of Association, the rules of procedure for the Board, the instructions to the CEO, applicable legislation and other guidelines and directions issued by the Board. The CEO shall ensure that the Company's accounting records are kept in accordance with applicable legislation, and that the management of assets is conducted in a proper manner with a satisfactory measure of control and follow-up.

According to the instructions for financial reporting, the CEO is responsible for financial reporting in the Company, and consequently must ensure that the Board receives adequate information to enable its members to evaluate the Company's financial position on an ongoing basis. In addition, the CEO must

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continuously keep the Board of Directors informed of developments in the Company's operations, the trend of sales, the Company's performance and financial position, liquidity and credit status, major business events and all other events, circumstances and conditions that may be assumed to be of material importance to the Company's shareholders.

The CEO is supported by a Executive management team consisting of the Heads of the Preschool, Compulsory School, Upper Secondary School and Adult Education segments, as well as the CFO, COO, Head of Human Resources, Head of Communication and Public Affairs, Director of Business Development and Director of Administration.

For more information regarding the CEO and other senior management, along with their shareholdings, see page 57.

For a description of the remuneration and terms of employment for the CEO and senior management for the 2022/23 financial year, and of the Company's outstanding incentive programmes, see Note G5 and AcadeMedia's Remuneration Report on the Company's website.

## Internal control and risk management

### Internal control framework

Under the Swedish Companies Act, the Board of Directors is required to ensure that the Company's organisation is structured such that the Company's accounting records, management of assets and financial position are controlled in a proper manner. The Code provides clarification on this point and stipulates that the Board is responsible for internal control.

AcadeMedia's procedures for internal control are based on two perspectives: internal control and risk management related to operations and internal control and risk management related to financial reporting. Internal governance and control shall ensure reliable financial reporting and that operations at any one time meet the requirements and expectations applying to a company that operates a publicly funded business. AcadeMedia's in-

ternal control structure for financial reporting is based on the COSO model. It consists of five main components, which together provide a basis for effective internal control: Control environment, Risk assessment, Control activities, Information and communication and Follow-up.

In parallel with the procedures for financial accounting and financial reporting, AcadeMedia's internal control and risk management are largely based on systematic and wide-ranging quality management. AcadeMedia has developed its own quality system in the form of the AcadeMedia Model. The purpose of the quality model is both to minimise risk and to improve quality in our schools. Within the Group's preschools, compulsory schools and upper secondary schools, internal audits have been carried out for several years to verify that operations meet the requirements of laws, regulations and other statutes, and serve as tools for development and improvement initiatives. In adult education, internal audits/self-monitoring are performed in various ways, depending on the type of operation. Where shortcomings are identified, an action plan is to be drawn up and the shortcoming must normally be remedied within three months. In order to monitor and control ongoing regulatory and inspection cases, logs of all pending cases are kept. The Group's Head of Quality and Legal Counsel prepare, on a monthly basis, a list of units where risks and material deficiencies exist. This is reported to the Executive management and also, on a quarterly basis, to the Board. The results of the annual quality survey are published annually for the entire Group, for each principal organiser and for each education unit on their respective websites.

### Control environment

The control environment forms the basis of the internal control system for financial reporting. An important element of the control environment is for authority and responsibilities to be clearly defined and for governing documents in the form of internal policies and guidelines for areas of key importance to be in place. The Board of Directors annually adopts a number of control documents intended to serve as the basis of effective internal

control and to establish and maintain a high standard of ethics in the Group. These documents include the Board's rules of procedure, instructions to the CEO, the Code of Conduct, delegation of authorities, attestation instructions, financial policy and information policy, and are available on the Company's intranet. AcadeMedia's financial management manual forms a central part of this documentation. AcadeMedia's CEO has delegated responsibility for implementation and enforcement of formalized guidelines for financial reporting and internal control to the CFO. The CFO reports to the Audit Committee, which has a specific responsibility for monitoring the effectiveness of the Company's internal control and governance of financial reporting.

### Risk assessment

AcadeMedia continuously assesses the risks in its business. Such risks consist of both operational and financial risks, as well as risks relating to financial reporting and compliance. The most significant risks are documented in a risk register, which is evaluated by AcadeMedia's Executive management and each risk has a designated risk owner. The risk analysis also includes an assessment of the capacity for risk management. Risk assessment with regard to financial reporting is based on the materiality of items (quantitative), the degree of complexity and the risk of fraud. These are then linked to financial processes to ensure that controls are in place to manage the risks concerned. For more information on risks and risk management, see pages 60–66 and Note G26.

### Control activities

Control activities are designed to manage the risks identified as material to internal control of the financial reporting at AcadeMedia. The controls used consist partly of control activities aimed at preventing risks of errors in reporting, such as rules on attestation, appropriate allocation of responsibilities (duality) and authorities, and partly of control activities aimed at detecting and correcting errors and deviations, such as analysis of results, reconciliations, checking of error lists and random sampling.

### Information and communication

AcadeMedia maintains communication and information channels that are designed to enable appropriate and accurate information to be distributed quickly both internally and externally. The Board of Directors receives monthly business reports including both operational and financial information. Internal governing documents are incorporated into the Company's management system and are posted, where relevant, on AcadeMedia's intranet.

AcadeMedia's governing documents, in the form of policies, guidelines and manuals are, to the extent they refer to financial reporting, communicated above all via the intranet and the Group's financial management manual. The financial management manual is updated continuously to reflect changes in external requirements and changes in AcadeMedia's business that require clarifications and instructions.

AcadeMedia has a Communication Policy with guidelines on both internal communication to employees and external communication. Financial communication is subject to a policy on investor relations to ensure that the provision of information to the capital markets is conducted in line with applicable rules.

### Follow-up

AcadeMedia's work on internal control and risk management is performed primarily through executive management's and line management's continual monitoring of operations in relation to set goals, by formulating KPIs and by focusing on early warning signs. The Company's key procedures for financial reporting, including key controls and their fitness for purpose, are continually assessed by the CFO and the CFO's organisation. Compliance with the accounting manual, policies and legislation is reviewed. Any deviation either results in corrective action or improvement of processes and procedures. The Audit Committee summarises and reports to the Board on the status of action plans identified.

### Internal audit

The Board of Directors conducts an annual review of the need for an internal audit function. Based on the Audit Committee's assessment, the Board has resolved not to establish a separate internal audit function. In the Board's view, the quality management system, combined with well-established financial processes for follow-up and assessment of controls in operation within the Group Controller function, provides sufficient reliability in financial reporting without the need for an independent internal audit unit.

## Auditing

The auditor shall review the Company's annual report and accounts, as well as the administration of the Company by the Board of Directors and the CEO. After the end of each financial year, the auditor is required to present an audit report and a consolidated audit report to the AGM.

According to the Company's Articles of Association, the Company shall have no less than one and no more than two auditors, with no more than two deputy auditors. The Company's auditors are PricewaterhouseCoopers AB, with Patrik Adolfson as principal auditor and Eva Medbrant as cosignatory. Patrik Adolfson is an authorised public accountant and partner at PwC. He has many years of experience of auditing companies listed on a regulated market and companies in the service sector. Patrik Adolfson has served as auditor for clients such as Anticimex, Bonava, Dometic and Pandox. Eva Medbrant also has many years of experience of auditing companies listed on a regulated market.

The Audit Committee performs an annual evaluation of the auditors' work and independence.

The Company's auditors are presented in more detail in the section "Board of Directors, Executive Management and Auditors" on pages 55–57.

For information on the remuneration paid to the auditors for the 2022/23 financial year, see Note G4.

# Risk and risk management

AcadeMedia's core business, quality education for all, is essential to the ability of societies to move forward in a positive direction. We are the largest education company in Northern Europe and as such are exposed to various risks and uncertainties. The ability to identify, assess and manage these risks is important in both strategic and operational terms. Our operations that we perform and are designated as essential to society must always function, and in an era of heightened preparedness, it is especially important to remain alert to new risks.

Our sustainability risks are detailed in our sustainability report on pages 21, 26 and 30. In the general description that follows, we do not distinguish sustainability risks from other risks. Our sustainability work permeates everything we do; they are an integral part of our risk management. We have chosen a new categorisation of risks in this year's risk section. Our risks are classified into three areas: operational risks, external risks and financial risks.

Operational risks are all risks that are directly linked to our activities, from how an individual school would be affected by prolonged and widespread sick leave to how we manage contracts in our adult education programme.

External risks are those that we only partly have control over, mainly in terms of our ability to manage them. These include political and cyber risks.

Financial risks are those that are related to our financial position and financing.

## Part of systematic quality management

Risk assessments and risk management are part of AcadeMedia's systematic quality work. All Group staff, and all segments, identify, analyse and manage the risks to which the staff/segment is exposed. These risks are summarised five times a year and reported to Executive management and the Board of Directors. Risk management is the responsibility of the respective heads of staff and segments. The Group's quality and legal departments are responsible for summarising and reporting the Group's risks.

An important part of this work is to analyse the organisation's ability to manage a specific risk. A high capacity to risk manage may reduce the severity of a high-impact risk. Of course, the opposite applies too, a low capacity to manage a low-impact risk may result in considerable damage in the event it occurs. Identifying, and strengthening, the risk areas where we consider capacity to be low is a high priority in our risk work. The work is ongoing.

One benefit of the decentralised nature of risk management is that risk awareness in the organisation is high. Developing procedures to reduce risks and an ability to manage them is a natural part of many people's work, without each individual necessarily reflecting on the fact that they are engaged in risk management. New or evolved policies, guidelines, instructions, checklists, internal training and follow-ups make up a continuous process to reduce our risks.

The changing world situation, with the war in Ukraine, high inflation and rapid climate change, is affecting risk management at AcadeMedia by greatly increasing the impact of certain risks. One of the risks that we focused extensively on during the year was cyber risks. Improving security, mainly through internal training courses and raising awareness – which in turn brings about increased vigilance – was a high priority.

## Operational risks

DESCRIPTION OF RISK	MANAGEMENT OF RISK
<p><b>1. Employee risk</b></p> <p>For us to be able to deliver on our mission, our employees need to have the skills required to perform their work and be happy, committed and healthy. The ability to recruit and retain well-educated and capable staff is essential to our ability to successfully + offer high-quality education and training programmes.</p> <p>A lack of competent staff could negatively impact the quality of our education and training and hamper opportunities for expansion and growth.</p> <p>As our organisation is decentralised, compliance with group-wide policies is important. Our common Code of Conduct, which addresses issues including conflict of interest and corruption, applies to suppliers as well as employees.</p>	<p>AcadeMedia works hard to create good workplaces and be a desirable employer. By offering excellent development opportunities, strong leadership and skilled colleagues, as well as favourable conditions for performing duties, we get more people applying to work with us who then choose to stay and develop within AcadeMedia. We monitor employee perception of their working conditions through regular employee surveys.</p> <p>We continuously develop our mission and our values, which are grounded in on courage, passion and trust.</p>
<p><b>2. Quality, contract and student risk</b></p> <p>The educational activities conducted by the Group are reviewed and controlled by the Swedish Schools Inspectorate, municipalities in each country and other parties with whom AcadeMedia enters into agreements.</p> <p>The demand for education services follows demographic factors and the major trends in society and the education system.</p> <p>AcadeMedia competes with both public and other private and not-for-profit educational organisations. Competition is usually local and may increase if new schools/operators establish themselves. Should the Group lose its reputation or appeal, or if demographic development decreases, this could lead to lower enrolment numbers. This which would impact sales, lower capacity utilisation and affect margins and profitability. This could occur at the global level or at the local level: a unit that loses its reputation may go from being one of the most sought after schools in the area to the opposite.</p>	<p>AcadeMedia prioritises delivering high-quality educational services and works systematically with quality monitoring and business development to achieve a strong reputation as a desirable option. AcadeMedia's strategy to operate across the education chain, in many countries, with many different activities, increases our stability.</p> <p>Contract compliance in adult education is monitored through surveys aimed at ensuring employee knowledge of contracts and delivery. Close contact with customers and various authorities/customers' own follow-ups are an important part of the work ensuring compliance with all agreements.</p>
<p><b>3. Acquisition risk</b></p> <p>One of AcadeMedia's growth strategies is through acquisition. This strategy is implemented by finding the right acquisition targets and successfully negotiating optimal contractual terms. If we make incorrect assumptions or fail to identify problems or obligations with the intended acquisition, the costs will be higher than expected.</p>	<p>AcadeMedia actively works to identify and understand potential risks in connection with possible acquisitions. Commercial, financial and legal due diligence is carried out to identify potential risks. Risk management occurs through the inclusion of guarantees in the final agreement, through the effect of the commercial terms of the deal or through AcadeMedia identifying activities that are carried out in connection with access.</p>

## External risks

DESCRIPTION OF RISK	MANAGEMENT OF RISK
<p><b>1. Political/regulatory and market risks</b></p> <p>Publicly funded independent schools in Sweden and Norway are subject to significant scrutiny from authorities, the media and others. Publicly funded activities can also be the subject of political debates. Governing parties may commission studies to serve as a basis for future legislation.</p> <p>Any future legislation in Sweden, Norway, Germany or the Netherlands that limits the ability of independent education providers to establish themselves, cover their costs and/or make a profit could have a material adverse effect on the Group's ability to conduct business and be detrimental to the Group's financial position and results.</p> <p>Parts of adult education in Sweden are wholly or partly financed by government funding, so government priorities have a strong impact on AcadeMedia's operations.</p> <p>AcadeMedia operates in a heavily regulated market. The political, economic financial and regulatory environment is changing, and political factors and political decisions could have an adverse effect on the Group's profitability.</p>	<p>AcadeMedia closely monitors political developments in order to manage and prepare the business for any changes to requirements or conditions in the countries in which we operate. We also cooperate with various industry organisations in each country.</p> <p>The legislative process in our countries of operation is relatively slow, which gives us time to discuss and adapt to various regulatory changes. We follow shifts in government budget priorities and decisions in the field of adult education through systematic external monitoring so we can adapt our activities at an early stage.</p> <p>Compliance work is a key element in the management of regulatory risks.</p>
<p><b>2. IT and cyber risks</b></p> <p>Cyber risk includes risks related to systems and data that could be accessed with malicious intent. This can include unauthorised access to data, pure attacks where the intention is to steal, manipulate or obtain data. It can also involve blackmail. Cyber risks are always connected to IT issues, where IT is used as a tool to achieve the goal.</p>	<p>AcadeMedia is working on two distinct tracks to increase IT and cyber security. One is internal training programmes that will lead to increased awareness and vigilance, and the other is comprised of various technical solutions. The two are interdependent.</p>
<p><b>3. Reputational risk</b></p> <p>Schools and education affect people's future. The involvement and interest of students and parents, authorities, media and other stakeholders is high. Dissatisfaction with the organisation or infringement of rules can lead to individual schools being scrutinised by the authorities and the media and to a deterioration of the reputation of an individual school or headteacher.</p>	<p>Quality work is an important part of protecting our activities, as is ensuring that our communication is relevant, accurate and transparent. We also strive for good relationships with politicians, the media and other key stakeholders connected to our work.</p>
<p><b>4. Climate change</b></p> <p>Extreme temperatures, extreme weather or other unforeseen events related to climate change can affect the education of children and pupils. This may be due, for instance, to the risks associated with travelling to or from activities or the risks associated with staying at the school.</p>	<p>Managing the risk of climate change is part of AcadeMedia's preparedness work. Cloudbursts, floods, high temperatures and other factors that affect the organisation's ability to operate are likely to affect the local area, not AcadeMedia as a whole. The exception to this is extreme heat waves.</p>

## Financial Risk

Description of risk	Management of risk
<p><b>1. Refinancing and liquidity risks, as well as other risks related to AcadeMedia's financial situation, excluding pupil funding decisions.</b></p> <p>Liquidity risk is the risk that AcadeMedia cannot fulfil its payment obligations for financial liabilities, while refinancing risk is the risk that refinancing of loans are not able to take place or are not able to take place on acceptable terms.</p> <p>AcadeMedia's interest rate risk relates to the Group's long-term borrowing, including property loans.</p> <p>At the end of the financial year, 100 per cent of our borrowing was at variable interest rates (six months). A one per cent increase in the variable interest rate has an effect on the Group's interest expenses of SEK 20 (25) million.</p>	<p>Liquidity and refinancing risks are managed centrally. Refinancing risk is managed through credit facilities within the framework of existing loan agreements, long-term financing of property holdings in Norway through Husbanken and the Group working with several banks. A strong balance sheet reduces refinancing risk. Liquidity risk is managed by ensuring that the company always has an available liquidity reserve and continuously forecasts cash flows. To facilitate liquidity planning and liquidity management, the Group has cash pools.</p>
<p><b>2. Pupil premium risks</b></p> <p>AcadeMedia's revenue comes from public funds which are dependent on priorities in society and the general economic climate. This, together with other changes in each municipality's budgets and appropriations for education, can lead to lower reimbursements per educational programme, which affects the entire market including AcadeMedia.</p>	<p>When municipalities announce school funding decisions, we review the decisions of the municipalities most important to AcadeMedia. Decisions that are incomplete or appear to violate the principle of equivalence are appealed.</p>

## Sensitivity analysis

A number of important factors that affect the Group's results are presented in the sensitivity analysis below. The estimated effect of the changes is based on the Group's results for the 2022/23 financial year, excluding the effects of IFRS 16, and, for each individual factor, assumes that all other factors are unchanged. The sensitivity analysis illustrates the effects on the Group's performance as if the changes had occurred during the 2022/23 financial year, but is not a forecast of future effects on results. The table below shows the effect of each factor on EBIT. The sensitivity regarding equity is the effect on EBIT less taxes.

### Sensitivity analysis

FACTOR	CHANGE	EFFECT
Student enrolment in the three school segments	+/- 1%	+/- SEK 140 million on sales and +/- SEK 50-90 million on operating profit (EBIT).
Average personnel expense per employee	+/- 1%	-/+ SEK 95 million on operating profit/loss (EBIT)
Average student voucher funding (all countries)	+/- 1%	+/- SEK 140 million on sales and operating profit (EBIT)
Interest change, Group loans	+ 1 percentage point	SEK -20 million on profit after financial items
Exchange-rate fluctuations NOK/SEK	+/- 10%	+/- SEK 220 million on sales and +/- SEK 5 million on operating profit (EBIT).
Exchange-rate fluctuations EUR/SEK	+/- 10%	+/- SEK 130 million on sales and +/- SEK 2 million on operating profit (EBIT).

\*The effect on operating profit is determined entirely by where the volume change occurs, whether it is widespread or concentrated.

# Board of Directors, senior executives, and auditors



Left to right:

Johan Andersson, Anna Lundmark Boman,  
Anders Lövgren, Jan Bernhardsson,  
Mikael Helmersson, Pernilla Larsson,  
Håkan Sörman, Ann-Marie Begler,  
Silvija Seres, and Pia Rudengren.

# Board of Directors

## HÅKAN SÖRMAN

**About:** Born 1952. Board member since 2017 and Chair of the Board since 2022. Member of the Quality Committee and the Remuneration Committee.

**Education:** M.Sc. in Business, Stockholm School of Economics.

**Other current appointments:** Chair of the Board of Karolinska University Hospital and Chair of the Parliamentary Municipal Tax Equalisation Committee.

**Former assignments:** County Governor of Jönköping County, CEO of the Swedish Association of Local Authorities and Regions, Mayor of Södertälje Municipality, Municipal Administrator, Täby. Head of government inquiry into municipal cost equalisation. Board member of SOS Alarm Sverige AB, KPA Pension AB, SKL Kapitalförvaltning AB and Dagens Samhälle AB. Senior Consultant, Compass Rekrytering AB.

**Shareholding in the Company:** 1,114 shares, including 444 shares via related party.

**Independent in relation to major shareholders:** Yes.

**Independent in relation to AcadeMedia:** Yes.

**Independent in relation to Executive management:** Yes.

## JOHAN ANDERSSON

**About:** Born 1978. Board member since 2017. Chair of the Remuneration Committee and member of the Audit Committee.

**Education:** M.Sc. in Engineering, Chalmers University of Technology. MBA, INSEAD.

**Other current appointments:** CEO of Mellby Gård AB. Board member of Feralco, Roxtec AB, Älvsbyhus Intressenter AB, Optik Smart Eyes AB, StudentConsulting Holding AB and the Confederation of Swedish Enterprise.

**Previous appointments:** CEO of Smarteyes International AB. Board member of Duni AB (publ) and Chalmers University of Technology. Member of the Super Advisory Board at Flowbird.

**Shareholding in the Company:** Via Mellby Gård AB, 24,152,981 shares.

**Independent in relation to major shareholders:** No.

**Independent in relation to AcadeMedia:** Yes.

**Independent in relation to Executive management:** Yes.

## ANN-MARIE BEGLER

**About:** Born 1954. Board member since 2020. Chair of the Quality Committee.

**Education:** Degree in Sociology from the Department of Social Work, Stockholm University.

**Other current appointments:** Board member of the Swedish National Council of Adult Education and the LegiLexi Foundation.

**Previous appointments:** Chair of the Board of Ersta Sköndal Bräcke University College. Director-General of the Swedish National Council for Crime Prevention (Brå), the Swedish Social Insurance Agency and the Swedish Schools Inspectorate. Deputy National Police Commissioner. Chair of the Organising Committee for the establishment of the Schools Inspectorate. Member of the Health Care Leadership Academy and the Unemployment Insurance Fund of the IF Metall Union.

**Shareholding in the Company:** 2,550 shares, including 1,300 shares via related party.

**Independent in relation to major shareholders:** Yes.

**Independent in relation to AcadeMedia:** Yes.

**Independent in relation to Executive management:** Yes.

## JAN BERNHARDSSON

**About:** Born 1962. Board member since 2021. Chair of the Real Estate Committee and member of the Quality Committee.

**Education:** Studied economics and law at the University of Gothenburg and the University of Borås. In-service training at IMD Business School, Duke University and SSE Executive Education.

**Other current assignments:** Chair of the Board of AB Svensk Filmindustri and Chiffer Media AB. Board member of Bonnier Books Holding AB.

**Former assignments:** Executive Vice President (EVP) of AMC Europe's European operations. Chief Operating Officer (COO) of the ODEON Cinemas Group. President and CEO of Nordic Cinema Group and SF Bio AB. CFO of AB Svensk Filmindustri. Chair of the Board of SF Anytime AB, Discshop AB and HomeEnter AB.

**Shareholding in the Company:** 3,000 shares

**Independent in relation to major shareholders:** Yes.

**Independent in relation to AcadeMedia:** Yes.

**Independent in relation to Executive management:** Yes.

## MIKAEL HELMERSON

**About:** Born 1972. Board member since 2022. Member of the Audit Committee.

**Education:** Master's degree in Economics from the University of Gothenburg School of Business, Economics and Law.

**Other current appointments:** Deputy CEO of Mellby Gård AB.

Chair of the Board of Feralco and Board member of StudentConsulting Group AB and Roxtec AB.

**Previous appointments:** CEO of Roxtec AB and Nord-Lock Group AB.

**Shareholding in the Company:** 0 shares.

**Independent in relation to major shareholders:** No.

**Independent in relation to AcadeMedia:** Yes.

**Independent in relation to Executive management:** Yes.

## PIA RUDENGREN

**About:** Born 1965. Board member since 2017. Chair of the Audit Committee and member of the Real Estate Committee.

**Education:** M.Sc. in Business, Stockholm School of Economics.

**Other current appointments:** Board member of Boliden AB (publ) and Hypex Bio Explosives Technology AB. Chair of the Board of Social Initiative Norden AB.

**Previous appointments:** CFO at Investor AB (publ). Deputy CEO of W Capital Management AB. Board member of KappAhl AB (publ), Duni AB (publ), Swedbank AB (publ), Metso Oyj, Tikkurila Oyj and Picsmart AB.

**Shareholding in the Company:** 2,000 shares.

**Independent in relation to major shareholders:** Yes.

**Independent in relation to AcadeMedia:** Yes.

**Independent in relation to Executive management:** Yes.

## SILVIJA SERES

**About:** Born 1970. Board member since 2015. Member of the Quality Committee.

**Education:** Ph.D. in Mathematics, Oxford University, M.Sc. in Computer Science, Oslo University and MBA, INSEAD.

**Other current appointments:** Partner at Technorocks AS and Lørn AS. Board member of the Det Norske Veritas Foundation and Ruter AS. Chair of the Board of Norsk Rikstoto.

**Previous appointments:** Board member of Norsk Ringkringkasting AS (NRK), Oslo Børs ASA, Nordea Bank AB, Norsk Tipping AS, Statkraft AS, Aschehoug AS, Data Respons ASA, Dagbladet Medialab AS and Norman ASA. Member of the nomination committee for Telenor ASA.

**Shareholding in the company:** None.

**Independent in relation to major shareholders:** Yes.

**Independent in relation to AcadeMedia:** Yes.

**Independent in relation to Executive management:** Yes.

## ANNA BOMAN

**About:** Born 1973. Employee representative since 2021, Deputy employee representative since 2020, Swedish Teachers' Union.

Employee representative on the Quality Committee.

**Education:** Bachelor of Physical Education, Umeå University; Bachelor of Education, Växjö University.

**Other current appointments:** None.

**Previous appointments:** None.

**Shareholding in the Company:** None.

**Independent in relation to major shareholders:** Yes.

**Independent in relation to AcadeMedia:** No.

**Independent in relation to Executive management:** No.

## ANDERS LÖVGREN

**About:** Born 1967. Employee representative since 2016, Swedish Teachers' Union. Employee representative on the Quality Committee and the Real Estate Committee.

**Education:** Higher Education Diploma in Vocational Education, Stockholm University.

**Other current appointments:** None.

**Previous appointments:** None.

**Shareholding in the Company:** 111 shares.

**Independent in relation to major shareholders:** Yes.

**Independent in relation to AcadeMedia:** No.

**Independent in relation to Executive management:** No.

## PERNILLA LARSSON

**About:** Born 1976. Deputy employee representative since 2016, Swedish Teachers' Union.

**Education:** Bachelor of Education, Kristianstad University, as well as studies at Lund University.

**Other current appointments:** None.

**Previous appointments:** None.

**Shareholding in the Company:** None.

**Independent in relation to major shareholders:** Yes.

**Independent in relation to AcadeMedia:** No.

**Independent in relation to Executive management:** No.

## AUDITORS

The Company's auditors are PricewaterhouseCoopers AB. Patrik Adolfson is principal auditor and Eva Medbrant cosignatory. PricewaterhouseCoopers AB was elected at the 2022 Annual General Meeting for the period until the end of the 2023 Annual General Meeting. Patrik Adolfson (born 1973) is an authorised public accountant and member of FAR (the professional association for authorised public accountants in Sweden). Patrik Adolfson has no shareholdings in the Company. Eva Medbrant (born 1966) is an authorised public accountant and member of FAR. Eva Medbrant has no shareholdings in the Company.



# Senior executives

## MARCUS STRÖMBERG

*Born 1967. Chief Executive Officer of the Group since 2005.*

**Education:** M.Sc. Engineering Physics and Electrical Engineering, Linköping University.

**Other current appointments:** Board member of Klara Hill and IFOUS innovation, research and development in schools and preschools.

**Previous appointments:** Board member of Scandinavian Photo, the Swedish Association of Independent Schools, SIQ and OPG, as well as numerous assignments at Lernia.

**Shareholding in the Company:** 156,969 shares, 287,375 synthetic options and 70,000 warrants.

## KATARINA WILSON

*Born 1971. CFO since 2019. Started at AcadeMedia in 2016. Assumed position as Deputy CEO and COO on 1 July 2023.*

**Education:** M.Sc. in Materials Technology, Royal Institute of Technology, Stockholm, MBA from Warwick Business School, England.

**Previous appointments:** Group Controller and Head of Group Accounting at AcadeMedia, Group Controller at Husqvarna; various controller and finance functions at Johnson & Johnson and at Electrolux.

**Shareholding in the Company:** 3,044 shares and 10,000 warrants.

## CHRISTER HAMMAR

*Born 1969. Head of Adult Education segment since 2015.*

**Education:** Business and Economics, IHM.

**Other current appointments:** Chair of Almega's Association of Private Education Providers and Board member of Almega's Employers' Organisation for the Swedish Service Sector.

**Previous appointments:** CEO of Manpower A/S and Proffice Care AB, as well as deputy CEO and regional manager of Humana Assistans.

**Shareholding in the Company:** 22,527 shares, including 888 via related party, and 56,000 warrants.

## KRISTOFER HAMMAR

*Born 1978. Director of Business Development at AcadeMedia since 2017 and Head of the Preschool segment. Worked at AcadeMedia since 2009.*

**Education:** M.Sc. in Business and Economics, Lund University.

**Other current assignments:** None.

**Former assignments:** Analyst at Bure Equity, Board member of Textilia AB.

**Shareholding in the Company:** 26,500 shares and 75,000 warrants.

## PAULA HAMMERSKOG

*Born 1962. Head of Communications and Public Affairs since 2021. Head of Security since 2018. Head of Communications and Public Affairs from 2012 until 2018.*

**Education:** Journalism degree, Department of Media Studies, Stockholm University.

**Previous appointments:** Chair of the Board of World Imagine AB. Communications Consultant at GCI and Kreab and interim Director of Communications at Swedish Property Federation, Stockholm Department.

**Shareholding in the Company:** 16,034 shares and 60,000 warrants.

## JIMMY KJELLSTRÖM

*Born 1979. Director of Administration since 2022 and Acting Head of the Upper Secondary School segment since 2023. Worked at AcadeMedia since 2000.*

**Education:** Degree in Advanced Vocational Training, IHM Management Training.

**Other current assignments:** None.

**Previous appointments:** Deputy Head of Compulsory School and Upper Secondary School segments.

**Shareholding in the Company:** 23,212 shares, 20,000 warrants and 600,000 convertibles.

## LOTTA KRUS

*Born 1971. Head of Compulsory School segment since 2022. Worked at AcadeMedia since 2001.*

**Education:** Compulsory school teacher training at Gothenburg University.

**Other current assignments:** None.

**Previous appointments:** Head of Education at AcadeMedia's Creative Upper Secondary School Division. Senior roles at Plusgymnasiet and LBS. Teacher, City of Gothenburg, Kungsbacka Municipality, Vittra

**Shareholding in the company:** 4,421 shares and 43,000 warrants

## LISA OLDMARK

*Born 1964. Head of HR since 2014 and Head of AcadeMedia Academy since 2012.*

**Education:** A number of different management training programmes at the City of Stockholm, Tutor Training and trained Organization Consultant, Humanova.

**Other current appointments:** Board member of the Almega Service Employer Association and the Swedish Association of Independent Schools.

**Previous appointments:** Several management assignments within Pyslingen Förskolor, Pyslingen Skolor and the City of Stockholm.

**Shareholding in the Company:** 33,321 shares and 55,000 warrants.

*Karl Sandlund served as Deputy CEO and COO until 22 June 2023. Hanna Clausén assumed the role of Acting CFO on 1 July 2023.*



Marcus Strömberg



Katarina Wilson



Paula Hammerskog



Lisa Oldmark



Kristofer Hammar



Christer Hammar



Jimmy Kjällström



Lotta Krus

# Accounts



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# Consolidated income statement and Statement of other comprehensive income

## CONSOLIDATED INCOME STATEMENT

(SEK M.)	NOTE	2022/23	2021/22
Net sales	G2, G3, G7	15,539	14,339
Cost of services sold		-1,435	-1,274
Other external expenses	G4, G18	-1,566	-1,370
Personnel expenses	G5, G6, G7	-9,296	-8,648
Amortisation	G8	-1,924	-1,755
Result from investments in associated companies	G19	-4	-3
Items affecting comparability	G9	-45	-64
<b>OPERATING PROFIT/LOSS</b>	<b>G2</b>	<b>1,270</b>	<b>1,224</b>
Financial income	G10	33	1
Financial expenses	G11	-543	-441
<b>PROFIT/LOSS BEFORE TAX</b>		<b>759</b>	<b>784</b>
Taxes	G12	-181	-179
<b>PROFIT FOR THE YEAR</b>		<b>578</b>	<b>605</b>
Parent Company shareholders – share of profit for the year		578	605
Basic earnings per ordinary share (SEK)	G13	5.47	5.73
Diluted earnings per ordinary share (SEK)	G13	5.47	5.72

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(SEK M.)	NOTE	2022/23	2021/22
<b>PROFIT FOR THE YEAR</b>		<b>578</b>	<b>605</b>
<b>OTHER COMPREHENSIVE INCOME:</b>			
<b>Items that will not be reclassified to profit/loss</b>			
Actuarial gains and losses	G6	-31	-6
Deferred tax relating to actuarial gains and losses	G12	7	1
		<b>-24</b>	<b>-4</b>
<b>Items that will be reclassified to profit/loss</b>			
Translation differences		5	35
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>-19</b>	<b>31</b>
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>559</b>	<b>636</b>
Parent Company shareholders – share of comprehensive income for the year		559	636

# Consolidated statement of financial position

ASSETS				EQUITY AND LIABILITIES			
(SEK M.)	NOTE	30 JUNE 2023	30 JUNE 2022	(SEK M.)	NOTE	30 JUNE 2023	30 JUNE 2022
<b>NON-CURRENT ASSETS</b>				<b>EQUITY</b>			
<b>Non-current intangible assets</b>				G24			
Goodwill	G14, G15, G16	6,480	6,387	Share capital		106	106
Brands	G15	189	191	Other capital contributions		2,634	2,632
Other intangible non-current assets	G15	26	20	Translation reserves		5	-1
		<b>6,695</b>	<b>6,597</b>	Retained earnings including profit/loss for the year		3,390	3,021
<b>Property, plant and equipment</b>				<b>TOTAL EQUITY</b>			
Buildings	G17, G29	1,170	1,057			<b>6,134</b>	<b>5,758</b>
Equipment	G17	416	354	<b>NON-CURRENT LIABILITIES</b>			
Expenditure on improvements to leasehold real estate	G17	618	570	Non-current liabilities to credit institutions	G27, G28, G30	1,424	722
		<b>2,205</b>	<b>1,981</b>	Non-current lease liabilities	G27, G28, G30	8,203	7,464
Right-of-use assets	G18	9,119	8,367	Provision for pensions	G6	15	-
<b>Non-current financial assets</b>				Other provisions	G25	45	92
Shares in associated companies	G19	31	35	Deferred tax liability	G12	115	94
Non-current receivables		19	23	Other non-current liabilities	G27, G28, G30	6	26
Pension receivables	G6	0	3	<b>TOTAL NON-CURRENT LIABILITIES</b>			
Deferred tax assets	G12	42	19			<b>9,807</b>	<b>8,397</b>
		<b>92</b>	<b>79</b>	<b>CURRENT LIABILITIES</b>			
<b>TOTAL NON-CURRENT ASSETS</b>	G2	<b>18,111</b>	<b>17,024</b>	Current liabilities to credit institutions	G27, G28, G30	146	1,207
<b>CURRENT ASSETS</b>				Current lease liabilities	G27, G28, G30	1,309	1,180
Inventories	G20	23	21	Other interest-bearing liabilities	G27, G28, G30	21	0
Accounts receivable	G21	187	206	Accounts payable	G27, G28	403	411
Current tax assets		154	72	Current tax liability		5	19
Other receivables		74	59	Other liabilities		174	174
Prepaid expenses and accrued income	G22	401	345	Accrued expenses and deferred income	G25, G26	1,919	1,719
<b>Cash and cash equivalents</b>	G23	<b>967</b>	<b>1,137</b>	<b>TOTAL CURRENT LIABILITIES</b>			
		<b>1,807</b>	<b>1,840</b>			<b>3,977</b>	<b>4,709</b>
<b>TOTAL CURRENT ASSETS</b>		<b>1,807</b>	<b>1,840</b>	<b>TOTAL EQUITY AND LIABILITIES</b>			
<b>TOTAL ASSETS</b>	G32	<b>19,918</b>	<b>18,864</b>		G24, G31, G32	<b>19,918</b>	<b>18,864</b>

# Consolidated statement of changes in equity

(SEK M.)	TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY				
	Share capital (Note G24)	Other capital contributed (Note G24)	Translation reserve (Note G24)	Retained earnings (Note G24)	Total equity (Note G24)
<b>OPENING BALANCE ACCORDING TO BALANCE SHEET ADOPTED, AS PER 1 JULY 2021</b>	<b>106</b>	<b>2,629</b>	<b>-36</b>	<b>2,606</b>	<b>5,305</b>
Profit for the year	–	–	–	605	605
Other comprehensive income	–	–	35	-4	31
<b>Comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>35</b>	<b>600</b>	<b>636</b>
<b>Transactions with owners</b>					
Warrants*	–	2	–	–	2
Convertibles	0	0	–	–	0
Dividend paid	–	–	–	-185	-185
Share-matching plan*	–	0	–	–	0
<b>TOTAL TRANSACTIONS WITH OWNERS</b>	<b>0</b>	<b>2</b>	<b>–</b>	<b>-185</b>	<b>-183</b>
<b>CLOSING BALANCE, 30 JUNE 2022</b>	<b>106</b>	<b>2,632</b>	<b>-1</b>	<b>3,021</b>	<b>5,758</b>
Profit for the year	–	–	–	578	578
Other comprehensive income	–	–	5	-24	-19
<b>Comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>5</b>	<b>554</b>	<b>559</b>
<b>Transactions with owners</b>					
Warrants*	–	2	–	–	2
Convertibles	0	0	–	–	0
Dividend paid	–	–	–	-185	-185
Share-matching plan*	–	0	–	–	0
<b>TOTAL TRANSACTIONS WITH OWNERS</b>	<b>0</b>	<b>2</b>	<b>–</b>	<b>-185</b>	<b>-183</b>
<b>CLOSING BALANCE, 30 JUNE 2023</b>	<b>106</b>	<b>2,634</b>	<b>5</b>	<b>3,390</b>	<b>6,134</b>

AcadeMedia has no non-controlling interests.

Equity is attributable in its entirety to the shareholders of the Parent Company.

\* The Group's share matching plan and warrant programme are described in Note G5.

# Consolidated cash flow statement

(SEK M.)	NOTE	2022/23	2021/22
<b>Operating activities</b>			
Operating profit/loss		1,270	1,224
Adjustment for non-cash items			
Depreciation/amortisation of non-current assets	G8	1,924	1,755
Changes in provisions		-57	37
Capital gain on disposal of non-current assets		0	0
Tax paid		-276	-179
<b>Cash flow from operating activities before changes in working capital</b>		<b>2,860</b>	<b>2,838</b>
<b>Cash flow from changes in working capital</b>			
Change in inventories		-3	-1
Change in operating receivables		-64	27
Change in operating liabilities		101	-32
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>2,895</b>	<b>2,831</b>
<b>Investing activities</b>			
Acquisition of subsidiaries	G14	-169	-181
Investments in properties	G17	-41	-20
Investments in leasehold property	G17	-109	-148
Investments in equipment	G17	-167	-152
Investment in intangible non-current assets	G15	-7	-2
Sale of property, plant and equipment	G17	12	–
Investments in associated companies	G19	0	-33
Investments in non-current financial assets		0	0
Sale of non-current financial assets		–	–
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>-481</b>	<b>-536</b>
<b>Financing activities</b>			
Interest received		9	1
Interest paid*		-539	-437
Dividend paid		-185	-185
Warrants	G5, G24	2	2
Borrowing	G28	948	2
Amortisation of debt	G28	-1,321	-173
Amortisation of lease liability	G28	-1,504	-1,346
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>-2,591</b>	<b>-2,136</b>
Cash flow for the year		-177	158
Cash and cash equivalents at beginning of year		1,137	966
Exchange-rate differences in cash and cash equivalents		7	12
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>G23</b>	<b>967</b>	<b>1,137</b>

\*Interest payments relating to lease liability total SEK 477 million (407).

# Notes to the Consolidated accounts

## G1: General information, accounting and valuation policies

### General information

The Company, AcadeMedia AB (publ), corp. reg. no. 556846-0231, is domiciled in Stockholm, Sweden. The head office address is Adolf Fredriks Kyrkogata 2, Box 213, SE-101 24 Stockholm, Sweden. The Company has been listed on Nasdaq Stockholm since 15 June 2016. AcadeMedia is an independent education provider with operations in Sweden, Norway, Germany and the Netherlands. Operations are divided into four business segments: Preschool, Compulsory School, Upper Secondary School and Adult Education. The segments are described in the Administration Report and in Note G2.

The annual report and consolidated accounts for the financial year ending 30 June 2023, were approved for publication by the Board of Directors and the Chief Executive Officer on 24 October 2023 and will be presented for adoption at the Annual General Meeting on 30 November 2023.

### Basis of preparation

#### Compliance with standards and laws

The consolidated accounts are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. The consolidated accounts are also prepared in accordance with Swedish law, through application of the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups.

The accounting standards described below have been applied consistently in all periods, with the exception of the changes referred to in the section "Amended accounting policies".

Certain comparative figures have been reclassified to accord with the presentation of the financial statements for the current year.

#### Principles of valuation applied in preparation of the financial statements

Assets and liabilities are measured at historical cost, other than as regards certain financial assets and liabilities, which are measured at fair value. Financial assets and liabilities measured at fair value consist of any conditional purchase consideration, together with plan assets within defined-benefit pension plans.

#### Functional currency and reporting currency

Items included in the financial statements of the various entities in the Group are measured in the currency used in the financial environment where the company concerned has its primary operations (functional currency). In the consolidated accounts, Swedish kronor (SEK) is used, which is the Parent Company's functional currency and the Group's reporting currency. Unless otherwise indicated, amounts are in millions of Swedish kronor (SEK m.).

#### Classification of assets and liabilities

Non-current assets consist essentially of assets that are expected to be recovered or paid for more than twelve months after the balance sheet date. Current assets consist of amounts that are expected to be recovered or paid within twelve months of the balance sheet date. Non-current liabilities are amounts that the Group has an unconditional right to pay more than twelve months after the balance sheet date. If the Company does not have such a right, the liability amount is recognised as a current liability.

#### Changes in accounting policies and basis of calculation

##### New standards and interpretations adopted

The following amendments to standards have been adopted for the first time by the Group

- Onerous contracts - Cost of fulfilling a contract (amendment of IAS 37)

The changes indicated above had no impact on the period presented for comparison and had no material impact on the current period.

##### New standards and interpretations not yet adopted

New or amended IFRS that will not enter into force until the upcoming financial year or later have not been adopted early in the preparation of these financial statements. Such new standards and interpretations are not expected to have any material impact on the consolidated financial statements.

#### Principles of consolidation

The consolidated accounts cover the Parent Company AcadeMedia AB and its subsidiaries. The financial statements for the Parent Company and subsidiaries that are included in the consolidated accounts refer to the same period and are prepared according to the same accounting policies.

#### Subsidiaries

Subsidiaries are all companies in which the Group has a controlling interest. The Group has a controlling interest in a company when the Group is exposed to or has the right to a variable return from its holding in the company, and has the ability to influence the return through its influence over the company. Through AcadeMedia in Germany, the Group owns businesses that are legally structured as non-profit entities (gGmbH) under German law. Where AcadeMedia has a controlling interest over the decisions that affect the return on investment and the rights to variable returns from the holding, AcadeMedia has concluded that the Group has a controlling interest over these operations (three subsidiaries) and they are therefore consolidated in accordance with IFRS 10.

Subsidiaries are included in the consolidated accounts as of the date that the controlling interest is transferred to the Group, and are consolidated until the date the controlling interest ceases. AcadeMedia has a 100 percent holding in all of its subsidiaries.

#### Associated companies

Associated companies are entities over which the Group has a significant, but not controlling, influence over the entity's operating and financial management, usually through shareholdings representing between 20 and 50 percent of the voting rights. From the date at which the significant influence is obtained, investments in associated companies are accounted for in the consolidated accounts using the equity method of accounting.

According to this method, the Group's share of the associate's net profit or loss, including amortisation of any excess values, is recognised in the consolidated income statement.

Any difference at acquisition between the cost of the investment and the fair value of identifiable assets and liabilities is accounted for using the same principles as for acquisitions of subsidiaries.

#### Translation of foreign currencies

##### Foreign currency transactions

Foreign currency transactions are translated to the functional currency at the exchange rate in effect on the transaction date. On the balance sheet date, monetary receivables and liabilities expressed in foreign currencies are translated at the exchange rate in effect on the balance sheet date. All exchange rate differ-

ences are recognised in the income statement. Exchange rate differences from operating items are recognised in operating profit/loss as other operating income or other operating expenses, while exchange rate differences relating to financial assets and liabilities are recognised as financial income or financial expense.

#### Financial statements of foreign operations

Assets and liabilities of foreign operations are translated to SEK at the rate on the balance sheet date, while income and expense items are translated at an average rate for the year. All exchange rate differences arising in translation are recognised in other comprehensive income and aggregated in the translation reserve in equity. At divestment of a net investment in a foreign operation, the translation differences pertaining to the net investment are recognised through profit or loss.

#### Non-current intangible assets

##### Goodwill

Goodwill arising through business combinations is recognised under the heading of intangible non-current assets. Goodwill is allocated to the cash-generating units that are expected to benefit from the business combination where the goodwill item arose.

Goodwill is not amortised but is tested annually, or more often if there is any indication of impairment, in order to identify any impairment loss. An impairment loss is recognised if the carrying amount exceeds the recoverable amount. Any impairment loss is recognised immediately as an expense in the income statement and is not reversed.

##### Brands

Brands acquired through acquisitions of subsidiaries are recognised as an intangible asset with a limited useful life. Brands are carried at cost less accumulated amortisation and accumulated impairment losses. The straight-line depreciation method is used.

	NUMBER OF YEARS
Brands	20 years

**Development expenditure and other intangible assets**

Development expenditure is recognised as an asset on the balance sheet when it is likely that the future economic benefits associated with the asset will flow to the entity, the cost of the asset can be measured reliably and AcadeMedia has control over the asset. Development expenditure that does not meet these criteria are expensed in the period in which they are incurred.

Other intangible assets consist of separately acquired intangible assets. Development expenditure and other intangible assets are carried at cost less amortisation and any impairment losses. Amortisation is applied on a straight-line basis over the estimated useful life of the asset. The useful life period is reviewed on every closing date and is adjusted as needed. The following useful life periods are applied:

	NUMBER OF YEARS
Other intangible assets	3–5 years

**Property, plant and equipment**

Property, plant and equipment are recognised at cost less depreciation and any impairment losses. Cost includes expenses that are directly attributable to acquisition of the asset.

Further items of expenditure are added to the asset's carrying amount or are recognised as a separate asset only when it is likely that future economic benefits associated with the asset will accrue to the Group and the asset's cost can be reliably measured. If the additional expenditure refers to replacement of a component, the carrying amount for the component replaced is removed from the balance sheet and is expensed. All other forms of repair and maintenance are recognised as an expense in the income statement during the periods in which they arise.

Property, plant and equipment are removed from the balance sheet when divested or when they cannot be expected to add any economic benefit in the future. Profit and loss are calculated as the difference between the sale amount and the carrying amount of the asset. Profit or loss is recognised in the income statement in the accounting period in which the asset was divested, as Other operating expenses or Other operating income.

Property, plant and equipment are depreciated systematically over the estimated useful life of the asset. Investments made in leased properties are normally depreciated over the term of the lease. The useful life period is reviewed on every closing date and is adjusted as needed. When the amortisable amount of the

assets is established, their residual value is, where applicable, taken into account. The straight-line depreciation method is used for all types of asset and is based on the useful life periods shown below.

	NUMBER OF YEARS
Buildings	25–30 years
Equipment	3–10 years
Expenditure on improvements to leasehold property	2–25 years

**Impairment**

Goodwill is tested annually for impairment or more frequently if there is any indication of loss of value. Property, plant and equipment and intangible non-current assets with a determinable useful life are tested when there is an indication that an asset has declined in value. The impairment test is performed by calculating the asset's recoverable amount. If the estimated recoverable amount is less than the carrying amount, the asset is written down to its recoverable amount.

The recoverable amount is net realisable value or the asset's value in use in operations, whichever is the higher. A judgement is made regarding the recoverable amount per cash-generating unit. Previously recognised impairment losses are reversed if the recoverable amount is considered to exceed the carrying amount. The reversal amount is, however, not greater than the carrying amount would have been if an impairment had not been recognised in earlier periods. Impairments of goodwill are not reversed.

**Financial instruments**

Accounts receivable and debt instruments issued are recognised when issued. Other financial assets and liabilities are recognised in the balance sheet when the Group becomes party to the contractual conditions of the instrument. A financial asset is removed from the balance sheet when the right to receive cash flows from the instrument has expired or has been transferred. Financial liabilities are removed from the balance sheet when the obligations have been discharged, cancelled or have otherwise ceased.

Financial assets and liabilities are measured initially at fair value plus transaction costs directly attributable to the acquisition. Transaction costs attributable to financial assets and liabilities that are recognised at fair value via the income statement are expensed directly in the income statement.

**Financial assets**

At initial recognition, financial assets and liabilities are classified as those that are recognised at fair value (either via other comprehensive income or via the income statement) and those that are recognised at amortised cost. Classification is made in line with the Group's business model for management of financial assets and the contractual conditions for the cash flows. The business model applied by AcadeMedia is above all "hold to collect", that is, financial assets are held in order to collect contractual cash flows. These cash flows consist solely of payment of nominal principal and interest (SPPI). AcadeMedia's financial assets are thus recognised essentially at amortised cost.

- *Financial assets measured at amortised cost:* Assets in this category are measured at amortised cost by application of the effective interest approach. Most of the Group's current assets are measured at amortised cost, including accounts receivable, cash/cash equivalents and other receivables, which are financial assets that are not derivatives and that have payment flows that are fixed or can be determined in advance. They are created when the Group provides money to a counterparty, or supplies goods or services to a customer, without intending to convert the claim. AcadeMedia uses the forward-looking expected credit loss model to measure expected credit losses. In accordance with the rules of IFRS 9, the Group applies a simplified method for impairment testing of accounts receivable. In this method, the provision for expected credit losses is calculated on the basis of the risk of losses over the entire term of the receivable and is recognised when the receivable is initially recognised. For more information, see Note G21.
- *Financial assets measured at fair value via the income statement:* Assets in this category are measured at fair value. Changes in fair value are recognised in the income statement when they arise. Transaction costs are expensed directly in the income statement.
- *Financial assets measured at fair value via other comprehensive income:* AcadeMedia does not at present have any financial assets in this category.

**Financial liabilities**

Financial liabilities are classified as being measured at amortised cost or fair value via profit or loss. A financial liability is classified at fair value via profit or loss if it is classified as a derivative or was identified as such at initial recognition.

- *Financial liabilities measured at amortised cost:* Liabilities in this category are measured at amortised cost, net of transaction costs, using the effective interest approach. This category includes items such as accounts payable, loan liabilities and other liabilities that do not fall within the category of financial liabilities measured at fair value via the income statement.
- *Financial liabilities measured at fair value via the income statement:* Liabilities in this category are measured at fair value. At AcadeMedia, this category includes contingent purchase considerations. Measurement is performed on an ongoing basis at fair value with changes in value being recognised in the income statement. Re-measurement of a contingent purchase consideration is recognised in operating profit/loss under Other external expenses.

**Offsetting**

Financial assets and liabilities are offset and recognised net only if the Group has a legal right and an intention to offset the recognised items with a new amount.

**Convertible bonds**

Convertible bonds that give the holder an option to convert the debt into shares are recognised as a hybrid financial instrument made up of a debt component and an equity component. The fair value of the bond at the time of issue is calculated by discounting payment flows by the market interest rate for a similar debt instrument without any right of conversion into shares. The amount is recognised as a financial liability at amortised cost until the bond is converted or settled. The conversion right is recognised net of tax in equity as the difference between the proceeds of the issue and the fair value of the financial liability at the time of issue.

Transaction costs in connection with the issue of convertible bonds are recognised pro rata on the basis of how the issue proceeds are distributed.

**Provisions**

Provisions differ from other liabilities in that there is uncertainty in the timing or amount of the expenditure required to settle the obligation. Provisions are recognised when the Group has a legal or constructive obligation resulting from past events and when it is likely that a payment will be required to discharge the obligation and the amount can be reliably measured. Provisions are measured at the present value of the amount expected to be required to discharge the obligation. Provisions relating to restructuring of the organisation are recognised at closure of units

and staff redundancies, and are recognised when a restructuring plan is in place and the entity has either started to implement the plan or has announced it publicly after calculation of the costs. A provision for onerous contracts is recognised when the expected benefits that the Group expects to receive from a contract are less than the unavoidable costs of meeting the obligations under the contract.

### Contingent liabilities

Disclosure of any contingent liability is made where there is a possible obligation arising from past events, the existence of which is confirmed by one or more uncertain future events beyond the Group's control, or where there is an obligation that is not recognised as a liability or a provision because it is not likely that an outflow of resources will be required or cannot be calculated with sufficient reliability.

### Remuneration to employees

#### Short-term remuneration to employees

Salaries, social security contributions, bonuses and other short-term remuneration to employees are recognised as an expense when the employee has performed the service.

#### Pensions

The Group's pension plans consist partly of defined-benefit plans with a contractual promise regarding future pension levels related primarily to the final salary, and partly of defined-contribution plans for which insurance premiums are paid and the employee carries the risk associated with the future pension level.

A defined-contribution pension plan is a pension plan under which the Group pays fixed contributions to a separate legal entity. For defined-contribution pension plans, the Group pays contributions to publicly or privately managed pension insurance plans on a compulsory, contractual or voluntary basis. The contributions are normally based on the salary level. The Group does not have any further payment obligations once the contributions have been paid. The Group's obligations regarding defined-contribution plans are recognised as a personnel expense in the income statement as and when they are earned by the employee performing his/her work tasks for the Company.

A defined-benefit pension plan is a pension plan with no defined contribution. The defined-benefit plans consist largely of plans that provide a benefit based on final salary and length of service. Calculations are made for defined-benefit plans based on the Projected Unit Credit Method, for the purpose of establishing

the present value of obligations relating to benefits for current and former employees. These calculations are made annually and are based on current assumptions established annually at the end of the accounting period. Assumptions are made regarding inflation, changes in social security charges, staff turnover, discount rates and estimated life expectancy. The present value of defined-benefit obligations is established by discounting estimated future cash flows using the interest rate for top-rated investment grade corporate bonds issued in the same currency as the one in which the compensation will be paid, with maturities comparable to that of the current pension obligation.

Pension expenses relating to service during the current period are recognised as personnel expenses in the income statement. Costs relating to service in previous periods are also recognised directly in the income statement as personnel expenses. Net interest is calculated by application of the discount rate to the defined-benefit pension liability and to the fair value of plan assets, and this expense is included in personnel expenses in the income statement. In the event of any change or adjustment to a defined-benefit pension plan, the effect of the adjustment is recognised as a "curtailment gain" in profit/loss for the year.

The Group's net obligation consists of the estimated present value of the pension obligations, less the fair value of the plan assets, taking the asset ceiling into account where appropriate. Changes in the present value of the net obligations resulting from changed actuarial assumptions and experience-based adjustments are treated as re-measurement effects and recognised in other comprehensive income.

In the defined-benefit pension plans for the Norwegian companies, the employees make contributions to the plans according to set terms. The contribution consists of a fixed percentage of the employee's salary and is unrelated to the number of years of service. Employee contributions are recognised as a reduction in the cost of service for the period in which the services are performed.

The defined-benefit pension obligations of the Swedish companies under the ITP2 plan are secured via Alecta pension insurance. This plan is a defined-benefit plan covering several employers. The plan is accounted for as a defined-contribution pension plan, since Alecta cannot provide sufficient information on the Group's proportional share of the plan's obligations, plan assets and expenses to be able to account for the plan as a defined-benefit pension plan.

### Severance pay

Any cost of compensation in connection with termination of employment is recognised at either (i) when the Company is no longer able to withdraw the offer to the employees, or (ii) when the Company recognises costs of restructuring, whichever is the earlier.

### Share-based remuneration

Share-based payments in the Company pertain to the share-matching plan settled via equity instruments. The cost is determined based on the fair value of shares granted. The fair value is calculated at the grant date using an accepted valuation model known as the Monte Carlo simulation model and takes market-related conditions into account. The cost is recognised as a personnel expense in the income statement, over the vesting period, with a corresponding increase in equity. Social security contributions attributable to share-based instruments to employees are expensed over the periods in which the services are performed. The provision for social security contributions is based on the share price at the balance sheet date.

### Leases

AcadeMedia leases properties, offices, equipment and vehicles. Leases are accounted for as right-of-use assets and lease liability on the day on which the leased asset is available for the Group's use.

Right-of-use assets are measured initially at cost, which consists of the initial amount of the lease liability, plus lease fees paid on or before the date of commencement, and any initial direct expenses. The right-of-use asset is depreciated on a straight-line basis from the date of commencement until either the end of the right-of-use period of the asset or the end of the lease term, whichever is the earlier.

The lease liability is measured initially at the present value of remaining lease fees over the estimated lease term. The lease term comprises the non-terminable period plus further periods in which it is reasonably certain that options to extend will be exercised. As exercise of renewal options requires a new investment decision, renewal options are only included in calculation of the lease liability when a decision has been made to continue operations or when significant investments have been made in the property, such that there are financial incentives to continue using the premises, making it reasonably certain that the contract will be renewed.

Lease liabilities include the present value of the following lease payments:

- Fixed fees less any benefits associated with signing of the lease.
- Variable lease fees linked to indexes or prices, initially measured on the basis of indexes or prices at the date of commencement.

Lease fees are discounted at the Group's marginal borrowing rate. In order to obtain a marginal lending rate that is more asset-specific in the case of leases for the rental of premises, the marginal lending rate is adjusted by a risk premium based on the geographical location of the respective property. The discount rate for AcadeMedia's leased cars and IT equipment is based on the rate in the respective lease.

In the case of leases with a term of twelve months or less, and leases where the value of the underlying asset is less than SEK 50,000, no right-of-use asset or lease liability is recognised. The lease fees for such leases are recognised as an expense on a straight-line basis over the term of the lease.

### Revenue

The Group's revenue derives above all from education services of various types, as described below.

#### Education-related revenue

AcadeMedia's revenue consists of education-related revenue from school voucher funding, socio-economic compensation and participant fees. Tuition fees are recognised as revenue and allocated in line with the degree of completion over the period during which the instruction is provided, including time for planning and grading of student learning. Revenue in preschool operations is recognised on the basis of the same fundamental principles.

Revenue in the adult education operation is based on the same fundamental principles, but also takes into account empirical estimates 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, when the revenue is conditional on completion of the service.

#### Revenue for services sold is recognised on delivery to the student.

Other income refers to income not directly related to education, such as rental income. Revenue from these services is recognised at fair value based on the proportion of the total agreed service that has been delivered during the financial year when the custom-



er receives and uses the services at the same point in time. Revenue from sale of goods is recognised on delivery to the customer. Revenue is recognised excluding VAT and net after any discounts.

#### State subsidies

State subsidies are recognised as a receivable when there is reasonable certainty that they will be received and that AcadeMedia will meet the conditions attached to the subsidy. Grants received to cover costs are recognised as an expense reduction for the relevant expense item in the same period as the costs they are intended to offset. Other subsidies are recognised as revenue. State subsidies received to finance an investment are deducted from the cost of the investment.

#### Financial income

Interest income is recognised using the effective interest method.

#### Dividends

Dividend received is recognised as revenue when the right to receive dividend is confirmed.

#### Cost of services and products sold

The cost of services sold relates mainly to expenses for school meals (ingredients and catering), educational materials, agency teachers and various consumables. Also included is the cost of books sold.

#### Inventories

Inventories consist of books related to publishing activities and are stated at the cost or net realisable value, whichever is the lower, on the balance sheet date. Cost consists of the direct costs of goods and is determined by applying the FIFO (first-in-first-out) method.

#### Items affecting comparability

Items affecting comparability consist of non-recurring income and expenses and are recognised on a separate line. Items affecting comparability consist, for example, of any capital gain from sale of real estate, major property damage not covered by commercial insurance, consulting costs related to major acquisitions, adjustment of pension plans having major impact on earnings, severance payments to senior executives, major integration costs resulting from acquisitions and reorganisation, as well as costs following from strategic decisions and major restructuring leading to closure of units. Retroactive revenue from earlier years is also classified as affecting comparability. The purpose of this reporting method is to obtain a clearer picture of developments in the underlying business.

### Taxes

#### Income tax

Tax expense for the period consists of current tax and deferred tax. Tax is recognised in the income statement, except where the tax relates to an item that is recognised in Other comprehensive income or directly in equity. In such cases, the tax is also recognised in Other comprehensive income or in equity.

Current tax is tax to be paid or received in the current year as well as adjustments to previous years' current tax. The tax rates and laws applied in calculating the amount are those enacted, or in practice enacted, as of the balance sheet date.

#### Deferred tax

Deferred tax is calculated using the balance sheet method for temporary differences between the taxable amounts and carrying amounts for assets and liabilities. Deferred tax assets are recognised for deductible temporary differences and loss carry-forwards to the extent that it is likely that they will be utilised.

The value of deferred tax assets is determined on every balance sheet date and adjusted to the extent it is no longer likely that a sufficient taxable profit will be generated to enable all or part of the deferred tax asset to be utilised. Deferred tax assets and tax liabilities are calculated on the basis of the tax rates in effect for the period in which the asset is realised or the liability paid, based on tax rates and legislation that have been enacted, or in practice enacted, by the balance sheet date.

#### Cash flow statement

The Cash flow statement is prepared in accordance with the indirect method.

Interest payments are recognised in financing activities.

Cash and cash equivalents consist of available cash and bank balances.

#### Business segments

Reportable segments are identified on the basis of how the business is governed and followed up in the internal reporting to the highest executive decision-maker, which in AcadeMedia's case is the Chief Executive Officer. In this report, the Group's performance is monitored on the basis of the four operating segments of Preschool, Compulsory School, Upper Secondary School and Adult Education.

The segments apply the same accounting policies as the Group, other than in the case of recognition of the renting of premises.

The segments recognise rental costs as an external expense and thus adaptation to IFRS 16 is performed as a consolidation adjustment.

#### Key estimates and judgements

In order to prepare financial statements in accordance with IFRS, Executive management makes judgements, estimates and assumptions that are considered reasonable in the conditions that prevail. These assumptions and estimates are mostly founded on past experience, but also other factors, such as anticipated future events. With other judgements, assumptions and estimates, actual results may be different and actual outcomes may deviate from the estimates made. Judgements, assumptions and estimates are reviewed on a regular basis and changes are reported in the period the change is made if the change only affects this period, or in the period the change is made and future periods if the change affects both the period in question and future periods.

A description follows of the most important areas where judgements and assumptions have been made and that are regarded as likely to have to greatest impact on the Group's financial statements, and where any changes in assumptions and estimates made may result in material adjustments to the financial statements of the following financial year.

#### Impairment testing of goodwill

AcadeMedia performs testing annually, or where impairment is indicated, to identify any impairment of goodwill, in accordance with the accounting policies described above in this Note. For these calculations, certain assumptions and estimates must be made regarding future revenue, costs, margin, capital employed and return on capital requirements. The business is also affected by the regulations in force in the country concerned as applying to the business, and the levels of remuneration that are paid. In the countries where AcadeMedia operates, the development and structure of the school system and the framework for independent school operations is the subject of continuous debate.

Political decisions leading to changes in regulatory frameworks, including systems for reimbursement, may have a significant impact on AcadeMedia's operations, as well as on its financial performance. In this year's impairment test, the current regulations and known amendments have been applied and, based on the information currently available, the outcome of this year's impairment test is not expected to be affected by whether the proposed changes have been taken into account.

In Norway, regulations including those related to staffing and teacher standards, have been strengthened in recent years. In addition, an element of the reimbursement model in Norway has been adjusted downwards, with effect from 1 January 2022.

Since the pandemic, the German preschool sector has experienced lower profits and margins. This is mainly due to the fact that levels of remuneration have not risen in line with inflation. In this year's impairment test, it is assumed that remuneration will reflect the new higher cost situation with a time lag of about two years.

Testing indicates that no impairment loss has occurred. Judgements other than those made by the Company may lead to a different result and financial position, and an impairment loss may arise. See Note G16 for more information on this year's impairment test and sensitivity analysis.

#### Rights-of-use

An impairment of a right-of-use asset is recognised when the Group has established that a contract's expected economic benefits are lower than the carrying amount for the asset. When profit generation in a unit is not sufficient to cover the rent payments, an impairment write-down is applied to the right-of-use asset.

#### Provision for restructuring/closure of school units

Provision for restructuring is recognised when a decision on restructuring or closure of a unit is taken by management and communicated to the parties concerned, and when a reliable estimate of the cost of closure can be made. The judgements made regarding future net costs take into account, for example, student numbers, leasing costs and staffing. The assessment is most sensitive to the assumption as to student numbers.

#### Provisions for contract termination reserves and onerous contracts

A proportion of AcadeMedia's Adult Education business consists of fixed-term contracts with a requirement to maintain capacity even if volumes decrease. AcadeMedia's experience is that in the final phase of such contracts, the volumes are lower while costs do not decrease at the same rate. In order to accrue income and expenses, a reserve for contract renegotiation is built up on an ongoing basis, at the pace that obligations are performed during the contract term. This provision is intended cover termination costs at the end of the contract, and is calculated on the basis of an assessment of future net costs based on number of participants, rental costs and staffing. The assessment

that has the greatest impact on the cost of completion is the number of participants. Where the assumptions are not fulfilled, lesser or additional completion cost provisions may be required.

Management also makes judgements regarding the existence of onerous contracts based on the performance of the units, but also taking forecasts of future developments into account. If an onerous contract is judged to exist, a provision based on the estimated loss is recognised immediately. If the loss relates to a lease, it is recognised as an impairment loss on the right-of-use asset. See also Note G18.

#### **Provision for pension liability (defined-benefit pensions)**

AcadeMedia operates a defined-benefit pension plan. The present value of pension obligation is determined by assumptions that are established on an actuarial basis. Significant assumptions include the discount rate, wage increases and pension uprating. If these assumptions change, this will affect the carrying amount of the pension obligations. Further information on items such as sensitivity analysis for changes in significant assumptions is provided in Note G6.

#### **Amortisation period regarding investments in leasehold real estate**

Investments in rented properties are normally amortised over the term of the lease, which ranges from 2 to 25 years.

In a number of properties in exceptional locations, or where significant investments have been made, the useful life of the investment in the leased property has been judged to be longer than the lease term including extension clauses, since the judgement is that the property will continue to be leased subsequently on the basis of an underlying judgement that it is economically rational. In addition, a right of occupancy accrues to such leased premises. The carrying amount for these investments at the end of the lease term, including extension clauses, is SEK 63 million. If a lease is not extended, the remaining carrying amount will need to be tested for impairment.

#### **Assessment at revenue recognition**

AcadeMedia recognises school voucher funding as accrued over the period in which the teaching takes place, including time for planning and grading of student learning. Where remuneration is contingent on future performance, judgements are made as to the right to receive the remuneration.

For a more detailed description of these judgements, see the section on revenue recognition in Accounting Policies.

#### **Assumptions for calculation of lease liability**

In calculating the lease liability, management has made a number of estimates, assumptions and assessments that, if made differently, would have affected the size of the lease liability and thus of the right-of-use assets.

In calculating the lease liability, the lease commitments have been discounted using a discount rate that categorises the leases by geographical location. A different discount interest rate would affect the amount of the liability and the right-of-use asset, as well as interest expenses and depreciation/amortisation.

The leases normally incorporate options for extension. As the exercise of options for extension requires new investment decisions, options for extension are only included when a decision to continue operations is taken and when it is reasonably certain that the lease will be extended. See Notes G18 and G32 for more information on lease accounting.

## G2: Segment reporting

(SEK m.)	Preschool		Compulsory School		Upper Secondary School		Adult Education		Other <sup>4</sup>		Eliminations		Group	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Revenue, total	5,462	4,493	4,012	3,808	5,955	5,496	1,739	1,924	56	32	-1,684	-1,414	15,539	14,339
Revenue, internal	479	313	242	265	801	689	111	120	51	28	-1,684	-1,414	-	-
<b>Revenue, external</b>	<b>4,983</b>	<b>4,180</b>	<b>3,769</b>	<b>3,543</b>	<b>5,154</b>	<b>4,807</b>	<b>1,628</b>	<b>1,804</b>	<b>5</b>	<b>4</b>	-	-	<b>15,539</b>	<b>14,339</b>
Adjusted EBITDA <sup>1</sup>	305	262	364	353	683	645	151	235	-78	-93	-	-	1,426	1,401
Amortisation	-112	-99	-93	-82	-226	-196	-22	-18	-3	-4	-	-	-457	-398
Result from associates	-	-	-	-	-	-	-4	-3	-	-	-	-	-4	-3
Adjusted operating profit/loss (EBIT)	194	163	271	271	457	450	126	214	-83	-97	-	-	964	1,001
Items affecting comparability	-11	-21	-10	-18	-23	-15	0	-11	0	0	-	-	-45	-64
Effects of IFRS 16	-	-	-	-	-	-	-	-	350	288	-	-	350	288
Operating profit/loss (EBIT)	182	142	260	253	434	435	126	203	267	191	-	-	1,270	1,224
Net financial items	-	-	-	-	-	-	-	-	-	-	-	-	-511	-441
Tax on profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-181	-179
<b>PROFIT FOR THE YEAR</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>578</b>	<b>605</b>
Total number of students <sup>2</sup>	25,163	22,413	28,641	27,896	44,112	42,240	- <sup>3</sup>	- <sup>3</sup>	-	-	-	-	97,916	92,549
Number of children, preschools <sup>2</sup>	25,163	22,413	3,365	3,321	-	-	-	-	-	-	-	-	28,528	25,734
Number of students, compulsory schools <sup>2</sup>	-	-	25,276	24,574	-	-	-	-	-	-	-	-	25,276	24,574
Number of students, upper secondary schools <sup>2</sup>	-	-	-	-	44,112	42,240	-	-	-	-	-	-	44,112	42,240
Average number of employees, full-time equivalents <sup>2</sup>	5,797	5,156	3,498	3,417	3,831	3,681	1,139	1,366	195	196	-	-	14,459	13,815
Number of units <sup>2</sup>	312	286	116	116	152	151	-	-	-	-	-	-	581	553

<sup>1</sup> Adjusted EBITDA excludes results from associated companies.

<sup>2</sup> Average per year.

<sup>3</sup> Volumes in Adult Education are not measured on the basis of the number of participants since the length of the programmes varies from individual occasions to academic years.

<sup>4</sup> Other refers to Group-wide items, including adaptation to IFRS 16.

### INCOME PER SEGMENT

2022/23 (SEK m.)	Preschool	Compulsory School	Upper Secondary School	Adult Education	Other	Elimination	Total
Education-related revenue	4,921	3,696	5,322	1,649	-2	-637	14,950
State subsidies	26	149	92	4	0	-	272
Other income	514	166	541	86	58	-1,047	318
<b>Total</b>	<b>5,462</b>	<b>4,012</b>	<b>5,955</b>	<b>1,739</b>	<b>56</b>	<b>-1,684</b>	<b>15,539</b>

2021/22 (SEK m.)	Preschool	Compulsory School	Upper Secondary School	Adult Education	Other	Elimination	Total
Education-related revenue	4,155	3,466	4,935	1,820	-3	-489	13,885
State subsidies	12	137	91	3	0	-	243
Other income	326	206	469	101	34	-925	211
<b>Total</b>	<b>4,493</b>	<b>3,808</b>	<b>5,496</b>	<b>1,924</b>	<b>32</b>	<b>-1,414</b>	<b>14,339</b>

## &gt;&gt; FINANCIAL INFORMATION &gt; NOTES GROUP

The Group's operations are organised into four segments: Pre-school, Compulsory School, Upper Secondary School and Adult Education.

The Preschool segment consists of preschool operations in Sweden, Norway, Germany and the Netherlands. In the second quarter, the business in Germany expanded to include compulsory, upper secondary and adult education in Germany. These activities are also reported as part of the Preschool segment. Operations in Sweden are based entirely on the school voucher system. In Norway and Germany, too, operations are based on publicly funded school voucher systems similar to Sweden's. In the Netherlands a private charge is levied, but families with children in preschool education receive a tax credit to compensate for the costs.

The Compulsory School segment operates compulsory schools in a large number of municipalities in Sweden, including under the brands Montessori Mondial, Noblaskolan, Pops academy and Vittra. The schools operate entirely on the basis of the school voucher system.

AcadeMedia's Upper Secondary School segment provides upper secondary education throughout Sweden under 15 different brands, offering both academic and vocational programmes. The segment's brands include Drottning Blanka, LBS, NTI, Praktiska, ProCivitas and Rytmus. The schools operate entirely on the basis of the school voucher system.

AcadeMedia's Adult Education segment is Sweden's biggest provider of adult education services. Operations are divided into three business areas: municipal adult education, higher vocational education and labour market services. The units are operated under several different brands, including Eductus, Hermodis and NTI-skolan. The reimbursement model varies among the business areas and is based on public funding, mainly from mu-

nicipalities, the National Agency for Higher Vocational Education and the Swedish Public Employment Agency.

The segments apply the same accounting policies as the Group, other than in the case of recognition of the renting of premises. The segments continue to recognise rental costs as an external expense and adaptation to IFRS 16 is shown under the heading of Other.

The segments are responsible for the ongoing financial results up to and including operating profit. Responsibility for operating assets and financing, including cash and cash equivalents, rests at the Group level. This means that cash and cash equivalents and interest-bearing assets and liabilities are not allocated out to the segments. Consequently, it is not possible to allocate net financial items and tax per segment either.

### Geographic information

#### REVENUE FROM EXTERNAL CUSTOMERS (BASED ON DOMICILE)

	2022/23	2021/22
Sweden	11,954	11,467
Norway	2,296	2,068
Germany	1,229	797
The Netherlands	61	8
UK	0	0
Poland	–	–
<b>TOTAL</b>	<b>15,539</b>	<b>14,339</b>

The Group generated revenue totalling SEK 1,791 million (1,763) from one customer, representing around 12 percent (12) of the Group's total revenue for 2022/23. The breakdown by segment for this customer is as follows: Preschool SEK 644 million (618), Compulsory School SEK 451 million (433), Upper Secondary School SEK 614 million (580) and Adult Education SEK 82 million (131).

#### NON-CURRENT ASSETS BY COUNTRY

	Right-of-use assets		Other non-current assets		Total	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Sweden	7,105	6,620	6,294	6,158	13,399	12,778
Norway	870	893	1,965	2,026	2,834	2,919
Germany	1,114	844	572	356	1,686	1,199
The Netherlands	31	10	68	39	99	49
UK	0	0	0	0	0	0
Poland	0	–	0	–	0	–
<b>Total</b>	<b>9,119</b>	<b>8,367</b>	<b>8,900</b>	<b>8,578</b>	<b>18,019</b>	<b>16,945</b>

Non-current assets, above, do not include financial instruments, deferred tax assets and pension assets.

### G3: Revenue from contracts with customers

#### AcadeMedia's revenue consists of:

- Education-related income consists of school voucher funding, or equivalent, in preschools, compulsory schools, upper secondary schools and participant fees in adult education.
- State subsidies consist of subsidies for the compulsory school initiative, smaller classes, skills development and before- and after-school care programmes. For more information on State subsidies, see Note G7.
- Other income refers to income not directly related to education, such as rental income.

#### BREAKDOWN OF REVENUE PER CUSTOMER CATEGORY | TIMING OF REVENUE RECOGNITION

SEK m.	2022/23			2021/22		
	Over time	At a point in time	TOTAL	Over time	At a point in time	TOTAL
Education related income	14,950	–	14,950	13,885	–	13,885
State subsidies	272	–	272	243	–	243
Other income	216	101	318	196	15	211
<b>Total</b>	<b>15,437</b>	<b>101</b>	<b>15,539</b>	<b>14,324</b>	<b>15</b>	<b>14,339</b>

#### INCOME-RELATED CONTRACT ASSETS AND CONTRACT LIABILITIES

	SEK m.	30 June 2023	30 June 2022
<b>Contract receivables</b>			
Accounts receivable (Note G21)		187	206
Accrued income (Note G22)		244	200
<b>Total contract receivables</b>		<b>431</b>	<b>406</b>
<b>Contract liabilities</b>			
Deferred income (Note G26)		497	326
<b>Total contract liabilities</b>		<b>497</b>	<b>326</b>

The major share of contract liabilities on 30 June 2022 are expected to be recognised as revenue in 2023/2024.

Recognised revenue in 2022/2023 for performance undertakings fulfilled in previous years is insignificant in view of the nature of the services, and consist primarily of "conditional payments". Retroactive revenue relating to earlier periods totalled SEK 8 million (13), of which SEK 0 million (0) is recognised under the heading Items affecting comparability.

The major share of this amount originates from municipalities and central government in Sweden and the equivalent in other countries. The major share of this revenue is paid under fixed payment plans that may be either before or after the service has been performed. In cases where fixed payment plans do not exist, the payment conditions vary in the main between 0 (zero) and 60 days. Advance payments from customers are made monthly, quarterly or by semester in advance, but advance payments are also made up to a year in advance.

#### Remaining performance obligations

The Group's income is usually related to fixed-term training courses, which generally take place over a month to a school year. Exceptionally, programmes in the Adult Education segment may take place over up to two years. However, in the Preschool, Compulsory School and Upper Secondary School segments, it is normal for students to continue their education for several school years. Remuneration from municipalities or other parties is based on numbers of enrolled children and students or course participants that are approved by the client. This means that remaining performance obligations are normally very limited, and so no information is provided on this item. The pandemic and restrictions, including distance teaching in upper secondary schools, have made the assessment of whether the commitment has been met, and thus revenue recognition, more complicated.

Note G2 provides information on the number of students (annual average) that corresponds to AcadeMedia's contract portfolio and may generate future revenue.

**G4: Fees to auditors**

SEK m.	2022/23	2021/22
<b>PricewaterhouseCoopers</b>		
Audit assignment	11	9
– of which PwC AB	7	6
Other statutory assignments	1	0
– of which PwC AB	0	0
Tax advisory services	0	0
– of which PwC AB	0	0
Other services	1	1
– of which PwC AB	1	0
<b>Other auditing firms</b>		
Audit assignment	1	–
Other services	0	0
<b>Total fees</b>	<b>14</b>	<b>11</b>

Auditing fees consists of the fees paid for statutory auditing of the annual accounts and the accounting records, and of the administration by the Board of Directors, and for advisory services provided in connection with observations arising from the audit.

**G5: Personnel expenses**

SALARIES AND REMUNERATION		
SEK m.	2022/23	2021/22
Board of Directors and CEO	12	13
Other employees	6,925	6,491
	<b>6,937</b>	<b>6,504</b>
<b>Expenses for social security contributions and pension obligations</b>		
Board of Directors and CEO	6	6
Of which pension expenses, including payroll tax	2	2
Other employees	2,451	2,324
Of which pension expenses, including payroll tax	523	539
	<b>2,457</b>	<b>2,330</b>
<b>TOTAL</b>	<b>9,394</b>	<b>8,834</b>

The Group received hiring subsidies, in the form of salary subsidies and State subsidies for the teacher salary premium and head teacher salary premium, totalling SEK 201 million (214). This was offset against the Group's personnel costs, as the subsidies are provided as a way of compensating for higher costs. The cost of hired personnel is recognised in the income statement under Other external expenses in the amount of SEK 144 million (131), and under Cost of services sold in the amount of SEK 236 million (256).

**GENDER BREAKDOWN, BOARD OF DIRECTORS**

	2022/23	2021/22
<b>Board of Directors</b>		
Women	43%	49%
Men	57%	51%
<b>Senior executives</b>		
Women	45%	56%
Men	55%	44%

**AVERAGE NUMBER OF EMPLOYEES (full-time equivalents)**

	Men		Women		Total	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Sweden	3,419	3,392	6,876	6,860	10,295	10,252
Norway	279	275	2,283	2,165	2,561	2,440
Germany	311	194	1,216	932	1,527	1,126
The Netherlands	0	1	75	10	75	11
<b>Total</b>	<b>4,009</b>	<b>3,862</b>	<b>10,450</b>	<b>9,968</b>	<b>14,459</b>	<b>13,829</b>

**BOARD OF DIRECTORS' FEES**

(Amounts in SEK t.)	2022/23		2021/22	
	Board of Directors' fees	Committee fee	Board of Directors' fees	Committee fee
<i>Chair of the Board</i>				
Anders Bülow (until 30/11/2022)	263	35	618	83
Håkan Sörman (from 30/11/2022)	368	57	–	–
<i>Board members</i>				
Johan Andersson	280	155	273	150
Ann-Marie Begler	280	87	273	54
Jan Bernhardsson (from 1/12/2021)	280	88	163	20
Anki Bystedt (until 30/11/2021)	–	–	110	14
Mikael Helmersson (from 30/11/2022)	163	50	–	–
Pia Rudengren	280	196	273	165
Silvija Seres	280	70	273	88
Håkan Sörman	117	41	273	108
<i>Employee representatives</i>				
Anders Lövgren	–	–	–	–
Anna Lundmark Boman	–	–	–	–
Pernilla Larsson (deputy)	–	–	–	–
Christian Liljeros (deputy) <sup>1</sup>	–	–	–	–
<b>Total</b>	<b>2,310</b>	<b>779</b>	<b>2,255</b>	<b>683</b>

<sup>1</sup> Christian Liljeros resigned as an employee representative in February 2023. No benefits or pension disbursements were paid to the Board of Directors in 2022/23 or 2021/22.

## REMUNERATION TO THE CEO AND OTHER SENIOR EXECUTIVES

Amounts in SEK t. 2022/23	Fixed salary	Variable remuneration	Benefits	Share-matching benefits	Pensions	Total
Marcus Strömberg, CEO	6,344	2,527	156	–	1,946	10,973
Other senior executives	18,106	3,487	231	–	4,663	26,487
<b>TOTAL</b>	<b>24,450</b>	<b>6,014</b>	<b>387</b>	<b>–</b>	<b>6,609</b>	<b>37,460</b>
Number of other senior executives <sup>1</sup>	8	7	4	–	8	8

Amounts in SEK t. 2021/22	Fixed salary	Variable remuneration	Benefits	Share-matching benefits	Pensions	Total
Marcus Strömberg, CEO	6,206	2,792	88	–	1,901	10,987
Other senior executives	16,049	2,859	164	–	4,196	23,269
<b>TOTAL</b>	<b>22,255</b>	<b>5,651</b>	<b>252</b>	<b>–</b>	<b>6,098</b>	<b>34,256</b>
Number of other senior executives	8	7	3	–	8	

<sup>1</sup> Karl Sandlund was a member of Executive management during the period 15 August 2022–22 June 2023. The number of senior executives is calculated on the basis of the number of months of the financial year they were part of Executive management.

**Composition of Executive management**

During the year, Executive management comprised the following officers of the Company: CEO, Heads of Compulsory School, Upper Secondary School and Adult Education, plus COO, CFO, Head of HR, Head of Communication and Public Affairs and Head of Business Development.

**Terms and conditions of employment of the CEO**

The CEO of AcadeMedia receives a basic salary and benefits (car allowance), pension benefits and variable remuneration. The CEO has a premium-based pension plan, where the annual pension premium is 30 percent of the fixed basic salary. The CEO's variable remuneration may amount to a maximum of six months' salary. Remuneration is for approval annually by the Remuneration Committee in accordance with the guidelines set by the Annual General Meeting. The targets for variable remuneration are both operational and financial, and include factors such as quality and financial performance.

If notice of termination is given by AcadeMedia, the CEO is entitled to a twelve-month period of notice. The salary during the period of notice will be reduced by the amount of any remuneration from another employer as of month seven. If notice of termination is given by AcadeMedia, the CEO is entitled to twelve months' severance pay, in addition to the period of notice. If notice is given by the CEO, the notice period is six months. The employment contract includes an anti-competitive clause of six months if the CEO intends to take up a new position with a company engaged in a competing business. During this time, the CEO is entitled to remuneration corresponding to the

difference between the his/her salary in new employment and the salary he/she had in his/her employment with the Company.

**Terms and conditions of employment for other senior executives**

Other senior executives receive fixed and variable salary, plus pension benefits. The criteria for variable remuneration are the same as for the CEO. For other senior executives, notice periods of between four and twelve months apply, depending on whether notice is given by the executive or the Company. The notice period is generally longer in cases where a senior executive intends to take new employment in a company engaged in a competing business. When notice is given by the employer, certain senior executives are entitled to severance pay amounting to between six and twelve months' salary, in addition to regular salary during the notice period. Further information on guidelines applied during the year is provided on page 46.

**Incentive programmes**

During the year, AcadeMedia operated four long-term incentive programmes: a share-matching plan, two warrant programmes and a convertible loan programme. The rationale for the incentive programmes is to motivate and retain competent employees, to align the participants' goals with those of the Company and to increase the motivation to meet the targets set.

In AcadeMedia, variable remuneration is conditional on the achievement of quality targets. AcadeMedia's Board of Directors has determined that, in a company such as AcadeMedia, it is also appropriate to evaluate whether management has used good judgement in its quality improvement work. This is impor-

tant to ensure that the business develops in a way that is beneficial for the students and in the long term, for the Company. The Board of Directors and its Remuneration Committee evaluate the incentive programmes annually to ensure that they achieve their intended purposes.

**Share-matching plan**

In autumn 2021, AcadeMedia launched a share-matching plan (AMP 2021/2025), aimed at managers and other key employees in the Group, with the exception of the CEO and Executive management. Provided that the employee has made a personal investment in shares of AcadeMedia (savings shares), retains the shares during the term of the plan (February 2022 – February 2025) and is employed by AcadeMedia for the entire term, the employee is entitled to be allocated a corresponding number of matching shares. The criteria for allocation of matching shares are that the total return on the Company's shares over the term of the plan exceeds ten percent and that AcadeMedia has maintained good quality in its education services over the term of the plan.

The total number of savings shares on 30 June 2023 was 12,850. The cost of the plan over the year was SEK 0.1 million.

**NUMBER OF SHARES IN THE SHARE SAVINGS PLAN**

	2022/23	2021/22
<b>Outstanding on 1 July</b>	<b>13,850</b>	–
Issued	–	13,850
Forfeited	-1,000	–
Redeemed	–	–
<b>OUTSTANDING ON 30 JUNE</b>	<b>12,850</b>	<b>13,850</b>

**Warrant programme 2021/2025**

In autumn 2021, AcadeMedia also launched a warrant programme aimed at Executive management and other key personnel within the Group. Participants acquired warrants at SEK 4.41 per warrant, which is considered to be the market value based on an independent valuation using the Black and Scholes warrant model. The subscription price of SEK 60.10 was 110 per cent of the volume-weighted average price at the time of issue. The warrants may be exercised during two periods: for two weeks from the day after publication of the interim report for the second quarter of the 2024/2025 financial year and for two weeks from the day after publication of the interim report for the third quarter of the 2024/2025 financial year.

A total of 482,673 warrants were issued and each warrant entitles the holder to subscribe for one new share. At year-end, 442,673 options were outstanding, representing a maximum

dilution of 442,673 shares (before any recalculation).

On 30 June 2023, 40,000 warrants were held by the CEO and 230,000 by other members of Executive management.

**Warrant programme 2022/2026**

In autumn 2022, AcadeMedia launched a warrant programme aimed at Executive management and other key personnel in the Group. Participants acquired warrants at SEK 5.94 per warrant, which is considered to be the market value based on an independent valuation using the Black and Scholes warrant model. The subscription price of SEK 56.80 was 110 per cent of the volume-weighted average price at the time of issue. The warrants may be exercised during two periods: for two weeks from the day after publication of the interim report for the second quarter of the 2025/2026 financial year and for two weeks from the day after publication of the interim report for the third quarter of the 2025/2026 financial year.

A total of 315,597 warrants were issued. Each warrant entitles the holder to subscribe for one new share, representing a maximum dilution of 315,597 shares (before any recalculation).

On 30 June 2023, 30,000 warrants were held by the CEO and 126,500 by other members of Executive management.

**Convertible loan programme**

At the 2018 Annual General Meeting, a new long-term incentive programme was introduced, in the form of a convertible loan programme aimed at employees of the AcadeMedia Group, with the exception of the CEO and Executive management. The convertible loan programme is not conditional on continued employment for the entire term.

The convertible loan was subscribed for in an amount totalling approximately SEK 20 million. The convertible loan carries variable interest based on STIBOR.

Convertibles subscribed for may be converted into ordinary shares at a conversion price of SEK 59.50 during four periods, the first of which was in the beginning of 2022. The convertible loan falls due for payment on 17 September 2023, to the extent conversion has not taken place before then. During the year, 504 (4 033) shares were issued as a result of conversion.

On conversion, AcadeMedia's share capital may increase by in all no more than SEK 334,202, through the issuance of no more than 334,202 ordinary shares, representing a dilution of approximately 0.3 per cent of the shares and votes in the Company.

The interest expense for the convertibles was SEK 1.1 million (1.1).

## G6: Pensions

The Group operates defined-contribution and defined-benefit plans in Sweden and Norway, while Germany and the Netherlands only have defined-contribution pension plans. Defined-benefit pension plans in Sweden are in line with the ITP 2 agreement. They are secured via pension insurance with Alecta, which is a pension scheme that shared by several employers. This pension plan is accounted for as a defined-contribution pension plan, as Alecta cannot provide sufficient information for the plan to be accounted for as a defined-benefit pension plan. Thus, only defined-benefit pension plans in Norway are recognised on the balance sheet.

### NET PENSION EXPENSES

	2022/23	2021/22
Cost of service during the period	-9	-11
Employee contributions	2	2
Net interest	-0	-1
<b>Pension expense, defined-benefit pensions, in profit/loss for the year</b>	<b>-7</b>	<b>-10</b>
Pension expense, defined-contribution pensions, in profit/loss for the year	-438	-445
<b>Pension expenses in profit/loss for the year</b>	<b>-445</b>	<b>-455</b>
<i>Re-measurement of defined-benefit pensions recognised in other comprehensive income</i>		
Actuarial gains (+)/losses (-) due to changes in financial assumptions	-62	44
Actuarial gains (+)/losses (-) due to experience-based adjustments	8	7
Return over and above interest income	-14	-20
Effect of asset ceiling <sup>1</sup>	+38	-38
<b>Re-measurement of defined-benefit pensions recognised in other comprehensive income</b>	<b>-31</b>	<b>-6</b>
<b>Pension expense in comprehensive income for the period</b>	<b>-476</b>	<b>-461</b>

<sup>1</sup> In the fourth quarter 2021/22, actuarial losses of SEK -38 million arising from the effects of asset ceilings were recognised. On 30 June 2022, the value of plan assets in AcadeMedia's pension plans exceeded the pension obligation. As the Company cannot credit itself with the surplus in the form of reimbursement, or by reducing future premiums to the plan, the surplus may not be recognised as an asset on the balance sheet ("asset ceiling rule"). The surplus is a contingent asset. The effect was reversed in 2022/23.

The premiums for the year for pension insurance plans contracted with Alecta amounted to SEK 92 million (116). The lower contributions to Alecta are the result of premium reductions, as the level of consolidation is high (see below). The Group's percentage of the premiums paid to Alecta totalled around 0.6 percent (0.5). Premiums for the defined-benefit retirement and family pension plans are calculated on an individual basis and determined by factors such as salary, previously earned pension and expected remaining period of service.

The collective funding ratio consists of the market value of Alecta's assets as a percentage of the insurance obligations, calculated according to Alecta's actuarial methods and assumptions, which do not align with IAS 19. The collective funding ratio should normally be allowed to vary between 125 and 155 percent. If Alecta's collective funding ratio is less than 125 percent or exceeds 155 percent, steps are to be taken to return the funding ratio to within the normal range. In the case of a low funding ratio, an option is to raise the agreed rates for new policies and to increase existing benefits. In the case of a high funding ratio, an option may be to reduce premiums. Such measures are for decision by the Alecta Board. On 30 June 2023, Alecta's surplus in the form of its collective funding ratio was 175 percent (185). As a result of the high level of consolidation, premium reductions were made.

The following describes the defined-benefit pension plan in Norway. Norwegian companies are obliged to comply with the Norwegian law on mandatory occupational pensions. The companies' pension plans meet the requirements of this law. The plans provide defined future benefits in the form of retirement, family and disability pension. These benefits are mainly determined by the number of years of service, salary at retirement and social insurance levels. Defined-benefit pension plans in Norway are secured in accordance with the plan's rules via pension insurance with Storebrand Livforsikring AS. The size of the pension premiums is determined by the insurance provider, based on criteria differing from those in IAS 19. Under the pension agreement, employees contribute two percent of their gross salary in premium payments.

At the start of the year, a surplus had accrued in the Norwegian plan but was not recognised under the asset ceiling rule, as future economic benefits were neither available to AcadeMedia in the form of reduction of future contributions to the plan nor through reimbursement. At the financial year-end, a surplus no longer existed, so no effect of the asset ceiling is recognised.

### DEFINED-BENEFIT PENSION LIABILITY, NET

	30 June 2023	30 June 2022
Present value of defined-benefit pension obligations	286	227
Fair value of plan assets	-270	-267
<b>Net pension liability (+) /assets (-)</b>	<b>16</b>	<b>-40</b>
Effect of asset ceiling	-	+38
<b>Net pension liability (+) /assets (-) on the balance sheet</b>	<b>16</b>	<b>-3</b>

### CHANGE IN PRESENT VALUE OF PENSION LIABILITY

	2022/23	2021/22
<b>Pension liability, opening balance</b>	<b>227</b>	<b>256</b>
Acquisitions	-	1
Cost of service during the period	9	11
Interest expense	7	6
Re-measurement of pensions		
– demographic assumptions	-	-
– financial assumptions	62	-44
– experience-based adjustments	-8	-7
Pension disbursements	-3	-2
Payroll tax paid	-2	-3
Exchange rate difference	-6	9
<b>Pension liability, closing balance</b>	<b>286</b>	<b>227</b>

### CHANGE IN FAIR VALUE OF PLAN ASSETS

	2022/23	2021/22
<b>Plan assets, opening balance</b>	<b>267</b>	<b>255</b>
Acquisitions	-	1
Interest income	7	4
Return over and above interest income	-14	-20
Employer contributions	22	19
Employee contributions	0	0
Pension disbursements from plan assets	-3	-2
Other	-3	-
Exchange rate difference	-6	10
<b>Plan assets, closing balance</b>	<b>270</b>	<b>267</b>

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The plan assets consist of pension insurance through Storebrand Livförsäkring AS, invested according to the Storebrand Standard.

Risk is controlled via dynamic risk management, meaning that the equity portion is weighted up or down, depending on developments in the financial markets. Risk capacity is determined by several factors, such as the buffer and level of interest rates.

**INVESTMENT OF PLAN ASSETS**

	30 June 2023	30 June 2022
Shares	9%	7%
Interest-bearing investments	71%	73%
Property	12%	16%
Alternative investments	8%	4%
<b>Sum total</b>	<b>100%</b>	<b>100%</b>

Of the above, Equities and Interest-bearing investments are invested in an active market.

**SIGNIFICANT ACTUARIAL ASSUMPTIONS**

	30 June 2023	30 June 2022
Discount rate	3.50%	3.00%
Salary increase	3.50%	2.75%
Pension uprating	1.70%	0.00%
Increase in social security charge	3.25%	2.50%
Life expectancy, mortality table	G2013BE	G2013BE

The present value of pension obligations is determined by a number of factors established on the basis of a number of assumptions.

The Norwegian pension plan covers 469 (496) persons, of whom 193 (211) were active and 276 (285) were retirees, as per 30 June 2023.

The defined-benefit pension obligation totals SEK 286 million (227), of which SEK 111 million (101) pertains to the active employees and the remaining SEK 175 (125) million to the retirees. The weighted average duration of defined-benefit pension liabilities is around 5 years (5).

The anticipated total contributions to the Norwegian defined-benefit plan is around SEK 19 million (21) for the upcoming financial year. Added to this is Norwegian payroll tax of around

SEK 3 million (3). Anticipated contributions to the Swedish defined-benefit plan with Alecta amount to around SEK 82 million (122). Added to this is Swedish payroll tax of around SEK 20 million (30).

The defined-benefit pension plan exposes the Group to various risks, including risks associated with changes in life expectancy, salary levels etc. Each change in the assumptions applied will have an impact on the carrying amounts of the pension obligations. However, responsibility for the pension obligation for former employees – “paid-up policies” – is transferred to the insurer, and the pension obligation for these paid-up policies is not recognised as net debt.

**SENSITIVITY ANALYSIS FOR PENSION LIABILITY**

	Change in assumption		Change in liability, SEK m.	
Discount rate	-0.50%	0.50%	+35	-30
Salary increase, incl. increase in social security charge	-1.00%	1.00%	-5	+5
Pension uprating	-0.50%	+0.50%	-29	+31
		+1		
Estimated life expectancy	-1 year	year	-10	+10

The sensitivity analysis was applied to the most significant actuarial assumptions, which are discount rate, salary increases, pension uprating and estimated life expectancy. The sensitivity analysis involved changing one actuarial assumption and leaving the other assumptions unchanged. The method shows the liability's sensitivity to an individual assumption. It is a simplified method, as the actuarial assumptions are normally correlated.

**G7: State subsidies**

	2022/23	2021/22
Salary subsidy, teacher salary premium	101	99
Salary subsidy, head teachers/career service	63	65
Other salary subsidies	36	50
State subsidies for equitable school	101	93
The School Billion	49	48
Erasmus	31	22
Other State subsidies	91	80
<b>TOTAL</b>	<b>473</b>	<b>458</b>

AcadeMedia receives State subsidies to implement government-led initiatives. These include programmes to increase the attractiveness of the teaching profession, for smaller classes and to promote greater equality. State subsidies are classified as salary subsidies and other State subsidies, and they involve a corresponding expense.

State subsidies obtained to cover increased payroll expenses such as teacher salary premium, head teacher premium and other salary subsidies, are recognised net under personnel expenses. In all, State salary subsidies totalled SEK 201 million (214).

Other State subsidies recognised in revenue amounted to SEK 272 (243) million, of which the State subsidy for equitable school is the single largest subsidy at SEK 101 (93) million. The second largest subsidy received, which amounted to SEK 49 (48) million, was paid under the “School Billion 2021” scheme. Other State subsidies, totalling SEK 91 million (80) are intended to fund teacher assistants, smaller classes and apprenticeship grants.

In Germany, investment grants are received in connection with the establishment of new preschools. In 22/23 AcadeMedia received SEK 29 (28) million in investment grants in Germany.

**G8: Amortisation**

	2022/23			
	According to plan	Acquisition-related	Rights-of-use	TOTAL
Brands	–	13	–	13
Other intangible assets	5	5	–	9
Equipment	142	–	153	295
Expenditure on improvements to leasehold real estate	99	–	–	99
Buildings	37	6	1,467	1,509
<b>TOTAL</b>	<b>282</b>	<b>23</b>	<b>1,619</b>	<b>1,924</b>

	2021/22			
	According to plan	Acquisition-related	Rights-of-use	TOTAL
Brands	–	12	–	12
Other intangible assets	3	1	–	4
Equipment	118	–	142	260
Expenditure on improvements to leasehold real estate	78	–	–	78
Buildings	39	5	1,358	1,401
<b>TOTAL</b>	<b>238</b>	<b>18</b>	<b>1,499</b>	<b>1,755</b>



## G9: Items affecting comparability

Items affecting comparability include income and expenses of such a nature as to affect comparability. These are reported on a separate line in the accounts to improve comparability between periods and to clarify the trend in the underlying business.

### ITEMS AFFECTING COMPARABILITY

	2022/23	2021/22
Transaction costs (FAWZ)	-11	-
Restructuring (Comp. sch.)	-13	-
Restructuring (Upp. sec.sch.)	-23	-15
Fire 2023 (Comp. sch.)	-6	-
Fire insurance claim payment 2021 (Comp. sch.)	+9	+24
Fire 2021 (Comp. sch.)	-	-42
VAT costs (Ad. ed.)	-	-11
Loan loss reserve (Presch. NO)	-	-21
<b>TOTAL</b>	<b>-45</b>	<b>-64</b>

In January 2023, a school in Helsingborg sustained damage by fire. The damaged parts will be restored. Additional costs are expected to be largely covered by insurance claims.

During the fourth quarter, a review of the unit portfolio was carried out, resulting in three upper secondary schools merging with sister schools in the same location to form larger school units with more efficient use of resources. In addition, four more schools will be phased out. The changes are intended to create better qualitative conditions in the long term through better financial stability and increased attractiveness.

In addition to the above, the items affecting comparability also include transaction and integration costs related to the acquisition of FAWZ, restructuring costs related to the Compulsory School segment, and insurance compensation for the school fire in July 2021, which has now been finalised.

The Group's operating profit/loss would be as follows if items affecting comparability had not been reported on their own line in the accounts.

### OPERATING PROFIT/LOSS

	2022/23	2021/22
Net sales	15,548	14,363
Cost of services sold	-1,435	-1,286
Other external expenses	-1,611	-1,417
Personnel expenses	-9,308	-8,660
Amortisation	-1,924	-1,776
<b>OPERATING PROFIT/LOSS</b>	<b>1,270</b>	<b>1,224</b>

## G10: Financial income

	2022/23	2021/22
Interest income	9	1
Foreign exchange gains	24	0
Other	0	0
<b>FINANCIAL INCOME</b>	<b>33</b>	<b>1</b>

## G11: Financial expenses

	2022/23	2021/22
Interest expense	-56	-25
Borrowing costs*	-1	-4
Interest expense, lease liability	-477	-407
Exchange rate losses	-2	-2
Bank charges and similar	-7	-3
<b>FINANCIAL EXPENSES</b>	<b>-543</b>	<b>-441</b>

\* Setup charges for new loans are expensed over the term of the loan. During the financial year, profit was charged with accrued borrowing costs of SEK 1 million (4).

Interest expense arising from lease liabilities consists of interest expense of SEK 8 million (6) in connection with finance leases and interest expense incurred via implementation of IFRS 16, i.e. SEK 469 million (401) relating to leases on premises.

## G12: Taxes

Income taxes consists mainly of the following components:

	2022/23	2021/22
<b>Current tax</b>		
Current tax on profit for the year	-180	-188
Adjustment of tax pertaining to previous year	-1	-3
<b>Total current tax</b>	<b>-181</b>	<b>-191</b>
<b>Deferred tax</b>		
Deferred tax on temporary differences	-1	11
Deferred tax arising from changes in tax rates	0	1
<b>Total deferred tax</b>	<b>-1</b>	<b>13</b>
<b>TOTAL TAX EXPENSE RECOGNISED IN THE INCOME STATEMENT</b>	<b>-181</b>	<b>-179</b>
<b>Other comprehensive income</b>		
Deferred tax relating to actuarial gains and losses	7	1
<b>TOTAL TAX EXPENSE RECOGNISED IN OTHER COMPREHENSIVE INCOME</b>	<b>7</b>	<b>1</b>

### RECONCILIATION OF EFFECTIVE TAX IN THE INCOME STATEMENT

	2022/23	2021/22
<b>Pre-tax profit</b>	<b>759</b>	<b>784</b>
Tax at current tax rate (20.6%)	-157	-161
Tax effect of:		
Other tax rates in foreign subsidiaries	-2	2
Non-deductible expenses	-10	-9
Non-taxable income	0	0
Utilisation of previous year's unrecognised loss carry-forwards	0	4
Uncapitalised tax loss carryforwards	-3	-5
Adjustment, previous years	-1	-3
Revaluation of deferred tax – change in tax rate*	0	1
Other	-9	-7
<b>EFFECTIVE TAX RECOGNISED</b>	<b>-181</b>	<b>-179</b>

The effective tax rate is slightly higher than the previous year, at 23.8 percent (22.8), partly as a result of higher non-capitalised deficits, and higher non-deductible expenses and effects attributable to the tax allocation reserve.

Tax loss carry-forwards for which a deferred tax asset is not recognised, amounting to SEK 41 million (26) and representing a tax value of SEK 8 million (5), have not been measured. This is because the tax loss carry-forwards are subject to restrictions on offsetting of Group contributions and it is thus uncertain whether they will be available for use.

## CHANGE IN DEFERRED TAX

	Intangible non-current assets		Property, plant and equipment		Right-of-use assets		Pension provision		Allocations and provisions		Untaxed reserves		Tax loss carry-forwards		Offsetting of receivable/ payable		TOTAL	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
At start of year	-42	-42	24	15	87	60	-1	0	79	68	-226	-196	4	8	-	-	-75	-86
Recognised in the income statement	6	2	11	8	23	25	-3	0	-13	10	-24	-30	-1	-4	-	-	-1	12
Recognised in other comprehensive income	-	-	-	-	-	-	7	-1	-	-	-	-	-	-	-	-	7	-1
Acquisitions	-4	-2	0	0	0	0	0	0	0	0	1	0	0	-	-	-	-4	-2
Reclassification	0	-1	-4	-	0	1	0	0	0	0	0	0	4	-	-	-	0	0
Translation difference	0	-	0	0	0	1	0	0	0	1	-	-	0	0	-	-	0	2
<b>At year-end</b>	<b>-41</b>	<b>-42</b>	<b>31</b>	<b>24</b>	<b>109</b>	<b>87</b>	<b>3</b>	<b>-1</b>	<b>66</b>	<b>79</b>	<b>-249</b>	<b>-226</b>	<b>8</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-72</b>	<b>-75</b>
<i>Of which</i>																		
<i>Deferred tax assets</i>	0	0	48	45	109	87	3	-1	66	79	-	-	8	4	-191	-195	42	19
<i>Deferred tax liability</i>	-41	-42	-17	-21	1	-	-	-	-	-	-249	-226	-	-	191	195	-115	-94

## G13: Earnings per share

	2022/23	2021/22
Profit attributable to owners of the Parent Company	578	605
Effect of convertibles	-	1
Profit attributable to owners of the Parent Company after dilution	578	606
Average number of ordinary shares, basic (thousands)	105,587	105,584
Effect of warrants (thousands)	-	0
Effect of convertibles (thousands)	-	337
Average number of ordinary shares, diluted (thousands)	105,587	105,922
Earnings per share, basic (SEK)	5.47	5.73
Earnings per share, diluted (SEK)	5.47	5.72

The average number of shares before dilution was 105,587,362 (105,584,247). It was affected by the conversion of convertible bonds under the convertible loan programme in spring 2022. The total number of ordinary shares increased by 504 on conversion.

As of 30 June 2023, two warrant programmes are in operation. The programmes consist of in all 758,270 warrants, and a convertible loan programme which on conversion may result in the issue of 334,202 shares. These shares have been excluded from the calculation of diluted earnings per share, as they did not give rise to any dilutive effect in 2022/23.

## G14: Business combinations

The acquisitions below represent a combined value of less than 5 percent of the Group and are therefore not specified separately in the tables. In all acquisitions, 100 percent of the shares and voting rights were acquired.

In all acquisitions, the purchase consideration takes the form of a cash payment.

The following are disclosures regarding adjusted acquired net assets and goodwill. No portion of goodwill is tax deductible.

Acquisitions in 2022/2023			
Acquiring company	Acquired company/business	Date of acquisition	Segment
AcadeMedia Game Education AB	Changemaker Education AB	31-aug-22	Adult Education
AcadeMedia Edtech AB	Framtidsutveckling i Sverige AB	31-aug-22	Adult Education
Plek voor kinderen Holding B.V.	100% BV	30 Sept. 22	Preschool
Plek voor kinderen Holding B.V.	100 % Thuis BV	30 Sept. 22	Preschool
Plek voor kinderen Holding B.V.	Tommy & Annika B.V.	30 Sept. 22	Preschool
AcadeMedia Education GmbH	FAWZ gGmbH	7 Nov. 22	Preschool
Plek voor kinderen Holding B.V.	Daycare Owiebowie	5 Jan. 23	Preschool
AcadeMedia Grundskolor Holding AB	MontessoriGrundskolan Maria AB	01-mar-23	Compulsory School

Acquisitions 2021/2022			
Acquiring company	Acquired company/business	Date of acquisition	Segment
Vittraskolorna AB	Friskolan Lyftet AB	31-aug-21	Compulsory School
Pyslingen Förskolor och Skolor AB	Kräkbrinkens Förskola AB	1 Nov. 21	Preschool
Espira Barnehager AS	Espira Holbekk Idrettsbarnehage AS	1 Nov. 21	Preschool
Espira Barnehager AS	Holbekk Barnehagetun	1 Nov. 21	Preschool
Espira Barnehager AS	Naturbarnehagene	1 Nov. 21	Preschool
Espira Barnehager AS	Espira Sandtoppen Naturbarnehage AS	1 Nov. 21	Preschool
Espira Barnehager AS	Espira Eikenøtta Naturbarnehage AS	1 Nov. 21	Preschool
AcadeMedia GmbH	Plek voor kinderen B.V.	1 Apr. 22	Preschool
AcadeMedia Educational Servies AS	Sandviks AS	1 May 22	Preschool

## Acquisition effects

### EFFECTS OF ACQUISITIONS

	2022/23	2021/22
Purchase consideration including transaction costs	311	214
Transaction costs	0	6
Purchase consideration excluding transaction costs	311	208
Fair value of acquired net assets excluding goodwill	233	72*
<b>Goodwill</b>	<b>78</b>	<b>136*</b>

\* The acquisition analysis for Sandvik AS was adjusted during the year, see Final acquisition analyses.

Goodwill is in the main attributable to :

- Whether the business can operate with satisfactory profitability sustainably, on the basis of its quality and attractiveness, and by virtue of being a well-developed organisation.
- Annual cost synergies that are expected to be gained from overlapping resources in sales and marketing, administration and education.
- Economies of scale and streamlining in purchasing and administration.
- Expansion of operations into new geographic markets.

### FAIR VALUE ACQUIRED

	2022/23	2021/22
Non-current intangible assets	20	19
Property, plant and equipment	172	51
Right-of-use assets	169	28
Non-current financial assets	1	0
Current assets	14	37
Cash and cash equivalents	142	27
Interest-bearing liabilities	-20	-26
Lease liabilities	-169	-28
Non-interest-bearing liabilities	-90	-29
Current tax liability	0	0
Provisions	-5	-7
<b>Net assets acquired</b>	<b>232</b>	<b>72</b>

The fair value of acquired receivables is included in current assets and totals SEK 14 million (37). The gross contractual amount of receivables is also SEK 14 million (37) and is expected to be paid in full. Goodwill arising from acquisitions consists of synergies with existing businesses, as well as resources such as personnel, education programmes, recruitment and personnel development. It also includes service organisation that is streamlined as a result of the acquisitions.

### EFFECT OF ACQUISITIONS ON THE GROUP'S CASH AND CASH EQUIVALENTS

	2022/23	2021/22
Purchase consideration excluding transaction costs and including interest compensation	311	208
Less purchase consideration not settled in cash as of 30 June	0	0
Cash and cash equivalents at acquisition	-142	-27
<b>Impact on the Group's cash and cash equivalents</b>	<b>169</b>	<b>181</b>

## Definitive acquisition analyses

The acquisition analyses are provisional for one year from the acquisition date. During the year, the purchase price analysis for Sandvik AS was adjusted, following the finalisation of the valuation of intangible assets. Trademarks and other intangible assets increased in value by SEK 11 and 4 million, respectively, while goodwill decreased by SEK 12 million.

### CONTRIBUTION OF ACQUISITIONS TO CONSOLIDATED PROFIT

	2022/23	2021/22
Net sales	290	84
Adjusted operating profit/loss (Adj. EBIT)	19	11
Operating profit/loss (EBIT)	2	11

### IF THE ACQUISITIONS HAD BEEN INCLUDED IN CONSOLIDATED PROFIT/LOSS FROM 1 JULY, THEIR CONTRIBUTION WOULD HAVE BEEN:

	2022/23	2021/22
Net sales	426	218
Adjusted operating profit/loss (Adj. EBIT)	24	22
Operating profit/loss (EBIT)	5	22

**G15: Non-current intangible assets**

	Goodwill		Brand		Other intangible assets		TOTAL	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Cost, opening balance	6,391	6,209	239	235	23	5	6,653	6,480
Adjustment of acquisition analyses	-12	-8	11	-	4	7	3	-1
Business combinations	92	146	0	4	5	5	97	155
Purchases	-	-	-	-	7	2	7	2
Divestments and disposals	-	-	-	-	-1	0	-1	-28
Reclassifications	0	-	-	-	-	-	-	-
Exchange rate difference	13	44	0	0	0	4	13	44
<b>ACCUMULATED COST, CLOSING BALANCE</b>	<b>6,484</b>	<b>6,391</b>	<b>250</b>	<b>239</b>	<b>38</b>	<b>23</b>	<b>6,772</b>	<b>6,653</b>
Amortisation and impairment, opening balance	-4	-4	-48	-37	-3	0	-56	-56
Depreciation for the year	-	-	-12	-12	-9	-4	-22	-16
Divestments and disposals	-	-	-	-	1	0	1	15
Exchange rate difference	-	-	0	0	0	1	0	0
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT, CLOSING BALANCE</b>	<b>-4</b>	<b>-4</b>	<b>-61</b>	<b>-48</b>	<b>-12</b>	<b>-3</b>	<b>-77</b>	<b>-56</b>
<b>CARRYING AMOUNT, CLOSING BALANCE</b>	<b>6,480</b>	<b>6,387</b>	<b>189</b>	<b>191</b>	<b>26</b>	<b>20</b>	<b>6,695</b>	<b>6,597</b>

**G16: Impairment testing**

AcadeMedia performs a review at least annually to determine any impairment of goodwill, by calculating the recoverable amount for the cash-generating units (CGUs). See Accounting Policies, Note G1. The review is performed during the fourth quarter and as per 31 March. Goodwill is allocated to the lowest level at which it is possible to identify substantially independent cash flows (cash-generating units, CGUs). In AcadeMedia, this is per segment except for the Preschool segment, which consists of three cash-generating units, Preschool Sweden, Preschool Norway and Preschool and School Germany. This also corresponds to the lowest level at which comprehensive financial information is available and is monitored internally.

The recoverable amount is calculated as the value in use for the operations in Sweden and Germany, and as fair value less costs of selling for the Norway CGU. This is because the value-in-use approach does not fully take into account the fair value of the properties in Norway, which are estimated to exceed the book value by SEK 400 million after tax.

The value in use for all CGUs is based on cash flow calculations, based in turn on business plans adopted by management and Board. During the impairment testing, but also in the annual accounts as per 30 June 2023, these are based the current and known regulatory framework. The business plans extend for a period of five years and after that period forecasts are made for a

further five years to make a total forecast period of 10 years, in part to take account of the need for reinvestment associated with the right-of-use assets. The most important assumptions in the impairment testing are rate of growth, operating margin, investment requirement and discount rate (WACC). The rate of growth in the business plans is based on assumptions as to growth in student numbers and expectations regarding market trends. The cash flows calculated are thus based on an annual rate of growth of 2.0 percent (2.0). Operating margin and investment level have been determined by the Board and management on the basis of historical results and past experience.

The discount rates applied are calculated before tax and reflect the specific risk attached to each CGU. For the review of the Norwegian business, a fair value measurement less costs of selling is made, which involves separate valuations of the business and the properties. The business is measured as though all units had a market rent, to neutralise the cost benefits of operating in their own premises. Real estate is measured using direct yield requirements for similar properties.

In Norway, regulations including those related to staffing and teacher standards, as well as adjusted remuneration, have been tightened in recent years. This has negatively impacted the profitability of operations in Norway, and thus cash flow. However, the 2023 school funding review is partially relieving this pressure. The impairment test's calculation of fair value less costs of selling exceeds the carrying amount, indicating that no impairment

exists. In addition, the impairment assessment indicates that no impairment is required even with reasonable changes in key assumptions. New rules, estimates and judgements, as described in Note G1, may lead to an impairment loss.

The Preschool and School Germany CGU includes both the existing preschool business and the FAWZ school business acquired during the year (November 2022). Since the pandemic, the preschool operation in Germany has recorded lower profits and margins. This is mainly due to the fact that levels of remuneration have not risen in line with inflation. In this year's impairment test, it is assumed that remuneration will reflect the new higher cost situation with a time lag of about two years. The impairment assessment indicates that no impairment is required even with reasonable changes in key assumptions. New rules, estimates and judgements, as described in Note G1, may lead to an impairment loss.

The impairment assessment for the other CGUs (CGU Preschool Sweden, CGU Compulsory School Sweden, CGU Upper Secondary School, CGU Adult Education) indicates that no impairment is required, either in the annual test or in the case of reasonable changes in key assumptions. For the recoverable amount to equal the carrying amount, the return on capital requirement before tax needs to be increased by 0.6 percentage points for Preschool Sweden, 3.3 percentage points for Preschool Germany, 0.8 percentage points for Compulsory School, 3.6 percentage points Upper Secondary School and 3.4 percentage points for Adult Education.

	CGU – 30 JUNE 2023				CGU – 30 June 2022			
	Goodwill	Growth rate	WACC before tax	WACC after tax	Goodwill	Growth rate	WACC before tax	WACC after tax
Preschool Sweden <sup>1</sup>	643	2%	8.9%	7.6%	643	2%	8.5%	7.3%
Preschool Norway <sup>1</sup>	824	2%	11.3%	9.6%	910	2%	10.2%	8.8%
Preschool Germany <sup>1</sup>	300	2%	9.7%	7.1%	271	2%	8.3%	6.2%
Compulsory School	1,464	2%	9.3%	7.6%	1,451	2%	9.3%	7.7%
Upper Secondary School	2,200	2%	10.5%	9.0%	2,200	2%	11.1%	9.0%
Adult Education	933	2%	13.2%	11.4%	876	2%	12.2%	10.4%
Acquisitions <sup>1,2</sup>	115				36			
<b>Total</b>	<b>6,480</b>				<b>6,387</b>			

<sup>1</sup> Preschool Sweden, Preschool Norway, Preschool Netherlands and Preschool Germany together make up the Preschool segment.

<sup>2</sup> No impairment test has been performed on businesses acquired in the past 12 months.

**G17: Property, plant and equipment**

	Buildings		Equipment		Expenses for improvements to leasehold real estate		Total	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
	Cost, opening balance	1,276	1,223	806	708	928	768	3,010
Business combinations	134	42	37	6	3	3	173	51
Purchases	41	20	172	152	156	148	369	321
Divestments and disposals	-12	-	-114	-67	-18	-25	-144	-92
Reclassifications	-17	-56	-89	-1	-5	31	-112	-26
Exchange rate differences	-22	47	2	8	-1	3	-21	58
<b>Accumulated cost, closing balance</b>	<b>1,400</b>	<b>1,276</b>	<b>813</b>	<b>806</b>	<b>1,064</b>	<b>928</b>	<b>3,276</b>	<b>3,010</b>
Depreciation, opening balance	-218	-179	-452	-396	-360	-290	1,030	-864
Depreciation for the year	-42	-44	-142	-118	-99	-78	-283	-240
Divestments and disposals	-	-	106	67	11	19	117	87
Reclassifications	25	11	90	0	1	-11	117	0
Exchange rate differences	5	-7	1	-5	0	-1	7	-13
<b>Accumulated depreciation, closing balance</b>	<b>-230</b>	<b>-218</b>	<b>-397</b>	<b>-452</b>	<b>-445</b>	<b>-360</b>	<b>-1,072</b>	<b>-1,030</b>
<b>Carrying amount, closing balance</b>	<b>1,170</b>	<b>1,057</b>	<b>416</b>	<b>354</b>	<b>618</b>	<b>570</b>	<b>2,204</b>	<b>1,981</b>

Buildings consist of school properties. During the year, one preschool property in Norway was sold (preceding year: 0). As per 30 June 2023, 48 (43) properties were owned, 41 (41) in Norway and 7 (2) in Germany.

**G18: Right-of-use assets**

	2022/23			2021/22		
	Property	Other*	Sum total	Real estate	Other*	Sum total
At start of year	8,199	167	8,367	7,348	141	7,489
New contracts, extensions, etc.	1,107	177	1,284	2,157	168	2,325
Index-adjustments	837	-	837	-	-	-
Acquisitions	169	-	169	18	-	18
Amortisation	-1,467	-153	-1,619	-1,358	-142	-1,500
Impairment	-	-	-	-21	-	-21
Reclassification from provisions	-	-	-	-20	-	-20
Exchange rate differences	83	-	83	74	-	76
<b>At year-end</b>	<b>8,928</b>	<b>191</b>	<b>9,119</b>	<b>8,199</b>	<b>167</b>	<b>8,367</b>

\*Other refers to leases of IT equipment and vehicles.

AcadeMedia's lease commitments relate primarily to premises, IT equipment and vehicles. AcadeMedia has around 830 leases on premises and these represent the major share of the Group's leased assets and liabilities. The terms of the leases on properties vary according to the activity. In adult education, the lease term is relatively short, whereas in school operations the lease term is longer.

**Variable expenses**

Variable expenses, such as real estate tax, value added tax and other variable real estate expenses, including maintenance costs, electricity, heating and water etc. are excluded from the calculation of the lease liability to the extent that such costs can be separated from the rental cost.

**Cash flows**

The total cash flow for leases entered into was SEK -1,981 million (-1,752) over the financial year.

**Leases entered into, not yet in force**

In addition to the leases recognised on the balance sheet, the Group has contracted leases that are not yet in force, representing a leasing commitment of SEK 1,706 million (2,084).

**Discount rates applied**

Lease fees are discounted at the Group's marginal borrowing rate. The rate applied to leases in Sweden was 3.7–6.9 percent (3.7–6.9), for Norway 4.6–6.4 percent (4.6–5.0) and for Germany

4.5–5.1 percent (4.5–5). In the case of new leases in Sweden, the discount rate was 5.2–6.7 percent.

**CARRYING AMOUNTS IN THE INCOME STATEMENT**

	2022/23	2021/22
Expenses attributable to short-term leases	52	46
Expenses attributable to leases of low-value assets	26	26
Expenses attributable to variable lease fees not included in the lease liability	14	13
<b>Total</b>	<b>91</b>	<b>85</b>
Interest expense attributable to leases	477	407
Amortisation on leases	1,619	1,500

**COMMON CONTRACT DURATIONS PER SEGMENT**

Adult Education	6–48 months
Compulsory School	5–15 years
Upper Secondary School	5–15 years
Preschool Sweden	10–15 years
Preschool Norway	10–20 years
Preschool Germany	15–30 years

**G19: Shares in associated companies**

Associated company	Corp. reg. no.	Owner-ship share	Equity share	Profit share
Hypocampus AB	559072-5155	35.52%	20.7	-1.9
EdAI Technologies	559209-0871	36.15%	10.5	-1.6
			<b>31.2</b>	<b>-3.5</b>

AcadeMedia owns 36% (37)% of the shares in Hypocampus AB (corporate identity number 559072-5155), registered office in Gothenburg.

Hypocampus provides a study platform as a software service to producers of educational/study materials. It also operates a publishing business offering access, via hypocampus.se, to self-produced digital study material for medical students.

Sales for the financial year totalled SEK 19 million (11) million, with a loss of SEK -1 million (-3). Equity in Hypocampus totalled SEK 12 million (13). AcadeMedia's share in profit for the 2021/22 financial year was SEK -1.6 million (-1.7) and its percentage of capital SEK 21 million (23).

AcadeMedia owns 36% (36%) of EdAI Technologies AB (corporate identity number 559209-0871). EdAI Technologies develops and sells digital educational materials and tools for learning and teaching.

Sales by EdAI Technologies in the financial year totalled SEK 0.9 million (0.5) and the company reported a loss of SEK -2.7 million (-1.5). Equity in the company totalled SEK 4.3 million (7.6). AcadeMedia's share in profit was SEK -1.6 million (-1.4) and its percentage of capital SEK 11 million (12).

**G20: Inventories**

	30 June 2023	30 June 2022
Merchandise	25	21
Provision for obsolescence	-2	-0
<b>Total</b>	<b>23</b>	<b>21</b>

The cost of inventories is determined on a first-in-first-out basis.

**G21: Accounts receivable**

	30 June 2023	30 June 2022
<b>Accounts receivable, gross</b>		
Not overdue	179	168
Overdue 1–15 days	6	18
Overdue 16–30 days	1	12
Overdue more than 30 days	3	10
<b>Total</b>	<b>190</b>	<b>208</b>
<b>Provision for doubtful accounts receivable</b>		
At start of year	2	2
Provisions for the year	1	1
Confirmed losses	0	0
Reversed provisions	-1	-1
<b>At year-end</b>	<b>2</b>	<b>2</b>
<b>Accounts receivable at year-end</b>	<b>187</b>	<b>206</b>
Confirmed bad debt losses	1	7

The Group's customers consist essentially of municipalities, public authorities and companies, representing a low credit risk to the Group, and the credit quality of outstanding accounts receivable is considered to be very high. There are no significant credit concentrations.

The Group's provision for doubtful accounts receivable refers to the category "Overdue more than 30 days". The provision for doubtful accounts receivable and confirmed customer losses is included in Other external expenses. Collateral is not normally held for these claims.

**G22: Prepaid expenses and accrued income**

	30 June 2023	30 June 2022
Prepaid expenses	157	145
Accrued income	244	200
<b>Total</b>	<b>401</b>	<b>345</b>

Accrued income consists primarily of unbilled adult education programmes and accrued remuneration in Germany.

**G23: Cash and cash equivalents**

	30 June 2023	30 June 2022
Cash and bank balances	967	1,137
<b>Total</b>	<b>967</b>	<b>1,137</b>

Cash and cash equivalents consist of bank balances, of which SEK 36 million (36) relates to tax accounts in Norway, which are bank accounts whose balance must be at least equal to the withholding tax liability. The definition of cash and cash equivalents is the same for the balance sheet as for the cash flow statement.

**G24: Equity**

	Number of ordinary shares	Number of Class C shares	Number of shares	Share capital
<b>OPENING BALANCE, 1 JULY 2021</b>	<b>105,582,940</b>	<b>205,905</b>	<b>105,788,845</b>	<b>105,788,845</b>
Conversion of convertible bonds	4,033	–	4,033	4,033
<b>CLOSING BALANCE, 30 JUNE 2022</b>	<b>105,586,973</b>	<b>205,905</b>	<b>105,792,878</b>	<b>105,792,878</b>
Conversion of convertible bonds	504	–	504	504
<b>CLOSING BALANCE, 30 JUNE 2023</b>	<b>105,587,477</b>	<b>205,905</b>	<b>105,793,382</b>	<b>105,793,382</b>

**Consolidated capital**

The AcadeMedia Group's financial goal is growth of five to seven percent in sales per year for the Group, excluding major acquisitions. In addition, AcadeMedia also intends to provide the highest quality education in the areas where the Group operates. The target is that adjusted operating profit should amount to seven to eight percent of sales.

Regarding indebtedness, AcadeMedia's target is to have net debt relative to operating profit, before depreciation and amortisation (adjusted EBITDA) and excluding items affecting comparability, not exceeding a factor of three. However, during brief periods there may be deviations from this goal, for example in the event of major acquisitions.

AcadeMedia has no non-controlling interests.

**Share capital**

The share capital on 30 June 2023 was SEK 105,793,382 (105,792,878). The share capital is represented by 105,587,477 ordinary shares (105,586,973) and 205,905 Class C shares (205,905). The Class C shares have been repurchased and are held in treasury. The number of shares outstanding is thus 105,587,477.

Holders of ordinary shares are entitled to a dividend and their shareholding entitles them to exercise one vote per share at

the shareholders' meeting. Class C shares entitle holders to one tenth of a voting right.

All shares have the same right to the remaining net assets of AcadeMedia AB (publ). All shares are fully paid up and no shares are held in reserve for transfer.

AcadeMedia has issued convertible bonds and on conversion a maximum of 334,202 (334,706) additional shares may be issued. The convertible loans mature on 17 September 2023. In addition, there are two warrant programmes, 2021/2025 and 2022/2026, are in force. If exercised this may lead to an additional maximum of 758,270 shares being issued.

**Other capital contributions**

Other capital contributions consists of capital contributed by the owners of AcadeMedia AB (publ). This includes premiums paid in connection with share issues, as well as capital contributions received from shareholders.

**Translation reserve**

The translation reserve includes all exchange rate differences arising from the translation of financial statements of foreign operations prepared in a currency different from the Group's presentation currency.

The Parent Company's and the Group's presentation currency is Swedish kronor (SEK).

**G25: Other provisions**

	30 June 2023	30 June 2022
Provisions for contract renegotiation/ loss-making contracts	37	57
Restructuring reserve	93	84
Other	0	5
<b>TOTAL, PROVISIONS</b>	<b>130</b>	<b>146</b>
	30 June 2023	30 June 2022
<b>At start of year</b>	<b>146</b>	<b>145</b>
Provisions during the year	77	53
Provisions utilised during the year	-83	-54
Provisions reversed during the year	-5	-3
Reclassification	-5	4
Exchange rate differences	0	0
<b>At year-end</b>	<b>130</b>	<b>146</b>
<b>Short-term provisions</b>	<b>87</b>	<b>55</b>
<b>Long-term provisions</b>	<b>43</b>	<b>92</b>

Provisions for contract renegotiation/ loss-making contracts consist in the main of the Adult Education segment's provisions for termination costs; for further information, see Critical Judgements in Note G1. Restructuring costs for closure of units. These costs arise mainly in connection with reinstatement of premises and personnel redundancies. Provisions expected to be utilised in the next twelve months are recognised in accrued expenses, see Note G26.

**G26: Accrued expenses and deferred income**

	30 June 2023	30 June 2022
Accrued payroll expenses	1,239	1,187
Deferred income	497	326
Accrued interest on loans	18	4
Short-term provisions	87	55
Other accrued expenses	77	147
<b>TOTAL</b>	<b>1,919</b>	<b>1,719</b>

Accrued payroll expenses consist mainly of vacation pay liabilities, but also accrued salaries, salary-related taxes and other charges.

Specification of provisions, see Note G25.

**G27: Financial risk and management of capital risk**

AcadeMedia has a general financial policy that focuses on the unpredictability of the financial markets. The policy's aim is to minimise potential unfavourable effects on the Group's financial results.

Risk management is performed centrally by the Group's support function in accordance with policies established by the Board. The Board has adopted a financial policy covering the overall financial risk management in specific areas, such as liquidity risk, refinancing risk, currency risk, interest rate risk, credit risk, use of derivatives and placement of surplus liquidity. No derivative instruments were used in 2022/23 or 2021/22.

Its purpose is to minimise the Group's cost of capital by appropriate financing and by effective management and control of the Group's financial risks. The Group focuses actively on monitoring its liquidity and continuously updates its forecasts for anticipated changes in liquidity.

**Interest rate risk**

AcadeMedia's interest rate risk arises in the Group's long-term borrowing, including its real estate loans from Husbanken (the Norwegian State Housing Bank). At the end of the financial year, 99 percent of the borrowing was at a variable interest rate.

The effect of an increase of one percentage point in the variable interest rate on the Group's interest expense is SEK 20 million (20).

**Credit risk/Counterparty risk**

Credit risk is the risk that accounts receivable, other receivables and cash/cash equivalents will not be paid. The Group's accounts receivable are almost exclusively with central government, municipalities and government agencies with a very high credit rating, and surplus liquidity is deposited with Nordic banks with a very high credit rating (A or higher). As a result, AcadeMedia's credit risk is considered to be limited. Collateral is not normally held for these accounts receivable. For more information on accounts receivable, see Note G21.

**Currency risk**

AcadeMedia conducts operations in Norway, Germany and the Netherlands, and is therefore exposed to currency risk – above all in NOK but also EUR – consisting partly of transaction exposure and partly of translation exposure. Transaction exposure is limited, in that both revenue and costs are in all material re-

spects denominated in the local currency. The translation exposure arises when the Group's net assets in foreign currencies are translated to SEK, and when earnings are translated to SEK. Currency exposure in net assets is managed by financing such assets wholly or partly via loans in the local currency. Net assets in foreign currency on 30 June 2023 totalled NOK 645 million (654), EUR 18 million (18), PLN 0 million (0) and GBP 0 million (0).

In all, 15 percent (14) of sales are generated in NOK and 8 percent (6) in EUR. In the event of change of +/-10 percent in exchange rates, sales would be impacted in the amount of +/- SEK 348 million (286) and operating profit in the amount of +/- SEK 8 million (5).

**Liquidity and refinancing risk**

Liquidity risk is the risk that AcadeMedia cannot fulfil its payment obligations arising from financial liabilities. Refinancing risk is the risk that refinancing for loans cannot be arranged, or cannot be arranged on acceptable terms. Liquidity and refinancing risks are managed centrally. Refinancing risk is managed via credit facilities within the scope of existing loan agreements, by financing the real estate portfolio in Norway long term via Husbanken and by ensuring that the Group uses several banks. Liquidity risk is managed by ensuring that the Company always has an available liquidity reserve and by maintaining continuous forecasting of cash flows. To facilitate liquidity planning and liquidity control, the Group operates cash pools.

**Liquidity reserve**

	30 June 2023	30 June 2022
Revolving credit facility	700	700
Loan facilities utilised	–	–
Loan facilities not utilised	700	700
Available bank balances	967	1,137
<b>Liquidity reserve</b>	<b>1,667</b>	<b>1,837</b>

**Maturity analysis, contractual payments for financial liabilities**

30 June 2023	Carrying amounts	Nominal amounts	1–12 months	2–5 years	6–10 years	>10 years
Liabilities to credit institutions	842	846	145	797	–	–
Real estate loans	727	727	50	192	230	492
Convertible debenture	20	20	20	–	–	–
Other loans	8	8	2	6	–	–
Lease liability	9,512	12,225	1,936	5,402	3,283	1,626
Accounts payable	403	403	403	–	–	–
<b>TOTAL</b>	<b>11,512</b>	<b>14,230</b>	<b>2,556</b>	<b>6,398</b>	<b>3,512</b>	<b>2,119</b>

30 June 2022	Carrying amounts	Nominal amounts	1–12 months	2–5 years	6–10 years	>10 years
Liabilities to credit institutions	1,178	1,178	1,178	–	–	–
Real estate loans	750	750	39	155	188	499
Convertible debentures	19	20	1	20	–	–
Other loans	6	6	1	5	–	–
Lease liability	8,644	11,122	1,734	4,783	3,029	1,585
Accounts payable	411	411	411	–	–	–
<b>TOTAL</b>	<b>11,008</b>	<b>13,487</b>	<b>3,365</b>	<b>4,963</b>	<b>3,217</b>	<b>2,084</b>

The Group's financial liabilities, as shown in the table below, totalled SEK 11,512 million (11,008), of which current liabilities amounted to SEK 1,879 million (2,798) and non-current liabilities SEK 9,633 million (8,211). AcadeMedia can draw on the unutilised credit facility to refinance parts of the bank loans that mature within 1–12 months.

The table above shows the Group's financial liabilities, classified according to the remaining period after the balance sheet date until the contractual maturity date. The amounts shown in the table are the contractual liabilities. Liabilities and agreed loan payments denominated in EUR and NOK have been translated to SEK at the balance sheet date rates: EUR/SEK 11.7917 (10.6801) and NOK/SEK 1.00965 (1.03143).

**Loan agreement**

On 28 June 2022, AcadeMedia signed a loan agreement with DNB and SEB to refinance existing loans totalling the equivalent of SEK 1,650 million, with a term until mid-2025 and an option to extend until 2027. The new loan agreement entered into force on 6 July 2022.

The financing facility under the new agreement totals SEK 1,650 million and is provided in several currencies. Of the total, SEK 700 million is a revolving credit facility that can be used for acquisitions or as liquidity for operations. As per 30 June 2023, the Group had drawn SEK 842 million (1,178) on the total loan facility of SEK 1,650 million.

The arrangement will apply until mid-2025, with an option for an extension, after a credit check, for a further two years until 2027.

The following financial commitments (covenants) were established in connection with the refinancing facility.

Covenant 1, debt/equity ratio = net debt/EBITDA. The ratio may not exceed 3.00 times (3.75). Outcome 30 June 23: 0.6 (0.7)

Covenant 2, interest coverage = EBITDA/interest paid in cash. The ratio must exceed a multiple of 4. Outcome 30 June 23: 22.4 (37.6)

All covenants were fulfilled on 30 June 2023. If AcadeMedia breaches any of these covenants in the future, this could result in the loans under the loan agreement maturing in full or in part for immediate payment. For further information on the Group's outstanding liabilities, see Note G28.

The interest rate for the facilities under the loan agreement is variable and based on IBOR plus a variable margin based on net indebtedness in relation to EBITDA. IBOR may be no less than zero.

The average interest rate on the balance sheet date was 4.60 percent (1.53).

In addition to the financing loan, AcadeMedia has a loan from Husbanken (the Norwegian State Housing Bank) to finance its real estate holdings in Norway. As of 30 June 2023, Husbanken loans totalled SEK 706 million (750). The interest on these loans was 1.4–3.0 percent. The original term for the Husbanken loans is 30 years, but the effective term varies from loan to loan. AcadeMedia has pledged properties as collateral for these loans, see also Note G29.

**Capital risk**

The major share of the Group's operations is personnel-intensive and requires a low level of investment. In the AcadeMedia Group, investments are mainly required for equipment, except in Norway, where new preschools mostly require investment in their own buildings. Furthermore, the overwhelming share of income/school voucher funding is received in advance, and as a result working capital is negative. AcadeMedia's operations thus generate a positive cash flow even during growth. Additional funding is needed primarily for future acquisitions.

There is a risk that AcadeMedia, at maturity of the above-mentioned loan agreement, or if additional financing should be needed, would not be able to obtain such financing on accept-

able terms, or at all. Factors such as the general availability of credit and the Group's credit rating have an impact on access to additional financing. Also, access to additional financing is dependent on the Group's lenders having a positive view of the Group's long- and short-term financial prospects. Disruptions or uncertainties in the capital and credit markets may also limit access to capital. These factors may have a significantly negative impact on AcadeMedia's business, financial position and results. In the Group's view, the covenants will be fulfilled over the loan term and so the risk of being required to repay the loans early is low. In addition, it is judged that the Group would be capable of making interest payments even if the benchmark interest rate is further increased.



**G28: Liabilities****CHANGE IN FINANCIAL LIABILITIES 2022/23**

	NON-CASH ADJUSTMENTS					
	1 July 2022	Cash flow	Acquisitions/ divestments of subsidiaries	Unrealised exchange rate differences	Other changes <sup>1</sup>	30 June 2023
Liabilities to credit institutions, excl. real estate loans	1,178	-345	–	9	–	842
Real estate loans	750	-27	19	-15	–	727
Lease liabilities	8,644	-1,504	169	0	2,204	9,511
Other interest-bearing liabilities	25	-1	1	1	1	27
Capitalised borrowing costs	0	–	–	–	-4	-4
<b>TOTAL</b>	<b>10,597</b>	<b>-1,877</b>	<b>189</b>	<b>-5</b>	<b>2,200</b>	<b>11,104</b>

**CHANGE IN FINANCIAL LIABILITIES 2021/22**

	NON-CASH ADJUSTMENTS					
	1 July 2021	Cash flow	Acquisitions/ divestments of subsidiaries	Unrealised exchange rate differences	Other changes	30 June 2022
Liabilities to credit institutions, excl. real estate loans	1,327	-171	–	23	–	1,178
Real estate loans	696	2	26	26	–	750
Lease liabilities	7,571	-1,346	28	78	2,311	8,644
Other interest-bearing liabilities	25	-1	–	0	1	25
Capitalised borrowing costs	-4	–	–	–	4	0
<b>TOTAL</b>	<b>9,615</b>	<b>-1,517</b>	<b>54</b>	<b>128</b>	<b>2,316</b>	<b>10,597</b>

<sup>1</sup> Other renewals of lease liabilities include new leases, renewed leases and annual indexation of existing leases.

Carrying amounts, by currency, for the Group's borrowing are as follows:

Amounts in SEK m.	30 June 2023	30 June 2022
SEK	7,615	7,429
NOK*	2,054	2,133
EUR*	1,444	1,035
<b>TOTAL</b>	<b>11,113</b>	<b>10,597</b>

\*In the table, NOK and EUR have been translated to SEK.

**G29: Pledged assets and contingent liabilities and commitments**

	30 June 2023	30 June 2022
<b>Pledged assets</b>		
Real estate mortgages	708	750
Floating charges	–	–
	<b>708</b>	<b>750</b>
<b>Contingent liabilities and commitments</b>		
Leases	1,706	2,084
Guarantees	1	1
	<b>1,707</b>	<b>2,085</b>

The real estate mortgages relate to properties that are pledged as collateral for loans from Husbanken, Norway.

Contingent liabilities and commitments also include leases entered into but not yet in force. See also, Note G18 Right-of-use assets.

**G30: Disclosures regarding the Group's financial instruments**

Classification and categorisation of the Group's assets and liabilities

**FINANCIAL ASSETS MEASURED AT**

	Amortised cost		Fair value via the income statement	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Non-current receivables	16	20	-	-
Accounts receivable	187	206	-	-
Other receivables	62	45	-	-
Prepaid expenses and accrued income	244	200	-	-
Cash and cash equivalents	967	1,137	-	-
<b>TOTAL ASSETS</b>	<b>1,475</b>	<b>1,608</b>	<b>-</b>	<b>-</b>

**FINANCIAL LIABILITIES MEASURED AT**

	Amortised cost		Fair value via the income statement	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Liabilities to credit institutions	1,570	1,928	-	-
Other non-current liabilities	27	25	-	-
Lease liabilities	9,512	8,644	-	-
Accounts payable	403	411	-	-
Other current liabilities	21	18	-	-
Accrued expenses and deferred income	1,422	1,393	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>12,955</b>	<b>12,419</b>	<b>-</b>	<b>-</b>

The carrying amount for trade and other receivables, cash and cash equivalents, trade and other payables is a reasonable approximation of their fair value because of their short maturity. In the case of loans, the carrying amount is also a reasonable approximation as the loans bear interest at a variable rate.

**Fair value and carrying amount**

IFRS 13 Fair Value Measurement provides a hierarchy for fair value measurement of inputs. This valuation hierarchy is divided into three levels, which are in line with the levels introduced in IFRS 7 Financial Instruments: Disclosures.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices as included in Level 1, which are directly or indirectly observable for the asset or liability. There may also be inputs other than quoted prices that are observable for the asset or liability, such as interest rates, yield curves, volatility and credit spreads.

Level 3: Unobservable inputs for the asset or liability. At this level, market participant assumptions used in pricing of the asset or liability, including risk assumptions, are taken into account.

Level 3 in the measurement hierarchy is applied for measurement of additional considerations related to business combinations.

**G31: Related-party transactions**

Salaries and other remuneration to senior executives and the Board of Directors are paid as described in Note G5. The senior executives also participate in the Group's incentive programmes as described in Note G5. See also page 46 for a description of related party transactions.

**Transactions with associated companies**

During the year, AcadeMedia made purchases to a value of SEK 1.7 million (1.6) from Hypocampus. On the balance sheet date, AcadeMedia recognised liabilities of SEK 0.1 million (0.2) to HypoCampus AB.

During the year, AcadeMedia made purchases from EdAider for SEK 1.3 million.

**G32: Effects of IFRS 16 Leasing****SPECIFICATION OF EFFECTS OF IFRS 16 ON THE INCOME STATEMENT**

SEK m.	2022/23	2022/2023 IFRS 16	2022/23, excl. effects of IFRS 16	2021/22	2021/2022 IFRS 16	2021/22, excl. effects of IFRS 16
<b>Net sales</b>	<b>15,539</b>	<b>-</b>	<b>15,539</b>	<b>14,339</b>	<b>-</b>	<b>14,339</b>
Cost of services sold	-1,435	-	-1,435	-1,274	-	-1,274
Other external expenses	-1,565	-1,816	-3,380	-1,370	1,646	-3,016
Personnel expenses	-9,296	-	-9,296	-8,648	-	-8,648
Amortisation	-1,924	-1,467	-458	-1,755	-1,358	-398
Result from investments in associated companies	-4	-	-4	-3	-	-3
Items affecting comparability	-45	-	-45	-64	-	-64
<b>OPERATING PROFIT/LOSS (EBIT)</b>	<b>1,270</b>	<b>350</b>	<b>920</b>	<b>1,224</b>	<b>288</b>	<b>936</b>
Financial income	33	-	33	1	-	1
Financial expenses	-543	-469	-74	-441	-401	-41
<b>PROFIT/LOSS BEFORE TAX</b>	<b>759</b>	<b>-119</b>	<b>878</b>	<b>784</b>	<b>-112</b>	<b>896</b>
Taxes	-181	22	-203	-179	25	-204
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>578</b>	<b>-97</b>	<b>675</b>	<b>605</b>	<b>-88</b>	<b>692</b>

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## EFFECTS OF IFRS 16 ON THE BALANCE SHEET

SEK m.	2022/23	2022/23 IFRS 16	2022/23, excl. effects of IFRS 16	2021/22	2021/22 IFRS 16	2021/22, excl. effects of IFRS 16
<b>ASSETS</b>						
Non-current intangible assets	6,695	–	6,695	6,597	–	6,597
Buildings	1,170	–	1,170	1,057	–	1,057
Other property, plant and equipment	1,035	–	1,035	924	–	924
Other non-current assets	92	27	65	79	10	70
Right-of-use assets	9,119	8,928	191	8,367	8,199	167
<b>TOTAL NON-CURRENT ASSETS</b>	<b>18,111</b>	<b>8,956</b>	<b>9,155</b>	<b>17,024</b>	<b>8,209</b>	<b>8,815</b>
Current receivables	840	-327	1,167	704	-295	999
Cash and cash equivalents	967	–	967	1,137	–	1,137
<b>TOTAL CURRENT ASSETS</b>	<b>1,807</b>	<b>-327</b>	<b>2,133</b>	<b>1,840</b>	<b>-295</b>	<b>2,135</b>
<b>TOTAL ASSETS</b>	<b>19,918</b>	<b>8,629</b>	<b>11,289</b>	<b>18,864</b>	<b>7,914</b>	<b>10,951</b>
<b>EQUITY AND LIABILITIES</b>						
<b>TOTAL EQUITY</b>	6,134	-397	6,531	5,758	-300	6,058
Non-current liabilities to credit institutions	1,424	–	1,424	722	–	722
Non-current lease liabilities	8,203	8,123	80	7,464	7,402	62
Provisions and other non-current liabilities	180	-122	302	212	-118	330
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>9,807</b>	<b>8,001</b>	<b>1,806</b>	<b>8,397</b>	<b>7,284</b>	<b>1,113</b>
Current interest-bearing liabilities	167	–	167	1,207	–	1,207
Current lease liabilities	1,309	1,195	114	1,180	1,071	108
Other liabilities	2,501	-170	2,671	2,323	-142	2,465
<b>TOTAL CURRENT LIABILITIES</b>	<b>3,977</b>	<b>1,025</b>	<b>2,952</b>	<b>4,709</b>	<b>929</b>	<b>3,780</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>19,918</b>	<b>8,629</b>	<b>11,289</b>	<b>18,864</b>	<b>7,914</b>	<b>10,951</b>

## SPECIFICATION OF EFFECTS OF IFRS 16 ON CASH FLOW

SEK m.	2022/23	2022/23 IFRS 16	2022/23, excl. effects of IFRS 16	2021/22	2021/22 IFRS 16	2021/22, excl. effects of IFRS 16
Operating profit/loss (EBIT)	1,270	350	920	1,224	288	936
Amortisation	1,924	1,467	458	1,755	1,358	398
Adjustment for non-cash items	-57	–	-57	37	–	37
Tax paid	-276	–	-276	-179	–	-179
<b>Cash flow from operating activities before changes in working capital</b>	<b>2,860</b>	<b>-1,816</b>	<b>1,044</b>	<b>2,838</b>	<b>1,646</b>	<b>1,192</b>
Cash flow from changes in working capital	35	4	31	-7	-40	33
<b>Cash flow from operating activities</b>	<b>2,895</b>	<b>1,820</b>	<b>1,075</b>	<b>2,831</b>	<b>1,606</b>	<b>1,225</b>
<b>Cash flow from investing activities</b>	<b>-481</b>	<b>–</b>	<b>-481</b>	<b>-536</b>	<b>–</b>	<b>-536</b>
Interest received (+) and paid (-)	-54	–	-54	-33	–	-33
Interest paid, lease liability	-477	-469	-8	-404	-401	-3
Dividend to shareholders	-185	–	-185	-185	–	-185
Warrants	2	–	2	0	–	0
New share issue	0	–	0	2	–	2
Increase (+)/decrease (-) in interest-bearing liabilities	-373	–	-373	-171	–	-171
Amortisation of lease liability	-1,504	-1,351	-153	-1,346	1,206	-140
<b>Cash flow from financing activities</b>	<b>-2,590</b>	<b>-1,820</b>	<b>-770</b>	<b>-2,136</b>	<b>1,607</b>	<b>-530</b>
<b>CASH FLOW FOR THE YEAR</b>	<b>-177</b>	<b>–</b>	<b>-177</b>	<b>158</b>	<b>–</b>	<b>158</b>
Cash and cash equivalents at beginning of year	1,137	–	1,137	966	–	966
Exchange-rate differences in cash and cash equivalents	7	–	7	12	–	12
<b>Cash and cash equivalents at year-end</b>	<b>967</b>	<b>–</b>	<b>967</b>	<b>1,137</b>	<b>–</b>	<b>1,137</b>

### **G33: Significant events after the end of the financial year**

- Katarina Wilson assumed the position as Deputy CEO and COO on 1 July 2023. Katarina Wilson simultaneously resigned as CFO. At the same time, Hanna Clausén, Group Accounting Manager and Head of IR, was appointed acting CFO. Jimmy Kjellström, who has been acting Head of the Upper Secondary School segment, assumed the position as permanent Head of Upper Secondary School.
- After the end of the period under review, the Group completed its acquisition of Winford College in the Netherlands. The organisation consists of 10 compulsory and upper secondary schools with a total of around 600 students and 100 staff. The acquisition represents another step in our strategy to expand abroad. In the 2022/23 financial year, sales amounted to EUR 13.6 million and EBITDA to EUR 2.0 million.
- After the end of the period under review, the Group completed its acquisition of MediaDesign Academy gGmbH in Germany. The organisation consists of upper secondary and post-upper secondary education in media and design. In the 2022/23 financial year, sales amounted to around EUR 1.9 million and EBITDA to around EUR 0.3 million.
- The number of children and students in the first quarter of 2023/24 was higher than ever. Preliminary student numbers for autumn 2023 show aggregate average growth of around 5 percent and we now have more than 100,000 children and students (95,834) in our three school segments. Almost 16,000 of them are attending their first year in upper secondary school.
- In September 2023, the convertible program for employees at AcadeMedia Group expired. In connection with this, the number of ordinary shares and votes in AcadeMedia AB increased by 84 as a result of the conversion of convertibles.
- October 2023, the Group completed its acquisition of Berghs School of Communication AB. Berghs will be included in AcadeMedia's Adult Education Segment.



Photo EC Utbildning

# Parent Company **income statement** and statement of comprehensive income

## PARENT COMPANY INCOME STATEMENT

(SEK m.)	Note	2022/23	2021/22
Net sales	P2	16	7
Other external expenses	P2, P4	-8	-8
Personnel expenses	P3	-23	-16
<b>OPERATING PROFIT/LOSS</b>		<b>-16</b>	<b>-17</b>
Interest income and similar profit/loss items	P5	116	20
Interest expense and similar profit/ loss items	P6	-112	-16
<b>PROFIT/LOSS AFTER FINANCIAL ITEMS</b>		<b>-12</b>	<b>-12</b>
<b>APPROPRIATIONS</b>			
Group contributions received		15	20
		15	20
<b>PRE-TAX PROFIT</b>		<b>3</b>	<b>8</b>
Taxes	P7	-1	-1
<b>PROFIT FOR THE YEAR</b>		<b>3</b>	<b>7</b>

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

(SEK m.)	Note	2022/23	2021/22
Profit for the year		3	7
Other comprehensive income		-	-
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>3</b>	<b>7</b>

# Parent Company **balance sheet**

## ASSETS

(SEK m.)	Note	30 June 2023	30 June 2022
<b>NON-CURRENT ASSETS</b>			
<i>Non-current financial assets</i>			
Participations in Group companies	P8	3,261	3,261
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,261</b>	<b>3,261</b>
<b>CURRENT ASSETS</b>			
<i>Current receivables</i>			
Receivables from Group companies		4,188	3,165
Current tax assets		15	12
Other receivables		0	0
Prepaid expenses and accrued income		1	1
		<b>4,204</b>	<b>3,178</b>
<i>Cash and bank balances</i>			
		<b>427</b>	<b>841</b>
<b>TOTAL CURRENT ASSETS</b>		<b>4,632</b>	<b>4,020</b>
<b>TOTAL ASSETS</b>		<b>7,893</b>	<b>7,281</b>

## EQUITY AND LIABILITIES

(SEK m.)	Note	30 June 2023	30 June 2022
<b>EQUITY</b>			
<i>Restricted equity</i>			
Share capital		106	106
		<b>106</b>	<b>106</b>
<i>Non-restricted equity</i>			
Share premium reserve		2,633	2,631
Retained earnings		-504	-326
Profit for the year		3	7
		<b>2,132</b>	<b>2,312</b>
<b>TOTAL EQUITY</b>		<b>2,237</b>	<b>2,418</b>
<b>NON-CURRENT LIABILITIES</b>			
Non-current liabilities to credit institutions	P10	114	–
Other non-current liabilities	P10	0	19
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>114</b>	<b>19</b>
<b>CURRENT LIABILITIES</b>			
Liabilities to credit institutions	P10	136	639
Accounts payable		0	0
Liabilities to Group companies		5,388	4,193
Other liabilities		2	0
Accrued expenses and deferred income		16	12
<b>TOTAL CURRENT LIABILITIES</b>		<b>5,542</b>	<b>4,844</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,893</b>	<b>7,281</b>

# Parent Company statement of changes in equity

(SEK M.)	Restricted equity		Non-restricted equity		Total equity
	Share capital (Note P9)	Share premium reserve	Retained earnings		
<b>OPENING BALANCE, 1 JULY 2021</b>	<b>106</b>	<b>2,629</b>	<b>-141</b>	<b>2,593</b>	
Profit/loss for the year and comprehensive income			7	7	
<b>Comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>7</b>	<b>7</b>	
<b>Transactions with owners</b>					
Conversion of convertible bonds	0	0	–	0	
Issue of warrants	–	2	–	2	
Dividend paid	–	–	-185	-185	
Share-matching plan*	–	0	–	0	
<b>TOTAL TRANSACTIONS WITH OWNERS</b>	<b>0</b>	<b>2</b>	<b>-185</b>	<b>-182</b>	
<b>CLOSING BALANCE, 30 JUNE 2022</b>	<b>106</b>	<b>2,631</b>	<b>-319</b>	<b>2,418</b>	
Profit/loss for the year and comprehensive income	–	–	3	3	
<b>Comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>3</b>	<b>3</b>	
<b>Transactions with owners</b>					
Conversion of convertible bonds	0	0	–	0	
Issue of warrants	–	2	–	2	
Dividend paid	–	–	-185	-185	
Share-matching plan*	–	0	–	0	
<b>TOTAL TRANSACTIONS WITH OWNERS</b>	<b>0</b>	<b>2</b>	<b>-185</b>	<b>-183</b>	
<b>CLOSING BALANCE, 30 JUNE 2023</b>	<b>106</b>	<b>2,633</b>	<b>-502</b>	<b>2,237</b>	

# Parent Company cash flow statement

(SEK m.)	Note	2022/23	2021/22
<b>Cash flow from operating activities</b>			
Operating profit/loss		-16	-17
Adjustment for non-cash items		0	0
Income tax paid		-4	-27
<b>Cash flow from operating activities before changes in working capital</b>		<b>-20</b>	<b>-44</b>
<b>Cash flow from changes in working capital</b>			
Change in operating receivables		-913	-135
Change in operating liabilities		1,101	677
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>168</b>	<b>498</b>
<b>Financing activities</b>			
Interest received		6	0
Interest paid		-21	-11
New share issue	P9	0	2
Dividend paid		-185	-185
Issue of warrants		2	0
Group contributions received		20	25
Borrowing	P10	350	–
Amortisation of debt	P10	-755	-150
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>-582</b>	<b>-319</b>
Cash flow for the year		-414	179
Cash and cash equivalents at beginning of year		841	662
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>427</b>	<b>841</b>

# Notes Parent Company

## P1: Significant accounting policies

The Parent Company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's Recommendation RFR 2, Accounting for Legal Entities. Under RFR 2, the Parent Company is required in accounting for the legal entity to apply all IFRS adopted by, and statements from, the EU as far as is possible within the framework of the Swedish Accounts Act (Sw.: ÅRL), the Swedish Pension Obligations Vesting Act and with due regard to the correlation between accounting and taxation. The recommendation states which exemptions and which additions shall be applied.

The differences between the Group's accounting policies, as described in Note G1, and those of the Parent Company are set out below. The stated principles have been applied consistently to all periods presented.

### Presentation of income statement and balance sheet

The financial statements include income statement, statement of comprehensive income, balance sheet, cash flow statement and statement of changes in equity. The Parent Company uses the presentations described in the Swedish Annual Accounts Act for the income statement and balance sheet, whereas the statement of changes in equity and the cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows.

### Participations in Group companies

Participations in Group companies are recognised at cost less any impairment losses. An estimate of recoverable amount is made when there is an indication that shares and participations in subsidiaries have decreased in value. If the recoverable amount is lower than the carrying amount, an impairment loss is recognised. Impairment losses are reported under Income from participation in Group companies.

## Financial instruments

With due account being taken of the correlation between accounting and taxation, the Parent Company does not apply IFRS 9 Financial Instruments. In the Parent Company, non-current financial assets are measured at cost less any impairment losses, while current financial assets are measured at cost or fair value, whichever is the lower. Financial liabilities are recognised at amortised cost.

### Leases

In the Parent Company, any leases where the Parent Company is the lessee are recognised by expensing the lease payment on a straight-line basis over the term of the lease.

### Group contributions and shareholder contributions

Shareholder contributions paid are recognised as an increase in the value of shares and participations in Group companies. An assessment is then made of whether any impairment has arisen in the value of the shares and participations concerned. Group contributions paid and received are recognised as appropriations.

### Dividends

Dividend receipts are recognised in the income statement when the shareholders' right to receive a dividend payment has been established.

Dividends paid are recognised as a liability when the Annual General Meeting has resolved to approve the dividend.

## P2: Intra-Group transactions

Of the Parent Company's income, SEK 16 million (7) consists of sales to other companies in the corporate group of which the Company is part.

The Parent Company's income consists of fees for services performed on behalf of the subsidiaries.

Of the Parent Company's expenses, SEK 0 million (0) consists of purchases from other Group companies.

## P3: Salaries and other remuneration

SEK m.	2022/23	2021/22
<b>BOARD OF DIRECTORS AND CEO</b>		
Salaries and other remuneration	12	13
Pension expenses	2	2
Social security contributions	4	4
<b>Total</b>	<b>18</b>	<b>19</b>
<b>OTHER EMPLOYEES</b>		
Salaries and other remuneration	5	0
Pension expenses	2	0
Social security contributions	1	0
<b>TOTAL</b>	<b>8</b>	<b>0</b>
<b>TOTAL</b>	<b>26</b>	<b>19</b>

### AVERAGE NUMBER OF EMPLOYEES

	2022/23	2021/22
Women	–	–
Men	2	1
<b>SUM TOTAL</b>	<b>2</b>	<b>1</b>

## P4: Fees to auditors

SEK m.	2022/23	2021/22
<b>PricewaterhouseCoopers AB</b>		
Auditing	1	1
Auditing services over and above audit assignment	0	0
Tax advisory services	0	0
Other services	1	0
<b>TOTAL</b>	<b>2</b>	<b>1</b>

Auditing fees consists of the fees paid for statutory auditing of the annual accounts and the accounting records, and of the administration by the Board of Directors, and for advisory services provided in connection with observations arising from the audit.

## P5: Interest income and similar profit/loss items

	2022/23	2021/22
Interest income from Group companies	109	20
Other interest income	6	–
Foreign exchange gains	0	0
<b>INTEREST INCOME AND SIMILAR PROFIT/LOSS ITEMS</b>	<b>116</b>	<b>20</b>



**P6: Interest expense and similar profit/loss items**

	2022/23	2021/22
Interest expense on bank loans	-19	-10
Interest expense to Group companies	-89	0
Borrowing costs*	-1	-4
Bank charges and similar	-3	-2
<b>INTEREST EXPENSE AND SIMILAR PROFIT/ LOSS ITEMS</b>	<b>-112</b>	<b>-16</b>

\* Setup charges for new loans are expensed over the term of the loan. The cost of accrued borrowing costs over the financial year was SEK 1 million (4).

**P7: Taxes****RECONCILIATION OF EFFECTIVE TAX**

SEK m.	2022/23	2021/22
Net profit/loss, before tax	3	8
Tax at current tax rate (20.6% and 20.6%, respectively)	-1	-1
<b>TAX EXPENSE RECOGNISED</b>	<b>-1</b>	<b>-1</b>

**P8: Shares in subsidiaries****Shares and participations**

The Group operates in Sweden, Norway, Germany, the Netherlands and the UK. The Parent Company has a controlling interest over the subsidiaries. All subsidiaries are wholly owned, directly or indirectly, 100 percent, by the Parent Company.

SEK m.	2022/23	2021/22
Carrying amount, opening balance	3,261	3,261
Acquisitions	-	-
<b>CARRYING AMOUNT, CLOSING BALANCE</b>	<b>3,261</b>	<b>3,261</b>

Direct ownership Subsidiaries	Corp. ID No.	Registered office	Capital Percentage	Number of participations	Nominal value	Book value
ACM 2001 AB	556057-2850	Stockholm	100%	12,061,246	2	3,261

Nominal values in the tables below are shown in local currency.

**Indirect ownership of subsidiaries in the Group (Sweden)**

	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (SEK)
AcadeMedia Edtech AB	559377-6296	Stockholm	100%	250	100
AcadeMedia Eductus AB	556527-4007	Stockholm	100%	20,000	100
AcadeMedia fria grundskolor AB	556932-0699	Stockholm	100%	50,000	1
AcadeMedia Förskolor Holding AB	559373-5771	Stockholm	100%	25,000	100
AcadeMedia Game Education AB	559377-6288	Stockholm	100%	250	100
AcadeMedia Grundskolor Holding AB	559383-5902	Stockholm	100%	25,000	100
AcadeMedia Gymnasieskolor Holding AB	559383-5910	Stockholm	100%	25,000	100
AcadeMedia Support AB	556568-8479	Stockholm	100%	1,000	100
AcadeMedia TM AB	559383-5936	Stockholm	100%	25,000	100
AcadeMedia Vuxenutbildning Holding AB	559383-5928	Stockholm	100%	25,000	100
Allautbildare Sverige AB	556873-3470	Stockholm	100%	505,000	0.1
Anew Learning AB	556402-8925	Stockholm	100%	10,000	10
Banéporten AB	556442-1724	Stockholm	100%	1,000	100
Banéporten Förskolor AB	556994-3565	Stockholm	100%	500	100
Banéportsskolan AB	556606-4001	Stockholm	100%	2,000	100
Bikupan i Östersund AB	556867-6695	Stockholm	100%	500	100
Changemaker Educations AB	556719-6158	Stockholm	100%	1,000	100
Cybergymnasiet Göteborg AB	556569-3297	Stockholm	100%	1,000	100
Cybergymnasiet Malmö AB	556569-3289	Stockholm	100%	1,000	100
Cybergymnasiet Stockholm AB	556554-7964	Stockholm	100%	10,000	100
DBGY Juvelen AB	556578-9129	Stockholm	100%	1,000	100
DBGY Kronan AB	556566-8794	Stockholm	100%	4,000	100
Designgymnasiet i Sverige AB	556932-0681	Stockholm	100%	50,000	1
Didaktus Skolor AB	556473-2856	Stockholm	100%	4,300	50
Didaktus Utbildningar AB	556645-3626	Stockholm	100%	2,000	50
Donnergymnasiet AB	556540-8381	Stockholm	100%	1,500	100
EC Utbildning AB	556626-4387	Karlshamn	100%	1,000	100
Framtidsutveckling i Sverige AB	556546-7056	Stockholm	100%	1,000	100
Friskolan Lyftet AB	556604-4599	Gävle	100%	1,000	100
Färjan AB	556768-0631	Stockholm	100%	1,000	100
Förskolan Moroten AB	556450-3612	Stockholm	100%	1,000	100
Global Education Services AB	556606-7855	Stockholm	100%	1,000	100
Guldkusten AB	556983-1430	Stockholm	100%	500	100
Hagströmska Gymnasiet AB	556755-0461	Falun	100%	1,000	100

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	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (SEK)
Hermods AB	556044-0017	Stockholm	100%	11,000	1,000
International Montessori School Sweden AB	556764-0205	Ekerö	100%	1,000	100
Internationella hotell- och restaurangskolan IHR AB	556982-8451	Stockholm	100%	50,000	1
Kastanjelunden Förskola AB	556755-0032	Stockholm	100%	1,000	100
KLARA Gymnasium Bildning AB	556528-6696	Stockholm	100%	2,800	100
KLARA Gymnasium Kunskap AB	556630-3938	Stockholm	100%	1,000	100
KLARA Gymnasium Lärande AB	556558-3282	Stockholm	100%	250,000	1
Kompetensutvecklingsinstitutet Sverige AB	556355-7395	Stockholm	100%	1,000	100
Kringlaskolan AB	556773-4065	Stockholm	100%	1,000	100
Kråkbrinkens Förskola AB	559197-0800	Stockholm	100%	1,020	100
Kungsholmens Förskola AB	559042-7000	Stockholm	100%	500	100
KYH AB	556644-7768	Stockholm	100%	1,000	100
Limhamns Förskola AB	556483-3829	Stockholm	100%	878	178
Ljud & Bildskolan LBS AB	556485-1649	Stockholm	100%	10,000	100
Matchning och Utveckling i Sverige AB	556820-7673	Stockholm	100%	500	100
Montessorigrundskolan Maria AB	556541-8455	Stockholm	100%	1,000	100
Movant AB	556526-5005	Gothenburg	100%	1,000	100
Norrskenet Friskola Luleå AB	559045-5076	Stockholm	100%	50,000	1
NTI Gymnasiet Ellips AB	556597-0471	Stockholm	100%	6,000	100
NTI Gymnasiet Helix AB	556674-7290	Stockholm	100%	1,000	100
NTI Gymnasiet Macro AB	556120-3679	Stockholm	100%	10,000	100
NTI-skolan AB	556709-8057	Stockholm	100%	2,000	100
Omniway AB	556442-1328	Stockholm	100%	5,000	100
Plushögskolan AB	556495-5853	Gothenburg	100%	1,000	100
Pops Academy AB	556958-3197	Stockholm	100%	1,000	50
Praktiska Lärande AB	556530-4481	Stockholm	100%	6,999	100
Praktiska Studier Riks AB	556575-5500	Stockholm	100%	1,000	100
Praktiska Sverige AB	556257-5786	Gothenburg	100%	1,000	100
Praktiska Utbildning AB	556478-1606	Stockholm	100%	1,000	100
Primaskolan i Sverige AB	556557-0958	Stockholm	100%	4,000	100
ProCivitas Privata Gymnasium AB	556615-7102	Stockholm	100%	1,000	100
Pyslingen Förskolor AB (formerly Hammarby Förskolor AB)	556629-2537	Stockholm	100%	1,000	100
Pyslingen Förskolor och Skolor AB	556035-4309	Stockholm	100%	90,000	100
Pålsjö Skogs Förskola AB	556451-3587	Stockholm	100%	1,230	100
RE Skolor AB	559024-4579	Stockholm	100%	50,000	1
Rytmus AB	556464-8979	Stockholm	100%	8,000	100
Sandviks Förlag AB	556398-3609	Malmö	100%	8,000	100
Sjölns Gymnasium AB	556375-8399	Stockholm	100%	500	1,000
Sofiero Förskola AB	556555-3079	Stockholm	100%	1,000	100
Swedish Education Group AB	556504-2255	Stockholm	100%	1,000	100
Sälj och Marknadshögskolan i Sverige AB	556518-9361	Stockholm	100%	1,000	100

	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (SEK)
Söder Triaden Förskolor AB	556468-5955	Stockholm	100%	102	1,000
TGA utbildning AB	556575-3901	Stockholm	100%	1,000	100
Vindora Holding AB	556861-7079	Gothenburg	100%	2,414,622,329	0.01
Vindora Utbildning AB	556735-0110	Gothenburg	100%	1,000	100
Vitraskolorna AB	556458-6716	Stockholm	100%	1,000	100
Växthuset förskola i Mölndal AB	556780-2714	Stockholm	100%	1,000	100
Åsöbergets Förskola AB	556476-5609	Stockholm	100%	1,000	100

## Indirect ownership of subsidiaries in the Group (Norway)

	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (NOK)
AcadeMedia Educational Services AS (formerly Espira Akademiet AS)	96682855	Karmøy	100%	920	152
AcadeMedia Norge AS	913192281	Karmøy	100%	30	100,000
Engelsrudhagen Barnehagetomt AS	913981464	Karmøy	100%	216,828	1
Espira Baggerødbanen AS	830550682	Karmøy	100%	30,000	1
Espira Barnehager AS	985072825	Karmøy	100%	100	1,000
Espira Bjørgene AS	988440418	Karmøy	100%	100	1,000
Espira Blakstad AS	996987329	Karmøy	100%	100	1,000
Espira Brådalsfjellet AS	988711896	Karmøy	100%	100	1,000
Espira Bråsteintunet AS	930550531	Karmøy	100%	30000	1
Espira Casa Musica Barnehage AS	984084358	Karmøy	100%	100	1,000
Espira Dragerskogen AS	990652899	Karmøy	100%	100	1,000
Espira Dvergsnes AS	991126627	Karmøy	100%	100	1,000
Espira Eiendom AS	992642734	Karmøy	100%	100	1,000
Espira Eikenga AS	817350232	Karmøy	100%	62	2,935
Espira Eikenøtta Naturbarnehage AS	888792112	Karmøy	100%	100	100
Espira Evangtunet AS	930548685	Karmøy	100%	30,000	1
Espira Eventyrskogen AS	930550701	Karmøy	100%	30,000	1
Espira Evje AS	996987337	Karmøy	100%	100	1,000
Espira Fasanveien AS	925905836	Karmøy	100%	300	500
Espira Fenstad AS	987762780	Karmøy	100%	100	1,000
Espira Finnås AS	930548723	Karmøy	100%	30,000	1
Espira Garhaug AS	986916490	Karmøy	100%	100	1,000
Espira Gartnerløkka AS	930550787	Karmøy	100%	30,000	1
Espira Gjemle AS	983089909	Karmøy	100%	100	1,000
Espira Grefsen AS	830548572	Karmøy	100%	30,000	1
Espira Gruppen AS	991926577	Karmøy	100%	54,630,000	0.1
Espira Grønnestølen AS	930548642	Karmøy	100%	30,000	1.0
Espira Gullhella AS	985462437	Karmøy	100%	100	1,000
Espira Gåserud AS	985030006	Karmøy	100%	100	1,000

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	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (SEK)
Espira Halsnøy Kloster AS	990797722	Karmøy	100%	100	1,000
Espira Helldalsåsen AS	985311374	Karmøy	100%	100	1,000
Espira Holbekk Idrettsbarnehage AS	921744927	Karmøy	100%	100	100
Espira Hollund AS	830550542	Karmøy	100%	30,000	1
Espira Holum AS	930550647	Karmøy	100%	30,000	1
Espira Hovsmarka AS	930548618	Karmøy	100%	30,000	1
Espira Husebyparken AS	930550698	Karmøy	100%	30,000	1
Espira Høytorp Fort AS	988711918	Karmøy	100%	100	1,000
Espira Jeløy AS	986977651	Karmøy	100%	100	11,020
Espira Juberg AS	930550744	Karmøy	100%	30,000	1
Espira Karmsund AS	930550566	Karmøy	100%	30,000	1
Espira Kløverenga AS	988067547	Karmøy	100%	100	1,000
Espira Knerten AS	979339828	Karmøy	100%	210	1,000
Espira Kniveåsen AS	990343063	Karmøy	100%	100	1,000
Espira Krystallveien AS	992419938	Karmøy	100%	100	1,000
Espira Kulturstien AS	989557718	Karmøy	100%	10,000	10
Espira Kunnskapsbyen AS	930548537	Karmøy	100%	30,000	1
Espira Kuventræ AS	989838563	Karmøy	100%	100	1,000
Espira Kystad Gård AS	919307617	Karmøy	100%	100	1,000
Espira Lindesnes AS	914760224	Karmøy	100%	1,000	100
Espira Litlasund AS	992061472	Karmøy	100%	100	1,000
Espira Lura AS	930550728	Karmøy	100%	30,000	1
Espira Løvestad AS	992823690	Karmøy	100%	100	1,000
Espira Mariefryd AS	830548602	Karmøy	100%	30,000	1
Espira Marthahaugen AS	990036888	Karmøy	100%	100	1,000
Espira Moster AS	930550582	Karmøy	100%	30,000	1
Espira Muruvik AS	919307595	Karmøy	100%	100	1,000
Espira Myraskogen AS	992061448	Karmøy	100%	100	1,000
Espira Nordmø AS	985311366	Karmøy	100%	100	1,000
Espira Nykirke AS	930548634	Karmøy	100%	30,000	1
Espira Opaker AS	992081066	Karmøy	100%	100	1,000
Espira Opsahl AS	985797625	Karmøy	100%	100	1,000
Espira Oreid AS	930548596	Karmøy	100%	30,000	1
Espira Ormdalen AS	992420189	Karmøy	100%	100	1,000
Espira Oslo Barnehagedrift AS	914945577	Karmøy	100%	100	1,000
Espira Rambjøra AS	986916512	Karmøy	100%	100	1,000
Espira Ree AS	989544489	Karmøy	100%	100	1,000
Espira Romholt AS	888440402	Karmøy	100%	100	1,000
Espira Rubbestadneset AS	991996605	Karmøy	100%	100	1,000
Espira Rå AS	989932543	Karmøy	100%	100	1,000
Espira Rødknappen AS	994751530	Karmøy	100%	100	1,000
Espira Salamonskogen AS	989512811	Karmøy	100%	100	1,000

	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (SEK)
Espira Sandtoppen Naturbarnehage AS	990446458	Karmøy	100%	100	100
Espira Sangereidåsen AS	930550663	Karmøy	100%	30,000	1
Espira Scala Hundvåg AS	988201030	Karmøy	100%	100	1,000
Espira Scala Tasta AS	988201170	Karmøy	100%	100	1,000
Espira Skjeraberget AS	917350140	Karmøy	100%	67	1,000
Espira Skolegata AS	986916644	Karmøy	100%	100	1,000
Espira Skåredalen AS	992061529	Karmøy	100%	100	1,000
Espira Sletten AS	930550604	Karmøy	100%	30,000	1
Espira Snurrefjellet AS	986916563	Karmøy	100%	100	1,000
Espira Solknatten AS	990652813	Karmøy	100%	100	1,000
Espira Solkroken AS	930548715	Karmøy	100%	30,000	1
Espira Spirea AS	930548545	Karmøy	100%	30,000	1
Espira Stansa AS	912980219	Karmøy	100%	73,818	1
Espira Steinsviken AS	930548669	Karmøy	100%	30,000	1
Espira Stjørdal AS	919307579	Karmøy	100%	100	1,000
Espira Stongafjellet AS	989838512	Karmøy	100%	100	1,000
Espira Sundbyfoss AS	994310623	Karmøy	100%	100	1,000
Espira Sånum AS	930550671	Karmøy	100%	30,000	1
Espira Taremareby AS	917350183	Karmøy	100%	630	500
Espira Tastarustå AS	915657087	Karmøy	100%	5,000	10
Espira Tau AS	930550752	Karmøy	100%	30,000	1
Espira Tjøsvoll AS	992062002	Karmøy	100%	100	1,000
Espira Tomter AS	930548677	Karmøy	100%	30,000	1
Espira Torsbergskogen AS	991361642	Karmøy	100%	100	1,000
Espira Torshovdalen AS	930548561	Karmøy	100%	30,000	1
Espira Tristilbakken AS	930548588	Karmøy	100%	30,000	1
Espira Trygstad AS	930548626	Karmøy	100%	30,000	1
Espira Ulsetskogen AS	991127402	Karmøy	100%	100	1,000
Espira Ulvenvatnet AS	930548650	Karmøy	100%	30,000	1
Espira Vagletjørn AS	989838482	Karmøy	100%	100	1,000
Espira Vannverksdammen AS	990342598	Karmøy	100%	100	1,000
Espira Vanse AS	988263095	Karmøy	100%	100	1,000
Espira Varbak Arcen AS	890015492	Karmøy	100%	100	1,000
Espira Vedderheia AS	930550523	Karmøy	100%	30,000	1
Espira Veldetun AS	985462372	Karmøy	100%	100	1,000
Espira Åbol AS	992823585	Karmøy	100%	100	1,000
Espira Århaug AS	988067644	Karmøy	100%	100	1,000
Espira Årkjær AS	930548693	Karmøy	100%	30,000	1
Espira Årosfjellet AS	930550612	Karmøy	100%	30,000	1
Espira Årølia AS	930548707	Karmøy	100%	30,000	1
Espira Østrem AS	986916555	Karmøy	100%	100	1,000
Holbekk Barnehagetun AS	990407592	Karmøy	100%	100	100

## &gt;&gt; FINANCIAL INFORMATION &gt; NOTES PARENT COMPANY

	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (SEK)
Karmsund Barnehage AS	990586152	Karmøy	100%	100	1,000
Lilleba & Herreman AS	988467189	Stavanger	100%	300,000	1
Naturbarnehagene AS	994525085	Karmøy	100%	100	100
Sandviks AS	918793569	Stavanger	100%	126,443	0.26
Skogen Barnehage AS	992420243	Karmøy	100%	100	1,000
Søndre Kleivan Barnehage AS	990050937	Karmøy	100%	100	1,000
Tomm Murstad Friluftsbarnhage AS	998143969	Karmøy	100%	50,000	1

**Indirect ownership of subsidiaries in the Group (Germany)**

	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (EUR)
AcadeMedia GmbH	HRB 222 151	Munich	100%	25,000	1
AcadeMedia Education GmbH	HRB 242952 B	Berlin	100%	25,000	1
akanova gGmbH (formerly Lab for Future gGmbH)	HRB 227687 B	Berlin	100%	25,000	1
Espira und Joki Kinderbetreuung GmbH	HRB 174 184	Munich	100%	25,000	1
Fürstenwalder Aus- und Weiterbildungszentrum gGmbH	HRB1093 FF	Fürstenwalde/Spree	100%	30,678	1
Fürstenwalder Aus- und Weiterbildungszentrum International gGmbH	HRB19231 FF	Fürstenwalde/Spree	100%	25,000	1
KTS Verwaltungs GmbH	HRB 190824	Munich	100%	25,000	1
Step Kids Education GmbH	HRB 132431 B	Berlin	100%	49,380	1
Step Kids KiTas GmbH	HRB 149735 B	Berlin	100%	25,000	1

**Indirect ownership of subsidiaries in the Group (Netherlands)**

	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (EUR)
Plek voor kinderen Holding B.V.	KVK 85624004	Bergen op Zoom	100%	1,000	1
Plek voor kinderen B.V.	KVK 20112609	Bergen op Zoom	100%	1,000	1
Tommy & Annika B.V.	KVK 58042067	Amersfoort	100%	1,000	1

**Indirect ownership of subsidiaries in the Group (UK)**

	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (GBP)
The Game Assembly Ltd	13881612	London	100%	1	1

**Indirect ownership of subsidiaries in the Group (Poland)**

	Corp. reg. no.	Registered office	Capital Percentage	Number of participations	Nominal value/share (PLN)
Futuregames Academy sp. z o. o.	000991971	Warsaw	100%	100	100

**P9: Equity**

Share capital	Number	SEK
Ordinary share	105,587,477	105,587,477
Class C share	205,905	205,905

The Class C shares are held by AcadeMedia. For further information regarding the share capital, see Note G24.

**P10: Interest-bearing liabilities**

INTEREST-BEARING LIABILITIES		
SEK m.	30 June 2023	30 June 2022
Liabilities to credit institutions	230	639
Convertible bonds	20	19
	250	658

Of these liabilities, SEK 136 million (639) matures within one year and SEK 118 million (20) between one and five years. The difference from what is recognised on the balance sheet is made up of the accrued acquisition cost of the loans and the discount for the balance of the convertible loan.

A new financing agreement entered into force in July 2022. The loan terms in the new agreement are described in Note G28 Loans.

**P11: Post balance sheet events**

1 July 2023, Katarina Wilson assumed the position as deputy CEO and COO. See page 57 for more information.

**P12: Dividend proposal**

After the balance sheet date, the Board proposed a dividend of SEK 1.75 per share (1,75), corresponding to a total dividend payment of SEK 185 million (185). The dividend will be subject to approval by the Annual General Meeting, which is scheduled for 30 November 2023.

# Signatures of the Board of Directors

The Board of Directors and the CEO hereby provide an assurance that the consolidated accounts and annual accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and generally accepted accounting standards, and provide a fair and true view of the Group's and the Parent Company's financial position and results, and that the Administration Report provides a true and fair overview of the development of the Group's and the Parent Company's operations, financial position and results, and describes material risks and uncertainties faced by the companies in the Group.

The undersigned also hereby submit the sustainability report on pages 13–41.

Stockholm, 24 October 2023

Håkan Sörman  
*Chair*

Marcus Strömberg  
*Chief Executive Officer*

Johan Andersson  
*Board member*

Ann-Marie Begler  
*Board member*

Jan Berhardsson  
*Board member*

Mikael Helmersson  
*Board member*

Pia Rudengren  
*Board member*

Silvija Seres  
*Board member*

Anna Lundmark Boman  
*Employee representative*

Anders Lövgren  
*Employee representative*

We submitted our audit report on 24 October 2023.

PricewaterhouseCoopers AB

Patrik Adolfson  
*Authorised Public Accountant  
Principal auditor*

Eva Medbrant  
*Authorised Public Accountant*

# Audit Report

To the annual meeting of shareholders of AcadeMedia AB, corporate registration number 556846-0231

## Report on the annual report and consolidated accounts

### OPINIONS

We conducted an audit of the annual report and consolidated accounts of AcadeMedia AB (publ) for the financial year 1 July 2022 – 30 June 2023 with the exception of the corporate governance report on pages 49–57. The annual report and consolidated accounts of the company are included on pages 42–99 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as per 30 June 2023 and of its financial performance and its cash flow for the year then ended, in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as per 30 June 2023 and of its financial performance and cash flow for the year, in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act.

The statutory administration report is consistent with the other parts of the annual report and consolidated accounts. Our opinions do not cover the corporate governance report on pages 49–57.

We therefore recommend that the annual general meeting of shareholders adopt the income statement and balance sheet of the parent company and the group.

Our opinions in this report on the annual report and consolidated accounts are consistent with the content of the supplementary report that was submitted to the parent company's and the group's audit committee in accordance with Article 11 of the EU's Audit Regulation (Regulation (EU) No 537/2014).

### BASIS FOR OPINIONS

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are inde-

pendent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This means that, based on our best knowledge and belief, no prohibited services as referred to in Article 5 (1) of Regulation (537/2014 EU Audit Regulation) have been provided to the audited company or, where applicable, its parent company or its controlled companies in the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### OUR AUDIT APPROACH

#### *Focus and scope of the audit*

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management had made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We adapted the focus and scope of our audit, taking into account the structure of the AcadeMedia Group and the internal control environment, to enable us to provide an audit report on the annual report and the consolidated accounts as a whole.

AcadeMedia is the largest education group in the Nordic region and has operations in Sweden, the Netherlands, Norway and Germany. As per 30 June 2023, the business was conducted via around 210 legal entities. The large number of legal entities is due to the acquisition of the business by the group, and legal regulations that restrict the possibility of relocating the business. As a result of new legislation in Norway requiring each organisation (preschool) to take the form of a separate legal entity, the number of Norwegian companies increased by 37 during the

year. We conduct a statutory audit of all legal entities in Sweden and Norway, and for group purposes we review the most significant entities in the group and the parent company. The operations in Sweden and Norway account for 92 percent of the group's sales and the majority of the group's total assets. The audit included the following activities:

- Review of internal control of financial reporting, procedures and processes based on assessed risks;
- Limited review of the accounts as per 31 March 2023 with the aim of issuing a limited review report; and
- Audit of the annual accounts as per 30 June 2023, focusing on measurement of goodwill, recognition of revenue and personnel expenses, acquisition analyses and integration relating to acquisitions, restructuring reserves and assessment of reporting and disclosure regarding disputes. Furthermore, the impact on financial reporting and related information arising from heightened political risk attributable to the business has been analysed and taken into account in the audit.
- Final audit procedures required to issue this audit report on the annual report of the parent company and the group and, where applicable, other legal entities. In addition, procedures are also performed to enable us to issue our opinion on compliance with guidelines for senior executives, as well as the corporate governance and sustainability reports of the parent company.

The review was conducted by an audit team from within the PwC network. The work was performed in accordance with the local audit requirements of each country, as well as specific instructions related to the group audit. Regarding the operation in Germany, the group audit team carried out an analytical review and other review procedures. In addition, the Group audit team visit-

ed the Norwegian and German operations and held digital meetings with the Dutch operations during the year. The purpose of these meetings was to gain an understanding of activities in the units visited and to understand the procedures and controls in order to evaluate internal control and to conduct a limited review of the financial reporting based on the group's accounting principles.

#### Materiality

The scope of our audit was influenced by our assessment of materiality. An audit is designed to obtain reasonable assurance as to whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality for the financial reporting as a whole. These, together with qualitative considerations, helped us to determine the focus and scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

#### KEY AUDIT MATTERS

Key audit matters are those that, in our professional judgement, were those of the most significance in our audit of the annual report and consolidated accounts for the period under review. These matters were addressed in the context of our audit of, and in forming our opinion on, the annual report and consolidated accounts as a whole, but we do not provide separate opinions on these matters.

## Key audit matter

### MEASUREMENT OF GOODWILL AND OTHER INTANGIBLE ASSETS

*We refer to the Notes G1 General information, accounting and valuation policies, which contains information on important estimates and assumptions for accounting purposes, G15 Intangible non-current assets and G16 Impairment testing.*

Goodwill represents an important component of the AcadeMedia Group's total assets, amounting to SEK 6,480 million (33 percent of total assets) as per 30 June 2023. Brands are valued at around SEK 189 million at the same point in time. The items are subject to management's assessment and assumptions, and, because of their materiality, have been deemed to be a Key audit matter.

Management and the board of directors prepare annual impairment testing of the value of goodwill. The purpose of impairment testing is to determine whether an asset is impaired, i.e. whether the book value (carrying amount) exceeds the assessed fair value (recoverable amount). The model and methodology for testing goodwill and other assets with indefinite useful lives have been applied consistently throughout the group, although in Norway the value of sales is calculated net of costs of selling to reflect the surplus value in owned properties. The calculated value is based on the budgets and forecasts approved by the board of directors for the next five years. The cash flows from the years beyond the next five are extrapolated on the basis of the business plan. The process thus includes assumptions that assume material significance to impairment testing. These include assumptions regarding sales growth, changes in margins and the discount rate (WACC).

The value resulting from testing corresponds to the value of discounted cash flows for identified cash-generating units.

Even if a unit passes impairment testing, future developments that deviate negatively from the assumptions and assessments on which the review was based may lead to a need for impairment. Valuation of the company's operations is at its most sensitive regarding future earnings in the Norwegian business.

Furthermore, assumptions made are affected by the uncertainty regarding political decisions that could be made affecting staffing, quality, profits etc., as described in Note G1, which addresses important estimates and assessments for accounting purposes.

AcadeMedia's conclusion, based on the best estimate and the information that was available when the annual impairment test was performed, is that there was no indication of impairment of the assets referred to above as per 30 June 2023.

### HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

In the impairment test for goodwill and other acquisition-related intangible assets, to ensure the valuation and accuracy we performed the following audit measures:

- In the assessment of the assumptions, which are presented in Note G16 Impairment testing, we have engaged PwC's experts in valuation to test and assess the models and methodology that were used, as well as significant assumptions.
- On a random sample basis, we tested, evaluated and challenged the information used in the calculations versus AcadeMedia's financial plan and, where possible, external information. We then focused on assumed growth rates, changes in margins and discount rate per cash generating unit. We also reviewed the accuracy and inherent quality of the company's process for preparing business plans and financial plans based on historical outcomes.
- We checked the sensitivity of the valuation to negative changes in key parameters that, on an individual or aggregate basis, could result in an impairment requirement.
- We judged that the disclosures provided in the annual report are correct, based on the test of valuation conducted, particularly as regards the information on the sensitivity of the valuations.
- We compared the disclosures provided in the annual report with requirements of IAS 36 and found that the latter were fulfilled in all material respects.

Based on our audit we conclude that AcadeMedia's assumptions fall within an acceptable range. In addition to this disclosure requirement, the information in Note G16 addresses assumptions and risks where changes in assumptions entail or could entail a need for an impairment write-down. However, without qualifying our opinion, we draw attention to the fact that, as described in Note G16, impairment testing has been prepared in accordance with the regulations applicable to the business, and changes in the rules known as per 30 June 2023. As explained in the Annual Report, there are political risks attributable to the business, as well as restrictions of risks in profits in the welfare sector. In the event of any change in regulations or if profit restrictions are introduced, goodwill and other assets may be impaired. We draw particular attention to the assumptions applied in the impairment testing for Germany as described in note G16.

#### APPLICATION OF IFRS 16 LEASES DURING THE FINANCIAL YEAR

We refer to the Notes G1 General information, accounting and valuation policies, which contains information on important estimates and assumptions for accounting purposes, and Note G18 Right-of-use-assets.

According to IFRS 16 Leasing, essentially all leases are recognised on the balance sheet, as there is no longer any distinction made between operating leases and finance leases. IFRS 16 requires assets and liabilities relating to leases, unless the lease term is twelve months or less or the underlying asset is of low value, to be recognised as assets and liabilities on the balance sheet.

Accounting under IFRS 16 has almost doubled the balance sheet total compared to the previous accounting standard and has significant impact on the income statement. Furthermore, the accounts are based on a number of significant estimates including discount rates, lease term (and related management of renewal clauses) and vacant space.

Considering the material impact on AcadeMedia's accounts and the critical judgements upon which the accounts are based, accounting in accordance with IFRS 16 constitutes a Key audit matter.

#### HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

In our 2022/2023 audit, we focused in particular on the accounting in accordance with IFRS 16 and performed *inter alia* the following audit procedures;

- Gained an understanding of AcadeMedia's IFRS 16 accounting process.
- On a random basis, we examined and checked calculations used to support the recognition of right-of-use assets and lease liabilities.
- We reconciled input data in calculations against leases or other supporting data.
- We ascertained AcadeMedia's judgements, including the discount rates used and application of option clauses in leases, and examined the same.

In addition to the above, our procedures included:

- Examination of the accounting policies applied and verification against IFRS 16 Leases
- Examination of the change in discount rate, and its impact on the accounts, that took place during the year
- Examination of the 2022/2023 accounts with regard to accounting policies
- Examination of procedures and internal controls to verify a correct accounting process under IFRS 16 Leases.

The assessment of AcadeMedia's policies for posting impairment losses at any indication of impairment of recognised right-of-use assets is described below under the Key audit matter "Management's judgements concerning provisions for onerous contracts and impairment of right-of-use assets".

In our audit, we have reported to the audit committee that AcadeMedia has a process for recognition and reporting under IFRS 16 and that the applied assumptions, on which the accounting was based, are reasonable.

#### MANAGEMENT'S JUDGEMENTS CONCERNING PROVISIONS FOR ONEROUS CONTRACTS AND IMPAIRMENT OF RIGHT-OF-USE ASSETS.

We refer to Notes G1 General information, accounting and valuation policies, G18 Right-of-use assets, G25 Other provisions and G26 Accrued expenses and deferred income.

Assumptions and judgements that serve as the basis of provisions for onerous contracts or similar commitments (in the following "onerous contracts") and any indication of impairment of right-of-use assets. AcadeMedia has around 700 units in its operations, including both mature units and startups. The results for such units range from negative to positive, according to whether a unit is in a development stage, and/or various other factors. In the event that a commitment, legal or constructive, is going to lead to future losses, under IAS 37 Provisions, a provision must be recognised for the losses that are expected to be incurred after the reporting date and until termination of the contract. In the event that the losses relate to right-of-use assets, an impairment charge must be taken for those assets instead of a provision being reported.

AcadeMedia monitors the earnings and position of all units on a monthly basis and makes forward-looking judgments and forecasts. Based on these judgements, AcadeMedia determines whether a provision or an impairment of a right-of-use asset should be recognised. According to the notes above, there are, for example, provisions totalling SEK 93 million for restructuring and contract renegotiation/onerous contract reserves of SEK 77 million, which in part cover the said exposure. Although these items are not material in relation to AcadeMedia's financial position, we find that the reporting of underlying judgements is a Key audit matter.

#### HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

In our audit, we focused in particular on examining management's assessments of onerous contracts in order to verify completeness, accuracy and measurement. The audit procedures we performed during the 2022/2023 financial year included the following:

- We examined AcadeMedia's monitoring and closing accounts procedures to verify that controls are in place to account for provisions for restructuring and onerous contracts if required under IAS 37 Provisions and that impairment of right-of-use assets have been recognised if a permanent decline in value is found to exist.
- We analysed and discussed the follow-up and documentation that AcadeMedia prepares for onerous contracts as well as for restructuring. Here, the current situation and activities to achieve profitability are described, and a forecast period for the time until the unit is expected to make a profit is attached.
- We followed up profit and loss outcomes and future forecasts pertaining to units on the basis of internal reports, and evaluated the reliability of future forecasts jointly with the individuals responsible at AcadeMedia.
- We evaluated AcadeMedia's policies for making provisions against losses attributable to restructuring and losses against the requirements stated in IAS 37 Provisions, and the same with regard to impairment of right-of-use assets against the requirements stated in IAS 36 Impairment of Assets.

In our audit, we reported observations to the audit committee regarding the accounting for provisions for onerous contracts and impairment of right-of-use assets. In our view, AcadeMedia's assumptions on which provision for onerous contracts and impairments of right-of-use assets are based are within an acceptable range.



#### PROCEDURES AND PROCESSES, AS WELL AS RECOGNITION OF PERSONNEL-RELATED EXPENSES

We refer to Notes G1 General information, accounting and valuation policies, G5 Personnel expenses, G6 Pensions and G26 Accrued expenses and deferred income.

AcadeMedia has around 19,380 employees in its subsidiaries. Personnel expenses total just over 65 percent of AcadeMedia's operating expenses. It is thus the most significant expense item in AcadeMedia's consolidated income statement. Personnel costs consist of both salaries and other remuneration, including variable remuneration, as well as directly attributable taxes and social security contributions. The risk in these items relates to their completeness, as well as their being correctly calculated, properly reported as accrued and properly measured. There is also an inherent complexity in payroll management, since the various personnel groups are covered by different types of employment contract and different collective agreements, which in turn give rise to differences in how salaries, other remuneration and benefits are to be calculated.

#### HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

In order to pay salaries to **19,380** employees each month, or in some cases more frequently, efficient procedures and processes must be in place to calculate and check the salaries and remuneration to be paid.

Our audit is based both on an evaluation of internal controls and on substantive testing of revenues and other analysis measures, including systems-based transaction analyses of certain balance sheet and income statement items in key subsidiaries.

The review of key controls of financial reporting and income statement and balance sheet items was carried out on a random sample basis. Audit activities performed include the following:

- We checked significant accrued expenses and/or reserves for vacation pay liability, payroll liability, taxes and social security contributions, against information from the payroll system and management's calculations and assessments.
- We reviewed personnel expenses via analytical review measures including changes in expenses in the income statement, accrued expenses and reserves based on our knowledge, as well as through the use of database-related transaction analyses.

Nothing material emerged in these audit procedures that we reported to the management, the Audit Committee, or the Board.

## Information other than the annual accounts and consolidated accounts

This document also contains information other than the annual accounts and the consolidated accounts. This other information is provided on pages 1–12 and 100–106, as well as in the sustainability report on pages 13–41. This other information also consists of the remuneration report, which we received before the date of this audit report. The board of directors and the chief executive officer are responsible for this other information.

Our opinion regarding the annual report and consolidated accounts does not cover this information, and we make no statement of assurance regarding this other information. In connection with our audit of the annual report and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual report and consolidated accounts. In this procedure, we also take into account the knowledge we have otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If, on the basis of the work performed regarding this information, we conclude that such other information includes a material misstatement, we are required to report that fact. We have nothing to report in this regard.

#### RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER

The board of directors and the chief executive officer are responsible for the preparation and fair presentation of the annual report and consolidated accounts in accordance with the Annual Accounts Act and, as regards the consolidated accounts, in accordance with IFRS, as adopted by the EU, and the Annual Accounts Act. The board of directors and the chief executive officer are also responsible for such internal control that they determine is necessary to enable the preparation of annual report and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual report and consolidated accounts, the board of directors and the chief executive officer are responsible for the assessment of the ability of the company and the group to continue as a going concern. They disclose, as applicable, matters related to the ability to continue as a going concern and to use the going concern basis of accounting. The going concern basis of accounting is, however, not applied if the board of directors and the chief executive officer intend to liquidate the company, cease operations or have no realistic alternative but to do so.

The board's audit committee shall, without prejudice to the board's other responsibilities and duties, in particular monitor the company's financial reporting.

#### AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the annual report and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to submit an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual report and the consolidated accounts.

A further description of our responsibility for the audit of the annual report and consolidated accounts is available on the website of the Supervisory Board of Public Accountants (Revisorsnämnden): [www.revisorsinspektionen.se/revisorsansvar](http://www.revisorsinspektionen.se/revisorsansvar). This description is part of the auditor's report.

## Report on other legal and regulatory requirements

### OPINIONS

In addition to our audit of the annual report and the consolidated accounts, we have examined the administration of the board of directors and the chief executive officer of AcadeMedia AB for the financial year 1 July 2022 – 30 June 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the board of directors and the chief executive officer be discharged from liability for the financial year.

### BASIS FOR OPINIONS

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER

The board of directors is responsible for the proposal for appropriation of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The board of directors is responsible for the company's organisation and the administration of the company's affairs. This includes, among other things, continuous assessment of the company's and the group's financial situation and ensuring that

the company's organisation is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a satisfactory manner. The chief executive officer shall manage the ongoing administration according to the board of directors' guidelines and instructions and among other matters take measures that are necessary to ensure that the company's accounting is performed in accordance with law and to ensure that the management of assets is conducted in a satisfactory manner.

### AUDITOR'S RESPONSIBILITIES

Our objective concerning the audit of the administration, and thereby our opinion on discharge from liability, is to obtain audit evidence to judge with a reasonable degree of assurance whether any member of the board of directors or the chief executive officer in any material respect:

- has undertaken any action or been guilty of any omission that can give rise to liability to the Company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriation of the company's profit or loss, and thereby our opinion on this matter, is to assess with a reasonable degree of assurance whether the proposal is in accordance with the Companies Act. Reasonable assurance is a high level of assurance, but is not a guarantee, that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriation of the company's profit or loss is not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on the website of the Supervisory Board of Public Accountants (Revisorsnämnden): [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

## Auditor's review of the corporate governance report

The board of directors is responsible for the corporate governance report on pages 49–57 and for ensuring that it has been prepared in accordance with the Annual Accounts Act.

Our review has been conducted in accordance with FAR's RevU 16 Auditor's Review of the corporate governance report. This means that our review of the corporate governance report has a different focus and is substantially lesser in scope than an audit conducted in accordance with International Standards on Auditing

and generally accepted auditing standards in Sweden. We believe that this review provides a sufficient basis for our opinion.

A corporate governance report has been prepared. Disclosures in accordance with Chapter 6, Section 6, subsection 2, points 2–6, and Chapter 7, Section 31, subsection 2 of the Annual Accounts Act are consistent with the other parts of the annual accounts and the consolidated annual accounts, as well as with the Annual Accounts Act.

## Auditor's review of the ESEF report

### OPINIONS

In addition to our audit of the annual report and the consolidated accounts, we have also verified that the board of directors and the chief executive officer have prepared the annual report and the consolidated accounts in a format that enables harmonised electronic reporting (via the ESEF report) in accordance with Chapter 16, Section 4a of the Swedish Securities Market Act (2007:528) for AcadeMedia AB (publ) for the year 1 July 2022 to 30 June 2023.

Our examination and opinion refers only to the statutory requirement.

In our view, the ESEF report has been prepared in a format that essentially enables harmonised electronic reporting.

### BASIS FOR OPINIONS

We conducted our review in accordance with FAR Recommendation RevR 18 *Auditor's Review of the ESEF Report*. Our responsibilities as described in this recommendation are described in more detail in the section Auditor's Responsibilities. We are independent of AcadeMedia AB (publ) in accordance with generally accepted accounting practice for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER

The board of directors and the chief executive officer are responsible for ensuring that the ESEF report has been prepared in accordance with Chapter 16, Section 4a of the Securities Market Act (2007:528), and for ensuring that such internal controls are in place that the board of directors and the chief executive officer deem necessary to enable the preparation of an ESEF report that is free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITIES

Our task is to express an opinion with reasonable assurance as to whether the ESEF report has been prepared, in all material respects, in a format that complies with the requirements of Chapter 16, Section 4a of the Securities Market Act (2007:528), on the basis of our audit.

RevR 18 requires us to plan and perform our audit procedures to obtain reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but is not a guarantee, that a review conducted in accordance with RevR 18 and generally accepted auditing practice in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The auditors apply ISQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements* and thus have a comprehensive quality control system in place that includes documented guidelines and procedures for compliance with professional ethics, professional standards and applicable legal and regulatory requirements.

The review includes obtaining evidence, through a variety of procedures, that the ESEF report has been prepared in a format that enables harmonised electronic reporting of the annual report and the consolidated accounts. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement in the reporting, whether due to fraud or error. In making such risk assessments, the auditor considers

aspects of internal control relevant to how the board of directors and the chief executive officer produce the material in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. The review also includes evaluating the appropriateness and reasonableness of the assumptions made by the board of directors and the chief executive officer.

The audit procedures consist in the main of a validation that the ESEF report has been prepared in a valid XHTML format and a reconciliation of the ESEF report with the audited annual report and the consolidated accounts.

The audit also includes assessing whether the consolidated income statement, statement of financial position and statement of equity, cash flow statement and notes in the ESEF report have been iXBRL-tagged in accordance with the ESEF Regulation.

PricewaterhouseCoopers AB, Torsgatan 21, SE-113 97 Stockholm, Sweden, was appointed to serve as auditor by AcadeMedia ABs (publ) at the Annual General Meeting held on 30 November 2022 and has served as the company's auditor since 24 November 2017.

Stockholm, 24 October 2023  
PricewaterhouseCoopers AB

Patrik Adolfson  
Authorised Public Accountant  
Principal Auditor

Eva Medbrant  
Authorised Public Accountant

# The share and shareholders

AcadeMedia shares have been listed in the Mid-Cap segment of Nasdaq Stockholm under the ticker symbol ACAD since 15 June 2016.

## Dividend policy

In November 2022, AcadeMedia's Board of Directors announced clarification of the Company's dividend policy. The clarification is intended to shed greater light on how the capital is to be allocated over time. AcadeMedia's new dividend policy:

AcadeMedia's purpose is to provide quality education for the remuneration it receives. AcadeMedia's unrestricted cash flow will primarily be reinvested in the business in order to maintain high quality and to finance future development of the business and growth. The Board believes that AcadeMedia should maintain a strong balance sheet and with it strong financial stability. Any surplus may be distributed to shareholders provided that AcadeMedia's targets relating to quality and financial position have in all material respects been met. This can be effected through dividends and/or through buyback of shares or other alternative methods, provided that all AcadeMedia shareholders are treated equally. AcadeMedia's aim is to distribute approximately 30 per cent of the Group's profit after tax.

## Ownership structure and number of shares

On 30 June 2023, the share capital amounted to SEK 105,793,382 (105,792,878) and the number of shares totalled 105,793,382 (105,792,878) shares, consisting of 105,587,477 (105,586,973) ordinary shares and 205,905 (205,905) Class C shares. The total number of votes in the Company is 105,608,067.5 (105,607,563.5). The quota value is SEK 1.00 per share. The C shares are held by AcadeMedia and the voting rights represent 1/10th of the voting rights of the ordinary shares.

The largest shareholder was Mellby Gård AB with 22.83 percent of the equity.

The number of shares and votes in AcadeMedia AB increased during September 2022 as a result of the conversion of convertible bonds under the convertible bond programme, introduced at the Annual General Meeting held on 22 November 2018, for employees of the AcadeMedia Group. The total number of shares increased by 504 ordinary shares, as did the number of votes.

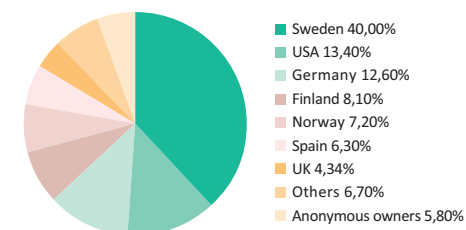
During the third quarter 2022/23, the warrant programme (TOP 2022/2026) approved AcadeMedia AB (publ)'s Annual General Meeting on 30 November 2022 entered into force. The warrant programme is aimed at a number of senior executives, other key persons and employees of the AcadeMedia group. Further information on the programmes is provided in the notice of the 2022 Annual General Meeting, item 17.

## 10 largest shareholders on 30 June 2023

NAME	NUMBER OF ORDINARY SHARES	NUMBER OF CLASS C SHARES	TOTAL NUMBER OF SHARES	SHARE OF EQUITY, %	SHARE OF VOTES, %	SHARE OF SHARE CAPITAL, %, 30/06/2021	CHANGE
Mellby Gård	24,152,981		24,152,981	22.83%	22.87%	22.83%	0.00%
Nordea Fonder	7,378,766		7,378,766	6.97%	6.99%	6.60%	0.38%
Capital Group	7,364,410		7,364,410	6.96%	6.97%	6.17%	0.79%
LOYS AG	6,748,506		6,748,506	6.38%	6.39%	3.34%	3.04%
Cobas Asset Management	5,659,878		5,659,878	5.35%	5.36%	3.21%	2.14%
Taiga Fund Management	4,024,066		4,024,066	3.80%	3.81%	2.48%	1.32%
DWS Investments	3,823,930		3,823,930	3.61%	3.62%	0.00%	3.61%
PRI Pensionsgaranti	3,680,000		3,680,000	3.48%	3.48%	3.29%	0.19%
Dimensional Fund Advisors	2,684,543		2,684,543	2.54%	2.54%	2.07%	0.47%
Janus Henderson Investors	1,983,120		1,983,120	1.87%	1.88%	2.52%	-0.65%
<b>Total, Top 10</b>	<b>67,500,200</b>	<b>0</b>	<b>67,500,200</b>	<b>63.8%</b>	<b>63.9%</b>		
AcadeMedia	0	205,905	205,905	0.2%	0.0%		
Other	38,087,277	0	38,087,277	36.0%	36.1%		
<b>Total</b>	<b>105,587,477</b>	<b>205,905</b>	<b>105,793,382</b>	<b>100.0%</b>	<b>100.0%</b>		

Source: Monitor av Modular Finance AB. Data compiled and processed from Euroclear, Morningstar, the Swedish Financial Inspectorate and others.

## Shareholders per country, as percentage of equity on 30 June 2023



Source: Monitor av Modular Finance AB. Data compiled and processed from Euroclear, Morningstar, the Swedish Financial Inspectorate and others.

## Share facts, 30 June 2023

<b>Market:</b> Nasdaq Stockholm	<b>Total number of shares:</b> 105,793,382
<b>Segment:</b> Mid Cap	– <b>ordinary shares (listed):</b> 105,587,477
<b>Sector:</b> Retail	– <b>Class C shares (unlisted):</b> 205,905
<b>Ticker symbol:</b> ACAD	<b>Market capitalisation:</b> SEK 5,316 million
<b>ISIN code:</b> SE0007897079	<b>Average daily turnover:</b> 160,952

Source: Nasdaq, Euroclear

## Shareholder analysis, 30 June 2023

	NUMBER OF SHARES	SHARE OF EQUITY, %	SHARE OF VOTES, %
10 largest shareholders	67,500,200	63.8%	63.9%
20 largest shareholders	79,649,114	75.3%	75.4%
30 largest shareholders	85,886,545	81.2%	81.3%

Source: Monitor av Modular Finance AB. Data compiled and processed from Euroclear, Morningstar, the Swedish Financial Inspectorate and others.

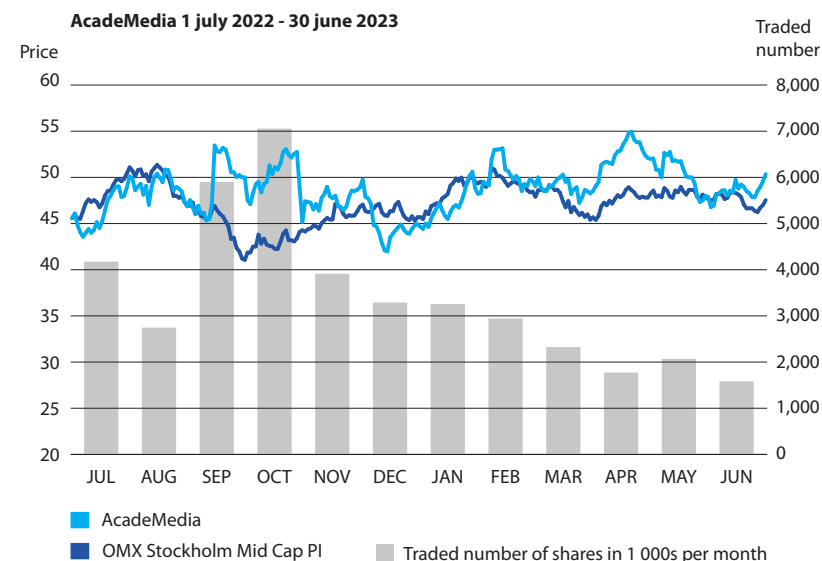
## Share performance

Over the period 30 June 21 to 30 June 22, the AcadeMedia share fell by 8.4 percent. In the same period, the Nasdaq Stockholm Mid Cap index rose 3.4 percent. The highest price paid for the

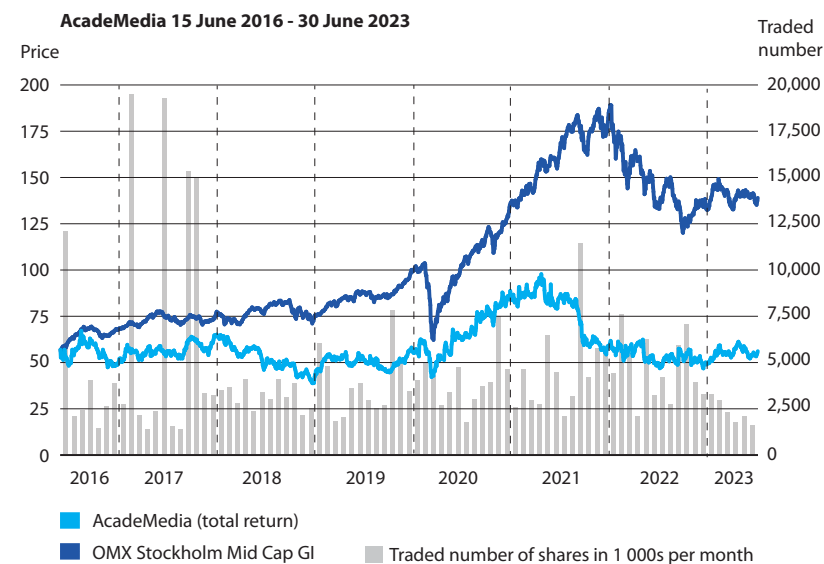
shares during the period was SEK 55.0, the lowest SEK 42.0. On 30 June, AcadeMedia shares were listed at SEK 50.4, indicating a market capitalisation of SEK 5,316 million for the Company.

In the period 30 June 22 to 30 June 23, a total of 40,720,915 shares (54,559,634) were traded, 39 percent of the shares outstanding. The average daily trading volume during that period was 160,952 shares (214,802).

## Trend of share price



## Total return on AcadeMedia shares, 2016-2023



## Per-share data

	2022/23	2021/22	2020/21	2019/20	2018/2019*	2017/2018*	2016/17*
Equity per share, basic	58.1	54.5	50.5	45.7	43.6	42.6	36.5
Earnings per share, basic	5.47	5.73	5.64	4.09	4.09	4.30	4.41
Earnings per share, diluted	5.47	5.72	5.62	4.09	4.09	4.29	4.40
Dividend per share	1.75**	1.75	1.75	1.50	1.25	0	0
Share price on 30 June	50.35	45.58	80.8	64.6	52.3	48.6	56.75
Average number of shares outstanding, basic	105,587,362	105,584,247	105,342,092	105,270,565	105,189,566	100,126,785	94,204,999
Average number of shares outstanding, diluted	105,587,362	105,921,679	105,692,379	105,311,923	105,228,702	100,294,230	94,334,977

\* Financial statements with application of accounting policies for financial years earlier than 1 July 2019. This means accounting in accordance with IAS 17 Leases, i.e. effects from leases of real estate, are recognised as rent and not as finance leases.\*\*

\*\* Dividend proposed by the Board of Directors.

Source: Monitor av Modular Finance AB. Data compiled and processed from Euroclear, Morningstar, the Swedish Financial Inspectorate and others.

Noblaskolan – Mariastaden, Helsingborg Photo\_ secondary school\_year 7



# Multi-year review

SEK M., UNLESS OTHERWISE STATED	2022/23	2021/22	2020/21	2019/20	2018/19 <sup>1</sup>	2017/18 <sup>1</sup>	2016/17 <sup>1</sup>
<b>PROFIT/LOSS ITEMS, SEK M.</b>							
Net sales	15,539	14,339	13,340	12,271	11,715	10,810	9,520
Items affecting comparability	-45	-64	-7	36	1	-48	-23
EBITDA	3,194	2,980	2,754	2,486	931	872	827
Amortisation	-1,924	-1,755	-1,580	-1,513	-296	-250	-212
Operating profit/loss (EBIT)	1,270	1,224	1,174	973	635	622	615
Net financial items	-511	-441	-402	-417	-69	-68	-80
Profit/loss for the period, before tax	759	784	772	556	566	555	535
Profit/loss for the period after tax	578	605	599	431	431	430	416
<b>BALANCE SHEET ITEMS, SEK M.</b>							
Non-current assets	18,111	17,024	15,773	15,285	8,218	7,823	6,574
Current receivables	840	704	662	704	976	860	695
Cash and cash equivalents	967	1,137	966	528	527	699	579
Non-current interest-bearing liabilities	1,430	747	1,850	1,914	2,205	2,209	2,200
Non-current lease liabilities	8,203	7,464	6,495	6,346	-	-	-
Non-current non-interest-bearing liabilities	175	187	162	207	305	135	114
Current interest-bearing liabilities	167	1,207	195	270	592	673	516
Current lease liabilities	1,309	1,180	1,077	1,010	-	-	-
Current non-interest-bearing liabilities	2,501	2,323	2,319	1,965	2,030	2,103	1,577
Equity	6,134	5,758	5,305	4,807	4,589	4,262	3,443
Total assets	19,918	18,864	17,401	16,518	9,720	9,383	7,849
Capital employed	8,322	8,181	7,705	7,250	7,386	7,144	6,158
Net debt	825	987	1,222	1,797	2,266	2,179	2,133
Real estate adjusted net debt, excluding effects of IFRS 16	97	237	526	1,138	1,533	1,528	1,550

SEK M., UNLESS OTHERWISE STATED	2022/23	2021/22	2020/21	2019/20	2018/19 <sup>1</sup>	2017/18 <sup>1</sup>	2016/17 <sup>1</sup>
<b>KPIS</b>							
Sales, SEK m.	15,539	14,339	13,340	12,271	11,715	10,810	9,520
Organic growth incl. minor bolt-on acquisitions, %	6.0%	5.2%	8.1%	5.4%	4.4%	5.8%	9.0%
Acquired growth, major bolt-on acquisitions, %	1.9%	1.6%	1.6%	-	3.2%	7.9%	0.8%
Change in exchange rates, %	0.5%	0.8%	-1.1%	-0.7%	0.8%	-0.1%	0.8%
Operating margin (EBIT), %	8.2%	8.5%	8.8%	7.9%	5.4%	5.8%	6.5%
Adjusted EBIT, SEK m.	964	1,001	939	728	634	670	638
Adjusted EBIT margin, %	6.2%	7.0%	7.0%	5.9%	5.4%	6.2%	6.7%
Adjusted EBITDA, SEK m.	1,422	1,398	1,295	1,066	930	920	850
Adjusted EBITDA margin, %	9.2%	9.7%	9.7%	8.7%	7.9%	8.5%	8.9%
Net margin, %	3.7%	4.2%	4.5%	3.5%	3.7%	4.0%	4.4%
Return on capital employed, % (12 months)	11.8%	12.6%	12.6%	10.0%	8.7%	10.1%	10.9%
Return on equity, % (12 months)	10.7%	12.0%	13.3%	11.5%	9.7%	11.2%	12.9%
Equity/assets ratio, %	57.9%	55.3%	53.3%	51.5%	47.2%	45.4%	43.9%
Interest coverage ratio, multiple	15.6	31.6	27.9	15.9	12.5	10.9	9.4
Net debt/Adjusted EBITDA (12 months), including effects of IFRS 16	3.1	3.1	3.1	3.7	-	-	-
Net debt/Adjusted EBITDA (12 months), excluding effects of IFRS 16	0.6	0.7	0.9	1.7	2.4	2.4	2.5
Debt/equity ratio, including effects of IFRS 16	53.5%	53.4%	52.6%	56.4%	-	-	-
Debt/equity ratio, excluding effects of IFRS 16	8.0%	10.1%	13.0%	19.9%	-	-	-
Free cash flow	792	922	1,117	805	356	688	658
Cash flow from investing activities	-481	-536	-437	-375	-559	-970	-374
Number of full-time employees	14,459	13,829	13,360	12,686	12,405	11,863	10,564

<sup>1</sup> Financial statements with application of accounting policies for financial years earlier than 1 July 2019. This means accounting in accordance with IAS 17 Leases, i.e. effects from leases of real estate, are recognised as rent and not as finance leases.

Definitions of key figures are provided on pages 104–105.

# Reconciliation of alternative key performance indicators

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

## RECONCILIATION OF ALTERNATIVE KEY PERFORMANCE INDICATORS

SEK m., unless otherwise stated	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
<b>NET DEBT</b>						
Non-current interest-bearing liabilities	9,633	8,211	8,344	8,260	2,205	2,209
+ Current interest-bearing liabilities	1,476	2,386	1,272	1,279	592	673
- Interest-bearing receivables <sup>3</sup>	-	-	-	-	4	4
- Cash and cash equivalents	967	1,137	966	528	527	699
- IFRS 16 Non-current and current lease liabilities <sup>1</sup>	<b>9,317</b>	<b>8,474</b>	<b>7,428</b>	<b>7,214</b>	-	-
<b>= Net debt excluding effects of IFRS 16<sup>2</sup></b>	<b>825</b>	<b>987</b>	<b>1,222</b>	<b>1,797</b>	<b>2,266</b>	<b>2,179</b>
<b>REAL ESTATE ADJUSTED NET DEBT</b>						
Net debt (as above)	825	987	1,222	1,797	2,266	2,179
- long-term real estate loans	698	722	671	597	644	603
- current real estate loans	30	28	25	62	89	48
<b>= Real estate adjusted net debt, excluding effects of IFRS 16<sup>2</sup></b>	<b>97</b>	<b>237</b>	<b>526</b>	<b>1,138</b>	<b>1,533</b>	<b>1,528</b>
<b>RETURN ON CAPITAL EMPLOYED %, 12 MONTHS</b>						
Adjusted operating profit, EBIT (12 months)	964	1,001	939	728	634	670
+ Interest income	9	1	0	0	1	2
divided by						
Average equity (12 months)	5,946	5,531	5,047	4,698	4,426	3,853
+ average non-current interest-bearing liabilities (12 months)	8,922	8,277	8,302	5,232	2,207	2,204
+ average current interest-bearing liabilities (12 months)	1,931	1,829	1,276	935	632	594
- IFRS 16 average equity <sup>1</sup>	<b>-349</b>	<b>-256</b>	<b>-165</b>	<b>-59</b>	-	-
- IFRS 16 average non-current and current lease liabilities <sup>1</sup>	<b>8,896</b>	<b>7,951</b>	<b>7,321</b>	<b>3,607</b>	-	-
<b>= Return on capital employed, excluding effects of IFRS 16<sup>2</sup>, %</b>	<b>11.8%</b>	<b>12.6%</b>	<b>12.6%</b>	<b>10.0%</b>	<b>8.7%</b>	<b>10.1%</b>

SEK m., unless otherwise stated	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
<b>RETURN ON EQUITY %, 12 MONTHS</b>						
Profit/loss after tax (12 months)	578	605	599	431	431	430
- IFRS 16 profit/loss after tax (12 months) <sup>1</sup>	-97	-88	-95	-117	-	-
divided by						
Average equity (12 months)	5,946	5,531	5,047	4,698	4,426	3,853
- IFRS 16 average equity <sup>1</sup>	<b>-349</b>	<b>-256</b>	<b>-165</b>	<b>-117</b>	-	-
<b>= Return on equity, excluding effects of IFRS 16<sup>2</sup>, %</b>	<b>10.7%</b>	<b>12.0%</b>	<b>13.3%</b>	<b>11.4%</b>	<b>9.7%</b>	<b>11.2%</b>
<b>INTEREST COVERAGE RATIO, MULTIPLE</b>						
Adjusted operating profit, EBIT (12 months)	964	1,001	939	728	634	670
+ Interest income (12 months)	9	1	0	0	1	2
+ Other financial income (12 months)	24	0	3	4	2	4
divided by						
Interest expense (12 months)	-64	-32	-34	-46	-51	-62
<b>= Interest coverage ratio, multiple</b>	<b>15.6</b>	<b>31.6</b>	<b>27.9</b>	<b>15.9</b>	<b>12.5</b>	<b>10.9</b>

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

<sup>2</sup> Financial statements with application of accounting policies for financial years earlier than 1 July 2019. This means accounting in accordance with IAS 17 Leases, i.e. effects from leases of real estate, are recognised as rent and not as finance leases.

<sup>3</sup> Included in the line-item Other non-current assets in the consolidated balance sheet.

# Definitions of key performance indicators

Implementation of IFRS 16 has a major impact on AcadeMedia, in that all leases must be capitalised on the balance sheet 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, which means that the previous year's accounts have not been restated. This means that certain key performance indicators such as return on equity and capital employed can only be calculated excluding the effects of IFRS 16.

KPIS	DEFINITION	PURPOSE
<b>Number of children/students</b>	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.
<b>Number of education units</b>	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, less discontinued units.
<b>Number of full-time employees</b>	Average number of full-time employees during the period, full-time equivalents (FTEs).	The number of employees is the main cost driver for the Company.
<b>Return on equity, excluding the effects of IFRS 16</b>	Profit/loss for the most recent 12-month period excluding IFRS 16, divided by average equity excl. IFRS 16 (opening balance + closing balance)/2. This key performance indicator is not affected by IFRS 16.	Return on equity is a profitability measure used to place profit (loss) in relation to shareholders' paid-in and earned capital.
<b>Return on capital employed, excl. IFRS 16</b>	Adjusted operating profit/loss (EBIT) for the most recent 12-month period plus interest income, divided by average capital employed, excluding effects of IFRS 16 (opening balance + closing balance)/2. This key performance indicator is not affected by IFRS 16.	Return on capital employed is a measure of profitability that is used to place adjusted operating profit/loss in relation to the capital needed to run the business, irrespective of type of financing.
<b>EBITDA</b>	Operating profit/loss before amortisation and impairment of non-current assets and right-of-use assets. IFRS 16 has a positive impact on this key performance indicator, since rent is excluded.	EBITDA is used to measure profit (loss) from operating activities, irrespective of depreciation/amortisation.
<b>EBITDA margin</b>	EBITDA as a percentage of net sales. IFRS 16 has a positive impact on this key performance indicator, since rent is excluded.	EBITDA margin is used to place EBITDA in relation to sales.
<b>Equity, excl. IFRS 16</b>	Equity excluding the effects of IFRS 16 that arise via profit/loss for the period.	Equity excluding the effects of IFRS 16 is used to calculate return on equity on a consistent basis.
<b>Net financial items</b>	Financial income less financial expenses. IFRS 16 has a negative impact on this key performance indicator, since interest expense on right-of-use assets is included.	The measure is used to illustrate the outcome of the Company's financial activities.

KPIS	DEFINITION	PURPOSE
<b>Free cash flow</b>	Cash flow from operating activities after changes in working capital less investments in operating activities. However, investments in operating activities consist of all investments in property, plant and equipment and intangible assets, except buildings and acquisitions. This key performance indicator is not affected by IFRS 16.	The measure shows how much cash flow the business generates after the necessary investments have been made. This cash flow can be used for expansion, for example amortisation of loans or for dividends.
<b>Acquired growth</b>	Increase in net sales due to major acquisitions over the past 12-month period.	Indicates rate of growth generated from acquisitions, in contrast to organic growth and currency effects.
<b>Acquisition-related depreciation/amortisation</b>	Depreciation of surplus values related to assets gained in acquisitions.	Shows the impact of surplus values acquired on depreciation/amortisation. For example, brands and increases of value in properties.
<b>Adjusted EBITDA</b>	Operating profit/loss before amortisation/depreciation of intangible assets and property, plant and equipment, excluding items affecting comparability and excluding the effects of IFRS 16. This key performance indicator therefore includes rental costs and is not affected by IFRS 16.	Adjusted EBITDA is used to measure the underlying profit from operating activities, excluding depreciation/amortisation and items affecting comparability.
<b>Adjusted EBITDA margin</b>	Adjusted EBITDA as a percentage of net sales. This key performance indicator is not affected by IFRS 16.	Adjusted EBIT margin places the underlying operating profit excluding amortisation in relation to sales.
<b>Adjusted net debt</b>	Net debt less real estate related debt. This key performance indicator is not affected by IFRS 16.	Adjusted net debt shows the portion of loans that finance the business, while real estate loans are linked to a building asset that can be separated off and sold.
<b>Adjusted net debt/Adjusted EBITDA</b>	Adjusted net debt divided by adjusted EBITDA for the past 12-month period. This key performance indicator is not affected by IFRS 16.	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 real estate related loans. It shows the loan-to-value ratio of the business excluding real assets such as real estate.
<b>Adjusted operating profit/loss, EBIT</b>	Operating profit/loss (EBIT) excluding items affecting comparability and excluding the effects of IFRS 16. This key performance indicator includes rental costs and is not affected by IFRS 16.	Adjusted EBIT is used to get a better picture of the underlying operating profit.
<b>Adjusted EBIT margin</b>	Adjusted EBIT as a percentage of net sales.	Adjusted EBIT margin sets underlying operating profit in relation to sales.



KPIS	DEFINITION	PURPOSE
<b>Items affecting comparability</b>	Items affecting comparability are income and cost of an irregular nature such as major (>SEK 5 million) retroactive income related to prior financial years, items related to real estate such as capital gains on sale, major real estate damage not covered by buildings insurance, costs of advice relating to major acquisitions or fundraising, major integration costs resulting from acquisitions or reorganisations according to plan, as well as costs arising from strategic decisions and major restructuring that result in winding up of units.	The measure is used to illustrate the profit/loss items that are not included in ongoing operating activities, in order to obtain a clearer picture of the underlying profit trend.
<b>Cash flow from operating activities</b>	Cash flow from operating activities including changes in working capital and before cash flows from investing and financing activities. IFRS 16 has a positive impact on this measure, since rental costs are excluded.	Cash flow from operating activities is used as a measure of the cash flow that the Company generates before investments and financing.
<b>Cash flow from investments</b>	Cash flow from investing activities as per the cash flow statement. This includes investments in and divestments of buildings, acquisitions and investments in property, plant and equipment and intangible non-current assets. Investments financed via leases are not included. This key performance indicator is not affected by IFRS 16.	Cash flow from investments is used for regular measurement of how much cash is used to maintain operations and for expansion.
<b>Net debt</b>	Interest-bearing debt (current and non-current), excluding lease liabilities related to right-of-use assets, net of cash and cash equivalents and interest-bearing receivables (current and non-current). This key performance indicator is not affected by IFRS 16.	Net debt is used to illustrate the size of the debt less current cash and cash equivalents (which in theory could be used to amortise loans).
<b>Net debt/ Adjusted EBITDA</b>	Net debt (closing balance for the period) divided by adjusted EBITDA for the past 12-month period. This key performance indicator is not affected by 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 real estate related loans.
<b>Organic growth including minor bolt-on acquisitions</b>	Increase in net sales, excluding major acquisitions and currency fluctuations.	The Group's growth target is to increase net sales by 5-7 percent per year, including minor bolt-on acquisitions. The purpose of the key performance indicator is thus to follow up on the Group's growth target.
<b>Employee turnover</b>	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 must be replaced every year.

KPIS	DEFINITION	PURPOSE
<b>Earnings per share</b>	Profit/loss for the period in SEK, divided by the average number of shares outstanding, basic/diluted, is calculated according to IAS 33. The key performance indicator is affected by IFRS 16 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 highlight the amount of profit for the period to which each share is entitled.
<b>Earnings per share, excl. IFRS 16</b>	Earnings per share, excluding the effects of IFRS 16.	The purpose is to report earnings per share based on the same accounting policies as before the implementation of IFRS 16, in order to provide comparability over time.
<b>Interest coverage ratio, excl. IFRS 16</b>	Adjusted EBIT for the past 12-months plus financial income, in relation to interest expense, excluding interest expense attributable to right-of-use assets. This key performance indicator is not affected by IFRS 16.	The interest coverage ratio is used to measure the Company's ability to pay off interest expenses.
<b>Operating margin (EBIT margin)</b>	Operating profit/loss as a percentage of net sales. In the Group, this measure is affected by IFRS 16. However, the EBIT for the segments is not affected.	The operating margin shows the percentage of sales that remains after operating expenses and that can be allocated to other purposes.
<b>Operating profit/loss (EBIT)</b>	Operating profit/loss before net financial items and tax. In the Group, this measure is affected by IFRS 16. However, the EBIT for the segments is not affected.	Operating profit/loss (EBIT) is used to measure operating profit before financing and tax.
<b>Absence due to illness</b>	Short-term and long-term absence due to illness recalculated to full-time and 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.
<b>Equity/assets ratio</b>	Equity excluding the effects of IFRS 16, as a percentage of total assets and excluding the effects of IFRS 16. This key performance indicator is not affected by IFRS 16.	The equity/assets ratio shows the proportion of the Company's total assets that is financed by shareholders' equity. A high equity/assets ratio is an indication of financial strength.
<b>Capital employed, excl. IFRS 16</b>	Total assets less non-interest-bearing current liabilities and provisions, adjusted for non-current and current lease liabilities related to right-of-use assets, as well as provisions and deferred tax liabilities. Or: Equity plus non-current and current interest-bearing liabilities but excluding non-current and current lease liabilities related to right-of-use assets. This key performance indicator is not affected by IFRS 16.	Capital employed indicates how much capital is needed to run the business regardless of type of financing (borrowed or equity). By excluding the effects of IFRS 16, continuity can be achieved in the return figure.

# Tips to the reader

Annual reports are packed with information and few people read them from cover to cover. However, this annual report provides a good summary of AcadeMedia's operations and results, even if you only read parts of it. Here are some tips for readers who don't have time to read everything.

## If you want to know all about our business and financial performance

The Administration Report, which begins on page 42, is a good starting point. It provides a brief summary of information such as major events over the past year, our financial position and our quality management initiatives.

## If you want to know all about the figures

The figures section starts on page 58. This is where you can see that AcadeMedia's sales for the year totalled SEK 15,539 million and that the profit for the period was SEK 578 million.

## If you want the shortest summary possible

On page 7 we have "The year in brief" – it doesn't get any shorter than that!

## For people who want to gain insight into how we see the future

The two-page message from the CEO on pages 8-9 is a good status update describing both where we are today and how we view the future. On page 5, you can read about our roadmap 2030 and our goals. Then turn to pages 10–12 to read more about our markets.

## If you want to know more about our segments

Our four segments – Preschool, Compulsory School, Upper Secondary School and Adult Education – are described on pages 4 and 43–45.

## If you want to know more about our work in sustainability

Our sustainability report is provided on pages 13–41.

## If your particular interest is quality

Our general approach to quality management is described in our sustainability report on pages 21–25. If you want to find out more about our quality management model and our quality performance, we recommend AcadeMedia's Group-wide Quality Report, which is available at [www.academedia.se](http://www.academedia.se) – search for "quality report".

## If your focus is on internal control

The Corporate Governance Report, which starts on page 49, describes how we ensure good internal control and governance.

## Words used and definitions

Some of the words and expressions commonly used in annual reports, often chosen to meet stock market requirements for clarity and accuracy, seem unnatural to many who work in the education sector. For example, many of us react to the term "customer," which does not seem to fit but is used in the "customer and employee satisfaction surveys" that we conduct and that are reported on both here in the annual report and in our annual quality report. Another example is the "market overview" section in the annual report. Referring to preschool, school and adult education as a market seems inappropriate for most people who work in education.

Regarding the word customer, we chose to explain how we think in our quality report as follows: The word "customer" is difficult to use in the context of education and may need to be explained. By "customers," we mean not only students and guardians, but also central government and municipalities – in fact, the entire community – who have given us the mandate that we strive to implement in the best possible way.

An annual report is primarily intended for readers with a particular focus on financial issues. We have therefore decided that in this particular context we will adhere relatively strictly to concepts that cannot be misunderstood by such readers, but that many people in the education sector may be uncomfortable with.

## For any questions and to order documents

Questions from shareholders and investors may be put to Acting CFO Hanna Clausén, [hanna.clausen@academedia.se](mailto:hanna.clausen@academedia.se), +46 87 94 42 62.

Questions about the Sustainability Report may be put to Head of Sustainability Paula Hammerskog, [paula.hammerskog@academedia.se](mailto:paula.hammerskog@academedia.se), (Int.+46) (0)733 34 87 50.

You can sign up to receive financial reports by registering on [www.academedia.se](http://www.academedia.se), go to investors-financial information-reports and presentations.

## We hope you enjoy reading our report!

AcadeMedia

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