



Photo: Marcus Strömberg

Change Through Education

AcadeMedia AB (publ)

Interim report July – September 2023

- More than 100,000 children and students and net sales increased by 10.5 percent
- Continued strong development and growth in the Higher Vocational Education
- Continued international expansion with acquisition in the Netherlands and Germany

AcademeMedia

Interim report quarter one, July – September 2023

Summary of the first quarter 2023/24

- Net sales increased by 10.5 percent and amounted to SEK 3,430 million (3,104). Organic growth, including bolt-on acquisitions, was 6.5 percent.
- Operating profit (EBIT) amounted to SEK 232 million (239).
- Adjusted operating profit, adjusted for items affecting comparability and effects of IFRS 16, amounted to SEK 151 million (151). Items affecting comparability amounted to SEK -6 million (6).
- Net profit for the period amounted to SEK 62 million (94).
- Earnings per share was SEK 0.59 (0.73) after dilution. Adjusted for IFRS 16, earnings per share was SEK 0.87 (0.93) after dilution.
- The average number of children and students in preschool, compulsory school, and upper secondary school during the first quarter was 100,752 (95,834), representing an increase of 5.1 percent.
- The Preschool Segment has changed name to “Preschool and International Segment”.

First quarter summary

SEK m	First quarter			Rolling 12 m	Full year
	2023/24	2022/23	Change	Oct 22 – Sep 23	2022/23
Net sales	3,430	3,104	10.5%	15,865	15,539
Organic growth, %	6.5%	4.5%	2.0 p.p.	6.5%	6.0%
Operating profit (EBIT)	232	239	-2.9%	1,263	1,270
EBIT margin, %	6.8%	7.7%	-0.9 p.p.	8.0%	8.2%
Adjusted EBIT ¹	151	151	0.0%	965	964
Adjusted EBIT margin, %	4.4%	4.9%	-0.5 p.p.	6.1%	6.2%
Net financial items	-155	-120	-29.2%	-546	-511
Profit for the period	62	94	-34.0%	546	578
Earnings per share, diluted (SEK)	0.59	0.73	-18.8%	5.33	5.47
Free cash flow	-127	-64	98.4%	729	792
Number of children and students ²	100,752	95,834	5.1%	99,146	97,916
Number of FTEs	14,647	13,982	4.8%	n.m.	14,459

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

² Excl. adult education. See definitions on pages 30-31.

CEO's comments

The number of children and students increased by 5.1 percent in the first quarter to 100,752, contributing to the strong revenue increase of 10.5 percent. In the Adult Education segment, our higher vocational education business made a strong start with higher numbers of participants than before and our restructuring measures during the spring have had a positive impact. In our school operations, the first quarter is a lesser one, which is why index-adjusted rental costs for 2023 and salary reviews have had a greater impact. The effect is greater in the Upper Secondary School Segment since the 2023 school voucher increase in the Greater Stockholm area, about 30 percent of the segment, only increased 1.8 percent. All in all, adjusted EBIT was in line with last year SEK 151 million (151).

Autumn and the start of the school year is an exciting time for us, as we welcome all children and students to a new class or school after the summer. This year was a particular highlight, as we passed the 100,000 children and students mark. The positive development was partly due to the opening of our two campuses in Stockholm last year, which accommodates around 4,000 students. Both campuses have been very successful, and at the start of autumn 2023 there was a great deal of interest in the schools. Based on this experience, we plan to build more campuses, both in Stockholm and in other major cities.

Strong start for higher vocational education business

In adult education, our higher vocational education business got off to a strong start. We now have more courses and more applicants than before, and the business now accounts for nearly half of total sales for the segment. With more than 12,000 students, we are the leading education provider in the sector. This educational format is highly popular both among participants and in the labour market, which is why the Government's investment in an additional 3,000 places in higher vocational education in the autumn budget for 2024 is absolutely right.

The labour market situation remained stable in the quarter, but the number of redundancies announced has increased and unemployment is expected to rise going forward. During the spring, we realigned our offering in municipal adult education and labour market services to reflect the lower demand. These operations account for about 40 percent and less than 10 percent of sales, respectively. Should the need arise, we are of course ready to scale up again.

Campaign to encourage more people to take up vocational teaching

To succeed in our mission, our sector needs to attract the right skills. As Sweden's largest - and leading - provider of vocational education and training (vocational education and training includes programmes, for example aimed at nurses, plumbers, childcare workers, and construction workers), we know how important these professions are. We are also aware of the scale of the shortage of teachers who can train our future nurses and plumbers. Against that background, this autumn we have launched a national campaign to encourage more professionals to retrain as vocational teachers. The response has been overwhelming, and our hope is that this initiative will help to persuade more people to choose to become teachers and will enable more students to train as the next generation of nurses, electricians, and vehicle mechanics.

Acquired and organic growth with a focus on international expansion

Ever since AcadeMedia was established, the company has pursued a clear growth strategy. During the first quarter of the financial year, we made three acquisitions. In Sweden, we acquired Centrina grundskolor and in Germany AcadeMedia completed the acquisition of the adult education MediaDesign

Academy. In the Netherlands, we took a strategically important step with the acquisition of Winford College adding 10 compulsory and upper secondary schools to the existing 10 preschools. After the end of the reporting period, we also acquired Berghs School of Communication, one of the world's leading schools in the field of communication. Berghs will be incorporated into our Adult Education segment and will strengthen our offering in the privately funded market.

Organic international growth continues according to plan and in Germany six preschools opened in the quarter where we now operate 88 preschools. A new development this year is that we grow organically through our game development programmes for adults. Futuregames runs programmes in Poland and The Game Assembly operates in the UK. These businesses are still small but represent milestones in the implementation of our international growth strategy. Overall, operations outside Sweden account for just over 25 percent of AcadeMedia's sales.

New political conditions in Norway

Norway held municipal and regional elections in September, and the Conservative Party became the largest political party in Norway for the first time in almost 100 years, overtaking Norway's Labour Party. When the new municipal governments are in place, a large majority of Espira's 9,336 preschool children will attend preschools in municipalities with right-wing administrations; before the election, 20 percent of the children did so.

Preliminary indications for 2024 school voucher funding

A number of municipalities in Sweden have announced their proposals for school voucher increases from 1 January 2024. It is too early to say what the overall picture for each of AcadeMedia's operations is expected to be, but the Greater Stockholm and the City of Stockholm municipalities, which affect many of our students, indicate an increase of around 5 percent for compulsory schools and 3.4 percent for upper secondary schools.

In October, the Swedish Association of Independent Schools published a report reviewing school voucher funding decisions in 32 municipalities. The report showed that, contrary to popular belief, independent schools are undercompensated. This is partly because the municipalities exclude costs for premises and central administration before calculating school voucher funding. The report also highlighted that municipalities already receive higher compensation for their broader responsibilities than independent schools.

Quality report 2022/23

On 23 October 2023, AcadeMedia published its quality report. The theme of this year's report was "Equal assessment and grading", and the report contains several articles on the subject. For example, the report describes the Group's efforts to increase the correlation between results in the national tests and the grades awarded, external reviews of grading in compulsory and upper secondary schools, and also provides examples of how schools have taken on the extensive package of measures launched during the past school year. We can see that the correlation between the national tests and the grades awarded has increased significantly, so our work has produced results.

This is the eleventh year in a row that we publish our quality report. It is an important tool in our systematic quality work and our endeavour to always be a little better at what we do.

Marcus Strömberg

President and CEO
AcadeMedia AB (publ)



Development in the first quarter (July 2023 – September 2023)

Volume development and net sales

Net sales in the first quarter increased by 10.5 percent to SEK 3,430 million (3,104), whereof SEK 14 million in electricity support. The acquisition of FAWZ and Winford College contributed 3.0 percent. Organic growth, including bolt-on acquisitions, was 6.5 percent and changes in exchange rates impacted sales by 0.5 percent. The average number of children and students, excluding the Adult Education Segment, increased by 5.1 percent to 100,752 (95,834).

Adjusted operating profit and operating profit (EBIT)

Adjusted EBIT was in line with last year, SEK 151 million (151) and the adjusted EBIT margin 4.4 percent (4.9). Operating profit (EBIT) was SEK 232 million (239) and the EBIT margin 6.8 percent (7.7). The margin decrease was attributable to the Compulsory- and Upper Secondary School segments due to continued higher operating costs driven by inflation and higher rental costs due to indexation. The rental costs increased SEK 35 million compared to last year. Lower electricity costs and electricity support mitigated the effect, about SEK 20 million. The Adult Education Segment capacity adjustments and cost cutting measures completed last year positively impacted profitability.

Group overhead expenses decreased compared to last year due to cost savings programs and vacancies.

Items affecting comparability

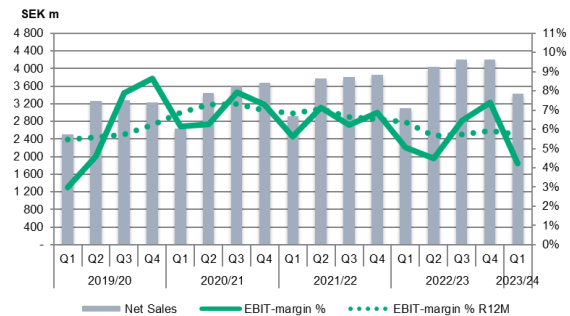
Items affecting comparability amounted to SEK -6 million (6) and include transaction expenses from acquisitions and insurance compensation related to a fire in a compulsory school January 2023. About SEK 2 million in additional insurance compensation is expected.

Acquisitions, divestments, new establishments, and discontinued operation

As of this fiscal year, the Preschool Segment has changed name to "Preschool and International Segment".

During the quarter, three acquisitions were completed. In July, the German adult education company MediaDesign Academy was acquired and in August Winford College with 10 compulsory- and upper secondary schools in the Netherlands was acquired. Both acquisitions are included in the Preschool and International Segment. In September, the acquisition of Vindseglet AB with two compulsory schools was completed.

Six new preschools in Germany and one new upper secondary school in Sweden were added in the quarter. The quarter is also affected by the closing of four units in Sweden, three preschools and one upper secondary school. Furthermore, three preschools in Norway have been merged into one, two compulsory schools merged, and five upper secondary schools have been merged into two units.



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

SEK m	First quarter	
	2023/24	2022/23
Fire, insurance compensation (Comp.)	1	6
Transaction expenses (Pre & Int.)	-6	-
Total	-6	6

First quarter in summary by segment

	Number of students (average)		Net sales, SEK m		Adj. operating profit. (EBIT), SEK m		Adj. EBIT margin		Operating profit (EBIT), SEK m		EBIT margin	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Preschool & International	25,989	22,702	1,165	956	0	-3	0.0%	-0.3%	-6	-3	-0.5%	-0.3%
Compulsory School	28,825	28,416	799	746	51	51	6.4%	6.8%	51	57	6.4%	7.6%
Upper Secondary School	45,938	44,716	1,102	1,025	63	74	5.7%	7.2%	63	74	5.7%	7.2%
Adult Education	- ¹	- ¹	365	377	48	45	13.2%	11.9%	48	45	13.2%	11.9%
Group OH and adj.	-	-	0	0	-10	-16	-	-	-10	-16	-	-
Impact from IFRS 16 ²	-	-	-	-	-	-	-	-	86	82	-	-
Total	100,752	95,834	3,430	3,104	151	151	4.4%	4.9%	232	239	6.8%	7.7%

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

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

Cash flow and financial position

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

Cash flow adjusted for lease payments

SEK m	First quarter		Rolling 12 months	Full year
	2023/24	2022/23	Oct 22 – Sep 23	2022/23
Cash flow from operating activities before changes in working capital	192	178	1,058	1,044
Cash flow from changes in working capital	-224	-155	-38	31
Cash flow from operating activities	-32	24	1,020	1,075
Investments related to existing operations ¹	-95	-88	-290	-283
Investments related to expansion ²	-166	-82	-282	-198
Cash flow from investing activities	-261	-170	-572	-481
Cash flow from financing activities³	299	-87	-385	-770
CASH FLOW FOR THE PERIOD	6	-233	63	-176
Free cash flow⁴	-127	-64	729	792

Cash flow from operating activities before changes in working capital increased in the quarter and amounted to SEK 192 million (178). The net working capital development in the first quarter is negatively affected by seasonality following vacation and higher accounts receivable relating to the start of the academic year. Cash flow from changes in working capital was SEK -224 million (-155) negatively affected by a calendar effect from lower prepaid income in Norway. Paid tax in the quarter amounted to SEK 67 million (71). Cash flow from operating activities amounted to SEK -32 million (24) in the quarter.

Investments in existing operations¹ were higher compared to last year and amounted to SEK -95 million (-88) contributing to a free cash flow⁴ of SEK -127 million (-64). Expansion investments² in the period were SEK -166 million (-82) mainly related to the acquisition of Winford and MediaDesign Academy, in total SEK 159 million. Cash flow from investing activities amounted to SEK -261 million (-170).

Cash flow from financing activities³ totalled SEK 299 million (-87). All in all, cash flow for the quarter amounted to SEK 6 million (-233).

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

² Expansion investments include acquisitions and investments in own preschool buildings in Norway, as well as divestments of such assets.

³ Cash flow from financing activities include leasing payments of computers amounting to SEK 36 million (34) in the quarter. Full year 2022/23 the leasing payments of computers was SEK 161 million.

⁴ Free cash flow before expansion investments consists of the cash flow from operating activities less investments in existing operations.

Financial position¹

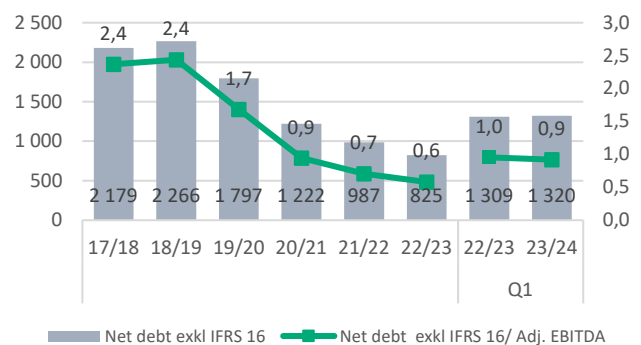
SEK m	Including IFRS 16			Excluding IFRS 16		
	2023-09-30	2022-09-30	2023-06-30	2023-09-30	2022-09-30	2023-06-30
Net debt	11,120	10,404	10,142	1,320	1,309	825
Property-related leasing liabilities	9,799	9,094	9,317	-	-	-
Net debt/ adjusted EBITDA	3.4	3.4	3.1	0.9	1.0	0.6
Debt ratio (%)	55.0%	55.3%	53.5%	11.9%	12.6%	8.0%
Equity/asset-ratio (%)	29.1%	29.6%	30.,8%	54.5%	54.3%	57.9%
Buildings ²	1,165	1,066	1,170	1,165	1,066	1,170

Consolidated interest-bearing net debt¹ including property-related leasing liabilities amounted to SEK 11,120 million (10,404), of which property-related leasing liabilities amounts to SEK 9,799 million (9,094). The increase compared to last year is related to expansion, commencement of new lease agreements, renewal of current lease agreements, and indexation of existing rental agreements. Financial expenses increased to SEK -158 million (-123) following the increased leasing liabilities and increased interest rates. Interest expenses related to property related leasing liabilities amounted to SEK -127 million (-109), interest expenses excluding leasing was SEK -20 million (-11).

Consolidated interest-bearing net debt¹ excluding property-related leasing liabilities amounted to SEK 1,320 million (1,309) as of 30 September 2023.

The property loans have decreased by SEK 24 million over the past 12 months to SEK 727 million (751). Excluding the currency effects, the property loans decreased by SEK 25 million. During the same period, buildings increased by SEK 99 million to SEK 1,165 million (1,066), primarily an effect of the acquisition of FAWZ including buildings of SEK 119 million.

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



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

² As of 30 September 2023, AcadeMedia owns 41 preschool properties in Norway, which are funded by long-term liabilities in the Norwegian State Housing Bank and short-term construction loans. Through the acquisition of FAWZ, AcadeMedia owns 3 properties in Germany.

Preschool and International

- The Preschool Segment is renamed to Preschool and International Segment to better reflect the new businesses included.
- The number of children increased by 14.5 percent to 25,989 (22,702) in the first quarter.
- Sales increased by 21.8 percent and amounted to SEK 1 165 million (956), positively affected by acquisitions and currency changes. Organic growth was 10.3 percent.
- Adjusted operating profit (adj. EBIT) increased to SEK 0 million (-3).

AcadeMedia's Preschool and International Segment runs operations in Sweden, Norway, Germany, and the Netherlands. The segment had 328 units in the quarter whereof 107 preschools in Sweden, 105 preschools in Norway, 89 preschools, 2 compulsory schools, 5 upper secondary schools and adult education in Germany, as well as 10 preschools and 10 compulsory- and upper secondary schools in The Netherlands.

Outcome for the first quarter

The average number of children increased by 14.5 percent compared with the previous year and amounted to 25,989 (22,702). The increase was mainly driven by acquisitions and new establishments in Germany and the Netherlands, but also solid growth in Norway. In Sweden, the number of children was negatively affected by closing of preschools, about 260 fewer children compared to the previous year.

Sales increased by 21.8 percent and amounted to SEK 1 165 million (956). Acquisitions (FAWZ and Winford) and currency effects contributed 9.8 and 1.7 percent, respectively. The organic growth was 10.3 percent.

Adjusted operating profit (EBIT) was SEK 0 million (-3) and the margin 0.0 percent (-0.3). The first quarter, a relatively small quarter, continued to be affected by higher operating costs driven by inflation and higher

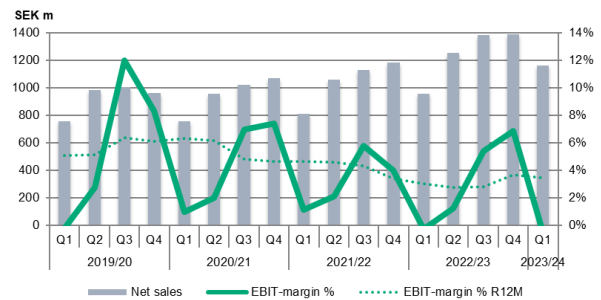
rental costs due to indexation, about SEK 10 million. In Norway, the operating profit was also affected by increased maintenance costs about SEK 7 million compared to last year and continued higher pension costs about SEK 3 million. Increased school voucher in Norway, that somewhat compensates for previous years' cost, mitigate the effect.

Items affecting comparability amounted to SEK -6 million (-) and include transaction expenses from acquisitions.

Operating profit (EBIT) was lower than last year and amounted to SEK -6 million (-3). This corresponds to an EBIT margin of -0.5 percent (0.3).

Operational changes

The acquisition of Winford College in the Netherlands contributed with 10 compulsory- and upper secondary schools. Six new units in Germany opened in the quarter and the plan is to open in total 15 units during 2023/24. In Germany, MediaDesign Academy was acquired in the quarter. In Sweden three preschools closed in the quarter and another three will close in the second quarter.



Financial overview¹

SEK m	First quarter			Rolling 12 months	Full year
	2023/24	2022/23	Change	Oct 22 – Sep 23	2022/23
Net sales	1,165	956	21.8%	5,192	4,983
Operating profit (EBIT)	-6	-3	100.0%	179	182
EBIT margin, %	-0.5%	-0.3%	-0.2 p.p.	3.4%	3.7%
Items affecting comparability	-6	-	n.a.	-18	-11
Adjusted operating profit	0	-3	n.a.	197	194
Adjusted EBIT margin, %	0.0%	-0.3%	0.3 p.p.	3.8%	3.9%
Number of children and students	25,989	22,702	14.5%	25,985	25,163
Number of units	328	303	8.3%	n.m.	312

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

¹ Additional financial information per segment is presented on pages 26-27.

Compulsory School

- The number of students increased by 1.4 percent to 28,825 (28,416) in the first quarter.
- Sales increased by 7.1 percent to SEK 799 million (746).
- Adjusted operating profit (EBIT) was in line with last year SEK 51 million (51).

AcadeMedia's Compulsory School segment runs compulsory schools and integrated preschools in many municipalities in Sweden under the brands Innovitaskolorna, Montessori Mondial, Noblaskolorna, Pops Academy, Snitz, and Vittra. Operations are based entirely on the school voucher system. The segment had 118 units during the quarter, whereof 38 integrated preschools.

Outcome for the first quarter

The average number of students increased by 1.4 percent compared with the previous year and amounted to 28,825 (28,416). The increase relates to acquisitions, increased capacity in existing units, and growth in existing units. Adjusted for units that are to be closed, the number of students increased by 2.4 percent.

Net sales increased by 7.1 percent and amounted to SEK 799 million (746), which in addition to the increase in number of students, also was due to the annual adjustment of school vouchers and SEK 5 million in electricity support.

Adjusted operating profit was SEK 51 million (51) and the margin 6.4 percent (6.8). The operating profit continued to be affected by the general higher cost level, of which rental costs increased about SEK 10 million due to indexation in the quarter compared to last

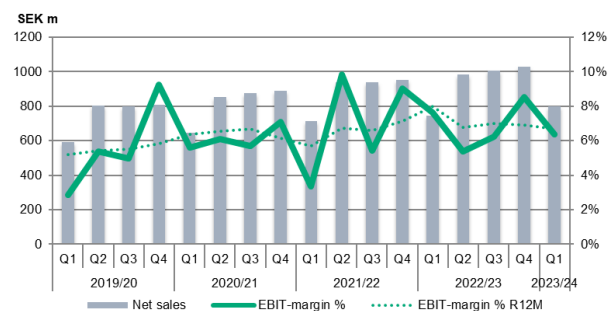
year. This year's salary revision, from September 1, was 4.1 percent and affected the quarter by about SEK 2 million.

Items affecting comparability amounted to SEK 1 million (6) and include insurance compensation related to a fire. Additional insurance compensation of about SEK 2 million is expected.

Operating profit (EBIT) was lower than last year and amounted to SEK 51 million (57). This corresponds to an EBIT margin of 6.4 percent (7.6).

Operational changes

During the first quarter, two compulsory schools in Gothenburg with 624 students was acquired. Two units merged into one unit in the quarter.



Financial overview¹

SEK m	First quarter			Rolling 12 months	Full year
	2023/24	2022/23	Change	Oct 22 – Sep 23	2022/23
Net sales	799	746	7.1%	3,822	3,769
Operating profit (EBIT)	51	57	-10.5%	255	260
EBIT margin, %	6.4%	7.6%	-1.2 p.p.	6.7%	6.9%
Items affecting comparability	1	6	n.a.	-16	-10
Adjusted operating profit	51	51	-	270	271
Adjusted EBIT margin, %	6.4%	6.8%	-0.4 p.p.	7.1%	7.2%
Number of children and students	28,825	28,416	1.4%	28,743	28,641
Number of units	118	116	1.7%	n.m.	117

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

¹ Additional financial information per segment is presented on pages 26-27.

Upper Secondary School

- The number of students increased by 2.7 percent in the first quarter, amounting to 45,938 (44,716).
- Sales increased 7.5 percent to SEK 1,102 million (1,025).
- Adjusted operating profit decreased to SEK 63 million (74).

AcadeMedia's Upper Secondary School Segment provides upper secondary education throughout Sweden under 16 different brands, offering both academic and vocational programmes. The schools operate entirely based on the school voucher system. The segment had 149 units during the quarter.

Outcome for the first quarter

The number of students increased by 2.7 percent compared with the previous year, amounting to 45,938 (44,716). During the past three years, 7 new units have opened, admitting in total more than 550 additional students compared to last year. Expansion through new starts and investments in campus have increased the student capacity with about four thousand places. Admission to these places have started and will continue to be filled in the coming years. The two campuses that opened in Stockholm in the autumn 2022 has increased the number of students by about 13 percent compared to last year.

Net sales increased by 7.5 percent to SEK 1,102 million (1,025), following increased number of students, the annual school voucher revision, and SEK 5 million in electricity support.

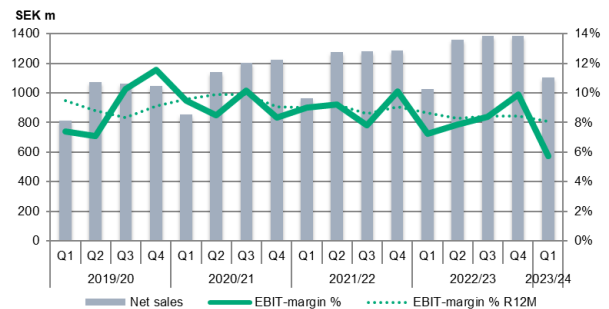
Adjusted operating profit was SEK 63 million (74), representing a margin of 5.7 percent (7.2). Operating profit and margin decreased as a result of the general higher cost levels of which rental costs increased about SEK 20 million due to indexation in the quarter

compared to last year. This year's salary revision, from 1 September, was 4.1 percent and affected the quarter by about SEK 5 million. About 30 percent of the Upper Secondary School Segment is in the Greater Stockholm area where the school voucher increase 2023 was 1.8 percent. This does not compensate for current salary and cost increases in the Stockholm area. Capacity utilisation increased to 86.9 percent (85.2) following the increased number of students in conjunction with the unit portfolio review that was initiated during last quarter.

Operating profit (EBIT) decreased and amounted to SEK 63 million (74) and the margin was 5.7 percent (7.2).

Operational changes

At the start of the autumn term 2023, one new upper secondary school opened in Karlstad with about 50 students enrolled. The number of units in the quarter was also affected by one closed unit and five units merged into two units.



Financial overview¹

SEK m	First quarter			Rolling 12 months	Full year
	2023/24	2022/23	Change	Oct 22 – Sep 23	2022/23
Net sales	1,102	1,025	7.5%	5,230	5,154
Operating profit (EBIT)	63	74	-14.9%	423	434
EBIT margin, %	5.7%	7.2%	-1.5 p.p.	8.1%	8.4%
Items affecting comparability	-	-	n.a.	-23	-23
Adjusted operating profit	63	74	-14.9%	446	457
Adjusted EBIT margin, %	5.7%	7.2%	-1.5 p.p.	8.5%	8.9%
Number of children and students	45,938	44,716	2.7%	44,418	44,112
Number of units	149	152	-2.0%	n.m.	152

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

¹ Additional financial information per segment is presented on pages 26-27.

Adult Education

- Sales decreased 3.2 percent to SEK 365 million (377).
- Operating profit (EBIT) was SEK 48 million (45).

AcadeMedia's Adult Education Segment is Sweden's largest provider of adult education with a presence in about 150 locations in the country. The segment works in three main customer groups: Municipal Higher Education (39 percent of sales in the quarter), Higher Vocational Education (48) and Labour Market Services (9).

Outcome for the first quarter

Net sales decreased by 3.2 percent and amounted to SEK 365 million (377). The decrease is mainly attributable to Municipal Adult Education, to some extent mitigated by higher volumes in Higher Vocational Education.

Number of participants within **Higher Vocational Education** continued to increase and net sales increased by 7 percent compared to last year. Operating profit was in line with last year.

Volumes in **Municipal Adult Education** declined, and net sales decreased 13 percent compared to last year. The strong labour market continued to have a dampening effect. Capacity adjustments last year had a positive effect on profitability in the quarter.

Volumes in the **Labour Market Services** business were in line with last year, still on low levels. The expected volumes in the new matching contracts (ROM2) are still not met.

Operating profit increased to SEK 48 million (45), and the margin was 13.2 percent (11.9). The higher earnings were mainly related to the Municipal Adult Education and last year's capacity adjustments.

The first quarter, like last year, is a seasonally strong quarter positively affected by lower personnel costs due to vacation.

The assessment is that the segment's EBIT-margin for the full year will approach the range of 9 to 11 percent.

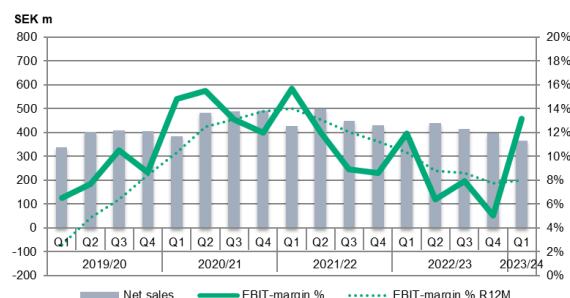
The development of the economy and the transition study grant (sv. Omställningsstudiestöd), introduced in the autumn 2022, can in the longer term have a positive effect on the development.

Operational changes and market development

The labour market remained stable in the quarter. However, the number of termination notices increased and was higher compared to the same period last year. The National Institute of Economic Research (sv. Konjunkturinstitutet) forecast that unemployment will increase during 2024 before it starts to come down in 2025.

The Swedish government's budget for 2024 included 3,000 further education places in higher vocational education, 53,000 in total and 16,500 full year places in regional basic vocational education, to provide increased opportunities for upskilling and reskilling. The Swedish Board of Student Finance (CSN) is allocating more funds to handle the new transition study grant (sv. Omställningsstudiestöd). The allocation for the matching services is suggested to be SEK 2 billion lower than last year's budget and amount to SEK 1.9 billion.

After the end of the quarter, Berghs Schools of Communications was acquired and the segment thereby took an important step towards expansion in the privately funded market, see page 12 for more information.



Financial overview¹

SEK m	First quarter			Rolling 12 months	Full year
	2023/24	2022/23	Change	Oct 22 – Sep 23	2022/23
Net sales	365	377	-3.2%	1,615	1,628
Operating profit (EBIT)	48	45	6.7%	129	126
EBIT margin, %	13.2%	11.9%	1.3 p.p.	8.0%	7.7%
Items affecting comparability	-	-	n.a.	-	-
Adjusted operating profit	48	45	6.7%	129	126
Adjusted EBIT margin, %	13.2%	11.9%	1.3 p.p.	8.0%	7.7%

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

¹ Additional financial information per segment is presented on pages 26-27.

Quality

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

"All of AcadeMedia's operations are part of a clear structure with a common framework and a culture with a focus on continuous improvement that makes us stronger together. We must deliver high-quality teaching and good goal fulfilment both based on core tasks and business tasks." AcadeMedia's Roadmap 2030.

Publication of AcadeMedia's quality report and AcadeMedia's annual and sustainability report for 2022/23

On 23 October 2023, AcadeMedia's quality report was published on the company website, <https://academedia.se/>. In the report, quality results on group level and future development areas are presented. This year's report has "equivalence in assessment and grading" as a consistent theme and contains a series of articles linked to this. Among other things, the report talks about the performed work in Sweden to increase the consistency between the results of the national tests and the assigned grades, external reviews of grading in the compulsory- and upper secondary schools, and examples are also given of how different schools have tackled the comprehensive package of measures that was launched during the past school year.

On 25 October 2023, AcadeMedia's Annual and sustainability report was published. The sustainability report can be found on pages 13-41 and is inspired by Global Reporting Initiatives Standards. In the report, the group's main sustainability areas are presented, Learning, Employees, and Environmental impact.

Quality results for the first quarter

In connection with the end of the academic year, the grade results for AcadeMedia's compulsory and upper secondary schools were compiled. At the end of September, the Swedish National Agency for Education published the national statistics regarding the compulsory school grade results for the academic year 2022/23. The corresponding results for the upper secondary school will only be published at the end of November. The grade results that can currently be reported for upper secondary school are therefore preliminary and there are no national averages to compare with yet.

Compulsory School

According to the determined grade results for AcadeMedia's compulsory schools in the 2022/23 school year, the percentage of students with passing grades in all subjects was 80.3 percent (80.6) and the national average was 73.2 percent (74.1). The percentage of students with upper secondary school eligibility amounted to 90.2 percent (89.8) compared to the national average of 85.2 percent (85.0). The average merit value for primary school based on 17 subjects was 242.7 points (243.5) compared to the national average of 228.5 points (229.2). The levels for AcadeMedia's compulsory schools are thus still higher than the corresponding national average.

Upper Secondary School

The in-house compilation of grades for AcadeMedia's upper secondary schools shows that the percentage of students graduating decreased to 88.2 percent (90.1). The average grade point for students with a passing grade amounted to 14.1 points (14.2). The results are below the previous year's national average regarding both the proportion with a degree and the average grade point. However, the variation between AcadeMedia's upper secondary school activities is large.

Preschools Sweden

The results of the Swedish preschools' own assessments of target achievement in relation to the national mandate⁵ were also compiled. The target areas where preschool teaching gets the highest results in the 2022/23 academic year were language and communication, 5.9 (5.9), followed by norms and values, creation, play and children's participation and influence all at 5.8. The lowest results were recorded for target area mathematics 5.3 (5.5).

Other businesses

No comprehensive quality follow-ups have been carried out within other operations during the first quarter.

⁵ The assessment scale is five-pointed (0, 2, 4, 6 and 8), where the value eight refers to the highest possible quality and a four indicates that the goal fulfilment is fully acceptable in relation to the requirements in the governing documents.

Employees

The average number of full-time employees in the quarter 14,647 (13,982) which represents an increase of 4.8 percent. The proportion of women in the Swedish operation was 67.1 percent (66.9) in July-August. Employee turnover in Sweden, measured as the proportion of individuals who resigned, was 6.3 percent aggregated over the two-month July - August period, compared with 7.3 percent aggregated over the corresponding period in the previous year. Absence due to illness for AcadeMedia employees in Sweden (aggregated average short-term absence <90 days) was 2.2 percent (2.1) during July-August.

Parent Company

Revenue in the quarter amounted to SEK 6 million (6). Operating profit (EBIT) amounted to SEK -2 million (-1) and profit after tax was SEK -4 million (2). The Parent Company's assets essentially consist of participations in Group companies and intercompany receivables. Operations are financed by equity, debt, and intra group loans. Equity in the Parent Company as of 30 September 2023 was SEK 2,234 million (2,420). The Parent Company's interest-bearing debt as of 30 September 2023 was SEK 384 million (569).

Owners and share capital

AcadeMedia AB (publ) is a public limited company listed on Nasdaq Stockholm since 2016. As of 30 September 2023, share capital was SEK 105,793,466 and the number of shares amounted to a total of 105,793,466 shares distributed among 105,587,561 ordinary shares and 205,905 Class C shares, where the C-shares are held by AcadeMedia AB. The quota value is SEK 1.00 per share. Mellby Gård AB is the largest shareholder in AcadeMedia with 22.83 percent of the capital as of 30 September 2023.

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 as a result of the conversion of convertibles. In total, the number of shares and votes has increased by 84 ordinary shares and equal many voices. The convertible program was introduced at the annual general meeting on November 22, 2018.

Significant events after the end of the reporting period

Acquisition of Berghs School of Communication AB

After the end of the reporting period, Berghs School of Communication AB was acquired and will be included in AcadeMedia's adult education segment and strengthen AcadeMedia's position as a leader in the education sector targeting the privately funded adult education market. Berghs is a well-established brand with excellent international reputation, famous for their world-class communication education. Berghs had a turnover in 2022 of SEK 84 million.

The Board of AcadeMedia proposes a voluntary share redemption program

The Board of AcadeMedia has resolved to propose that the Annual General Meeting on 30 November 2023 resolves on a voluntary redemption program.

AcadeMedia has over time achieved a solid financial position as a result of the development efforts and investments made during several years. The Board has performed an analysis of the capital structure and a related valuation analysis. In connection thereof, the Board has concluded that the current valuation does not correspond to the investments and the position that the company has achieved and accordingly, that an investment in the own share is well justified. The Board considers that AcadeMedia's current capital structure justifies the Board's proposal on a voluntary redemption of shares in addition to the Board's previously communicated proposal on an ordinary dividend of SEK 1.75 per share.

The Board's proposal will comprise a voluntary redemption program of not more than a total of SEK 275 million, as an offer to all shareholders for voluntary redemption of shares. The Board's proposal will include an authorization for the Board to, among other things, determine the redemption amount per share and the total amount to be repaid to shareholders. The intention is to determine the redemption amount to a maximum of 30 percent above the volume-weighted average share price for the company's ordinary share on Nasdaq Stockholm during the five trading days preceding the Board's resolution regarding the terms of the voluntary redemption program. The Board is expected to issue the notice to the Annual General Meeting in the coming days and the Annual General Meeting will be held on

30 November 2023. The redemption procedure is intended to be carried out in February/March 2024, after the announcement of AcadeMedia's second quarterly report for the financial year 2023/24.

An information brochure describing the voluntary redemption program in more detail will be presented and be available before the application period commences.

Other

Risks and uncertainties

AcadeMedia categorises risks as operating, external, and financial and they are described in detail in AcadeMedia AB's 2022/23 Annual Report. Operating risks include variations in demand and number of students and participants, risk relating to the supply of qualified employees and payroll expenses, risk relating to quality deficiencies, contractual compliance within adult education, AcadeMedia's reputation and brand, permits, and liability and property risk. With declining demand in a specific unit, fixed expenses and thus rental costs are a risk.

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

In both Sweden and Norway several investigations are ongoing. These comprise, among other, the so called Inquiry into Profit in Schools (U 2022:08) and the issued additional directives (Dir 2023:109), the inquiry Equivalent Grades and Qualification Points (U2023:02), and development of new funding model Norway. An overview of these can be found in AcadeMedia's Annual and Sustainability Report 2022/23 on page 48.

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

Seasonal variations

AcadeMedia's four segments show different seasonal variations. The three school segments show recurring seasonal variations, in which the first half of the year, July to December, typically reports weaker sales and earnings. This is mainly due to school holidays, annual leave, and the annual salary review. The second half, January to June, is stronger, as sales typically rise because of the annual school voucher funding reviews and higher numbers of children and students. The Adult Education segment shows more irregular seasonal variations and major contractual changes or changes in public initiatives can have a large effect. The seasonal variations are described in more detail in AcadeMedia AB's annual report for 2022/23.

Outlook

AcadeMedia does not publish any forecasts.

Annual General Meeting 2023

The Annual General Meeting (AGM) will be held on Wednesday 30 November 2023 at 2:00 pm at AcadeMedia Head office, Adolf Fredriks Kyrkogata 2, Stockholm.

Calendar

25 October 2023	Annual report 2022/23
30 November 2023	Annual General Meeting 2023
1 February 2024	Interim report, second quarter
3 May 2024	Interim report, third quarter

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

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

Stockholm 25 October 2023

Marcus Strömberg
Chief Executive Officer

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This information is information that AcadeMedia AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CEST on 25 October 2023.

Consolidated income statement

SEK m	Note	First quarter		Rolling 12 Months	Full year
		2023/24	2022/23	Oct 22- Sep 23	2022/23
Net Sales	3	3,430	3,104	15,865	15,539
Cost of services		-323	-314	-1,444	-1,435
Other external expenses		-366	-316	-1,619	-1,569
Personnel expenses		-2,006	-1,793	-9,509	-9,296
Depreciation/amortization		-498	-448	-1,974	-1,924
Items affecting comparability ¹⁾		-6	6	-56	-45
TOTAL OPERATING EXPENSES		-3,199	-2,866	-14,602	-14,269
OPERATING INCOME		232	239	1,263	1,270
Financial income		3	3	33	33
Financial expenses	6	-158	-123	-578	-543
Net financial items		-155	-120	-546	-511
INCOME BEFORE TAX		77	119	717	759
Tax	7	-14	-25	-171	-181
PROFIT FOR THE PERIOD		62	94	546	578
Profit for the period attributable to:					
Owners of the parent company		62	94	546	578
Basic earnings per share (SEK)		0.59	0.73	5.33	5.47
Diluted earnings per share (SEK)		0.59	0.73	5.33	5.47
Earnings per share based on number of shares outstanding (SEK)		0.59	0.73	5.33	5.47

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

Consolidated statement of comprehensive income

SEK m	Note	First quarter		Rolling 12 months	Full year
		2023/24	2022/23	Oct 22- Sep 23	2022/23
PROFIT FOR THE PERIOD		62	94	546	578
Other comprehensive income					
<i>Items that will not be reclassified to profit/loss</i>					
Actuarial gains and losses		-31	-38	-24	-31
Deferred tax relating to actuarial gains and losses		7	8	5	7
		-24	-29	-19	-24
<i>Items that may be reclassified to profit/loss</i>					
Translation differences		2	12	-5	5
Other comprehensive income for the period		-22	-17	-24	-19
COMPREHENSIVE INCOME FOR THE PERIOD		40	77	522	559
Comprehensive income for the period attributable to:					
Owners of the parent company		40	77	522	559

Consolidated statement of financial position in summary

SEK m	Sep 30, 2023	Sep 30, 2022	June 30, 2023
ASSETS			
Intangible non-current assets	6,984	6,687	6,695
Buildings	1,165	1,066	1,170
Right-of-use assets	9,696	8,946	9,119
Other property, plant, and equipment	1,078	1,011	1,035
Other non-current assets	119	102	92
Total non-current assets	19,042	17,812	18,111
Current receivables	1,173	989	840
Cash and cash equivalents ¹	969	907	967
Total current assets	2,142	1,896	1,807
TOTAL ASSETS	21,184	19,708	19,918
EQUITY AND LIABILITIES			
Total equity	6,173	5,835	6,134
Non-current liabilities to credit institutions	1,421	1,559	1,424
Long-term lease liabilities	8,671	8,004	8,203
Provisions and other non-current liabilities	196	244	180
Total non-current liabilities	10,288	9,807	9,807
Current interest-bearing liabilities	529	345	167
Short-term lease liabilities	1,462	1,378	1,309
Other current liabilities	2,732	2,344	2,501
Total current liabilities	4,723	4,067	3,977
TOTAL EQUITY AND LIABILITIES	21,184	19,708	19,918

¹ Cash includes Cash restricted for payroll tax withholdings with SEK 39 million (SEK 34 million per 30 Sep 2022 and SEK 36 million per 30 June 2023).

Summary of consolidated statement of changes in equity

Equity attributable to the owners of the Parent Company

SEK m	Jul - Sep 2023/24	Jul - Sep 2022/23	Jul-Jun 2022/23
Opening balance	6,134	5,758	5,758
Profit for the period	62	94	578
Other comprehensive income for the period	-23	-17	-19
Consolidated statement of comprehensive income	39	77	559
Dividend paid	-	-	-185
Other transactions with owners ¹	-0	0	2
Closing balance	6,173	5,835	6,134

¹ Transactions with owners amounts to SEK -0.2 million and include included premium for issued warrants of SEK -0.2 million, new issue connected to the convertible program SEK +0.0 million and share-matching program SEK +0.0 million. Transactions with owners in the previous year amounted to SEK +1,8 million and included premium for issued warrants of SEK +1,9 million in the third quarter, new share issue connected to the convertible program SEK +0,0 million, share-matching program SEK +0,1 million and repurchase of issued warrants SEK -0,1 million in the second quarter.

Consolidated cash flow statement

SEK m	First quarter		Full year
	2023/24	2022/23	2022/23
Operating profit (EBIT)	232	239	1,270
Depreciation/amortization	498	448	1,924
Adjustment for other non-cash items	-4	-13	-57
Tax paid	-67	-71	-276
Cash flow from operating activities before changes in working capital	658	603	2,860
Cash flow from changes in working capital	-227	-286	35
Cash flow from operating activities	431	317	2,895
Acquisition of subsidiaries	-159	-76	-169
Investments in buildings	-4	-6	-41
Leasehold improvements	-37	-23	-109
Investments in equipment	-51	-64	-167
Investments in intangible non-current assets	-2	-1	-7
Divestment of fixed assets	-	-	12
Investments in non-current financial assets	-7	-	-0
Cash flow from investing activities	-261	-170	-481
Interest received (+) and paid (-)	-19	-12	-54
Interest paid, lease liabilities	-129	-110	-477
Dividend paid	-	-	-185
New share issue	-	-	2
Increase (+)/decrease (-) of interest-bearing liabilities	354	-41	-373
Repayment of lease liabilities	-370	-216	-1,504
Cash flow from financing activities	-164	-380	-2,590
CASH FLOW FOR THE PERIOD	6	-233	-177
Cash and cash equivalents at beginning of period	967	1,137	1,137
Exchange-rate differences in cash and cash equivalents	-4	4	7
Cash and cash equivalents at end of period	969	907	967

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

Notes and accounting policies

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

NOTE 1: ACCOUNTING POLICIES

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

The accounting policies and basis of calculation applied are the same as those described in AcadeMedia's 2022/23 Annual Report, which was prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU.

New and amended accounting standards applied from 1 July 2023

New and amended standards and interpretations applicable from 1 July 2023 have not and will not have any significant effect on the financial reports.

NOTE 2: FINANCIAL REPORTS DISCLOSING THE IMPACT FROM IMPLEMENTATION OF IFRS 16

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

Consolidated income statement

SEK m	First quarter 23/24			First quarter 22/23			Full year 22/23		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
Net Sales	3,430	-	3,430	3,104	-	3,104	15,539	-	15,539
Cost of services	-323	-	-323	-314	-	-314	-1,435	-	-1,435
Other external expenses	-366	466	-832	-316	425	-742	-1,569	1,816	-3,385
Personnel expenses	-2,006	-	-2,006	-1,793	-	-1,793	-9,296	-	-9,296
Depreciation/amortization	-498	-380	-118	-448	-343	-105	-1,924	-1,467	-458
Items affecting comparability	-6	-	-6	6	-	6	-45	-	-45
TOTAL OPERATING EXPENSES	-3,199	86	-3,285	-2,866	82	-2,948	-14,269	350	-14,619
OPERATING INCOME	232	86	145	239	82	157	1,270	350	920
Financial income	3	-	3	3	-	3	33	-	33
Financial expenses	-158	-127	-32	-123	-109	-15	-543	-469	-74
Net financial items	-155	-127	-28	-120	-109	-11	-511	-469	-42
INCOME BEFORE TAX	77	-41	117	119	-27	146	759	-119	878
Tax	-14	11	-25	-25	6	-31	-181	22	-203
PROFIT FOR THE PERIOD	62	-30	92	94	-21	115	578	-97	675
Other comprehensive income for the period	-22	-	-22	-17	-	-17	-19	-	-19
COMPREHENSIVE INCOME FOR THE PERIOD	40	-30	70	77	-21	98	559	-97	656
Earnings per share basic (SEK)	0.59	-0.28	0.87	0.73	-0.20	0.93	5.47	-0.92	6.39
Earnings per share basic/diluted (SEK)	0.59	-0.28	0.87	0.73	-0.20	0.93	5.47	-0.92	6.39
Earnings per share based on number of shares outstanding (SEK)	0.59	-0.28	0.87	0.73	-0.20	0.93	5.47	-0.92	6.39

Consolidated statement of financial position in summary

SEK m	30 Sep 2023			30 Sep 2022		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
ASSETS						
Intangible non-current assets	6,984	-	6,984	6,687	-	6,687
Buildings	1,165	-	1,165	1,066	-	1,066
Right-of-use assets	9,696	9,367	330	8,946	8,661	285
Other property, plant, and equipment	1,078	-	1,078	1,011	-	1,011
Other non-current assets	119	32	87	102	26	77
Total non-current assets	19,042	9,398	9,643	17,812	8,687	9,126
Current receivables	1,173	-324	1,497	989	-308	1,297
Cash and cash equivalents	969	-	969	907	-	907
Total current assets	2,142	-324	2,466	1,896	-308	2,204
TOTAL ASSETS	21,184	9,074	12,110	19,708	8,379	11,330
EQUITY AND LIABILITIES						
Total equity	6,173	-427	6,600	5,835	-321	6,156
Non-current liabilities to credit institutions	1,421	-	1,421	1,559	-	1,559
Long-term lease liabilities	8,671	8,527	144	8,004	7,856	148
Provisions and other non-current liabilities	196	-128	324	244	-108	352
Total non-current liabilities	10,288	8,399	1,889	9,807	7,748	2,058
Current interest-bearing liabilities	529	-	529	345	-	345
Short-term lease liabilities	1,462	1,273	190	1,378	1,238	140
Other current liabilities	2,732	-170	2,902	2,344	-287	2,631
Total current liabilities	4,723	1,103	3,620	4,067	951	3,116
TOTAL EQUITY AND LIABILITIES	21,184	9,074	12,110	19,708	8,379	11,330

Consolidated cash flow statement

SEK m	First quarter 23/24			First quarter 22/23		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
Operating profit/loss (EBIT)	232	86	145	239	82	157
Depreciation/amortization	498	380	118	448	343	105
Adjustment for other non-cash items	-4	-	-4	-13	-0	-12
Tax paid	-67	-	-67	-71	-	-71
Cash flow from operating activities before changes in working capital	658	466	192	603	425	178
Cash flow from changes in working capital	-227	-3	-224	-286	-132	-155
Cash flow from operating activities	431	463	-32	317	293	24
Cash flow from investing activities	-261	-	-261	-170	-	-170
Cash flow from financing activities	-164	-463	299	-380	-293	-87
CASH FLOW FOR THE PERIOD	6	0	6	-233	-0	-233

NOTE 3: REVENUE

SEK m	First quarter		Full year
	2023/24	2022/23	2022/23
Education-related income	3,296	2,983	14,950
State subsidies	61	51	272
Products	25	27	101
Other income	48	44	216
Net Sales	3,430	3,104	15,539

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

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

Products comprise products and services for the education market.

Other income refers to income not directly related to education.

NOTE 4: RELATED-PARTY TRANSACTIONS

Related party transactions are described in detail in the 2022/23 Annual Report. Related party transactions take place at an arm's length basis. During the first quarter no significant related-party transactions took place.

NOTE 5: ACQUISITIONS

Acquiring company	Acquired company	Acquisition date	Segment
AcadeMedia Education GmbH	MediaDesign Akademie für Aus- und Weiterbildung gGmbH	03-Jul-23	Pre & Int.
AcadeMedia Nederland BV	Winford College BV	01-Aug-23	Pre & Int.
AcadeMedia Grundskolor Holding AB	Vindseglet AB	01-Sep-23	Compulsory

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

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

The purchase consideration was in the form of cash.

Details of the net assets and goodwill acquired are given below. Goodwill attributed to company value exceeding net assets is not tax deductible whereas goodwill attributed to assets in asset-based acquisitions is tax deductible. No part of this year's additional goodwill is tax deductible.

In the quarter, the acquisition analysis for Changemaker Education AB (acquired in August 2022) has been adjusted for additional purchase price which resulted in an increase of Goodwill of SEK 3 million. The adjustment is shown in the table below.

Acquisition effects of acquisitions made (SEK m)	Adjustment Changemaker Education	Acquisition in the quarter	Total
Purchase consideration including transaction expenses and interest compensation	3	321	324
Purchase consideration excluding transaction expenses and including interest compensation	-	-42	-42
Fair value of acquired net assets excluding goodwill	0	-36	-36
Total goodwill	3	243	246

Fair values acquired (SEK m)	Adjustment Changemaker Education	Acquisition in the quarter	Total
Intangible non-current assets	0	48	48
Property, plant, and equipment	-	21	21
Right-of-use assets	-	0	
Financial non-current assets	-	1	1
Current assets	-	65	65
Cash and cash equivalents	-	74	74
Interest bearing liabilities	-	0	0
Interest bearing liabilities – IFRS 2016	-	0	
Non-interest-bearing liabilities	-	-159	-159
Current tax liability	-	0	0
Deferred tax liability	-	-14	-14
Net assets acquired	0	36	36

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

Impact of the acquisitions on the Group's cash and cash equivalents (SEK m)	Adjustment Changemaker Education	Other	Total
Purchase consideration excluding transaction expenses and including interest	3	280	282
Less purchase consideration that has not been settled in cash as of period end	-3	-46	-49
Cash and cash equivalents at time of acquisition	0	-74	-74
Impact on the Group's cash and cash equivalents	0	159	159

Contribution of acquisitions to consolidated profit (SEK m)	Other	Total
Net sales	38	38
Adjusted operating profit (adj. EBIT)	6	6
Operating profit (EBIT)	1	1

If the units had been included in consolidated profit from July 1, 2023 the contribution would have been (SEK m)	Other	Total
Net sales	64	64
Adjusted operating profit (adj. EBIT)	13	13
Operating profit (EBIT)	7	7

NOTE 6: FINANCIAL INCOME AND EXPENSES

SEK m	First quarter 2023/24	2022/23	Rolling 12m Oct 22- Sep 23	Full year 2022/23
Financial income				
Interest income	3	1	11	9
Exchange rate gains	-	3	21	24
Interest income and similar items	3	3	33	33
Financial expenses				
Interest expense	-20	-11	-65	-56
Borrowing costs ¹	-0	-0	-1	-1
Interest expense on the lease liability	-129	-110	-496	-477
Exchange rate losses	-7	-	-9	-2
Other	-2	-1	-7	-7
Interest expense and similar items	-158	-123	-578	-543
Interest expense on the lease liability properties	-127	-109	-487	-469

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

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

NOTE 7: TAXES

The tax expense for the period amounted to SEK 14 (25) million, corresponding to an effective tax rate of 18.7 percent (20.9).

NOTE 8: FINANCIAL INSTRUMENTS

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

NOTE 9: LEASING COMMITMENTS

In addition to the leasing contracts reported in the balance sheet, AcadeMedia has entered leasing contracts which have not yet commenced. The total commitment for these contracts as per 30 September 2023 amounts to SEK 1,090 million (1,706 as per 30 June 2023). The decrease in the quarter is an effect of leasing contracts commencing at the start of the autumn term.

Parent company – financial reports

Parent company income statement in summary

SEK m	First quarter		Full year
	2023/24	2022/23	2022/23
Net sales	6	6	16
Operating expenses	-8	-7	-31
OPERATING PROFIT	-2	-1	-16
Interest income and similar items	48	12	116
Interest expense and similar items	-51	-8	-112
Net financial items	-3	4	4
Year-end appropriations	-	-	15
PROFIT BEFORE TAX	-5	2	3
Tax	1	-1	-1
PROFIT FOR THE PERIOD	-4	2	3

Parent company other comprehensive income

SEK m	First quarter		Full year
	2023/24	2022/23	2022/23
Profit for the period	-4	2	3
Other comprehensive income for the period	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	-4	2	3

Parent company balance sheet in summary

SEK m	Sep 30, 2023	Sep 30, 2022	Jun 30, 2023
ASSETS			
Participations in Group companies	3,261	3,261	3,261
Total non-current assets	3,261	3,261	3,261
Current receivables	4,194	3,326	4,204
Cash and cash equivalents	539	633	427
Total current assets	4,733	3,960	4,632
TOTAL ASSETS	7,995	7,221	7,893
EQUITY AND LIABILITIES			
Restricted equity	106	106	106
Non-restricted equity	2,128	2,314	2,132
Total equity	2,234	2,420	2,237
Non-current liabilities	114	364	114
Current liabilities	5,647	4,437	5,542
TOTAL EQUITY AND LIABILITIES	7,995	7,221	7,893

Parent company statement of changes in equity

SEK m	Jul -Sep 2023/24	Jul -Sep 2022/23	Jul-Jun 2022/23
Opening balance	2,237	2,418	2,418
Profit for the period	-4	2	3
Other comprehensive income for the period	-	-	-
Total profit for the period	-4	2	3
Dividend	0	0	-185
Other transactions with owners ¹	0	0	2
Closing balance	2,234	2,420	2,237

¹ Transactions with owners amounts to SEK -0.2 million and include included premium for issued warrants of SEK -0.2 million, new issue connected to the convertible program SEK +0.0 million and share-matching program SEK +0.0 million. Transactions with owners in the previous year amounted to SEK +1,8 million and included premium for issued warrants of SEK +1,9 million in the third quarter, new share issue connected to the convertible program SEK +0,0 million, share-matching program SEK +0,1 million and repurchase of issued warrants SEK -0,1 million in the second quarter.

Multi-year review

SEK million, unless otherwise stated	First quarter			Full year				
	2023/24	2022/23	2022/23	2021/22	2020/21	2019/20	2018/19 ¹	2017/18 ¹
PROFIT/LOSS ITEMS								
Net sales	3,430	3,104	15,539	14,339	13,340	12,271	11,715	10,810
Items affecting comparability	-6	6	-45	-64	-7	36	1	-48
EBITDA	729	687	3,194	2,980	2,754	2,486	931	872
Depreciation/amortization	-498	-448	-1,924	-1,755	-1,580	-1,513	-296	-250
Operating profit/loss (EBIT)	232	239	1,270	1,224	1,174	973	635	622
Net financial items	-155	-120	-511	-441	-402	-417	-69	-68
Profit/loss for the period before tax	77	119	759	784	772	556	566	555
Profit/loss for the period after tax	62	94	578	605	599	431	431	430
BALANCE SHEET ITEMS								
Non-current assets	19,042	17,812	18,111	17,024	15,773	15,262	8,218	7,823
Current receivables and inventories	1,173	989	840	704	662	710	976	860
Cash and cash equivalents	969	907	967	1,137	966	528	527	699
Non-current interest-bearing liabilities	1,427	1,584	1,430	747	1,850	1,914	2,205	2,209
Long-term lease liabilities	8,671	8,004	8,203	7,464	6,495	6,346	-	-
Non-current non-interest-bearing liabilities	190	218	175	187	162	207	305	135
Current interest-bearing liabilities	529	345	167	1,207	195	270	592	673
Short-term lease liabilities	1,462	1,378	1,309	1,180	1,077	1,010	-	-
Current non-interest-bearing liabilities	2,732	2,344	2,501	2,323	2,319	1,965	2,030	2,103
Equity	6,173	5,835	6,134	5,758	5,305	4,790	4,589	4,262
Total assets	21,184	19,708	19,918	18,864	17,401	16,500	9,720	9,383
Capital employed	8,890	8,372	8,322	8,181	7,705	7,232	7,386	7,144
Net debt including IFRS 16	11,120	10,404	10,142	9,460	8,650	9,011	2,266	2,179
Net debt, excluding IFRS 16	1,320	1,309	825	987	1,222	1,797	2,266	2,179
Net debt including IFRS 16	593	558	97	237	526	1,138	1,533	1,528
KEY RATIOS								
Net sales, SEK m	3,430	3,104	15,539	14,339	13,340	12,271	11,715	10,810
Organic growth incl. Bolt-on acquisitions, %	6.5%	4.5%	6.0%	5.2%	8.1%	5.4%	4.4%	5.8%
Acquired growth, larger acquisitions, %	3.0%	0.9%	1.9%	1.6%	1.6%	-	3.2%	7.9%
Change in currency, %	0.5%	1.2%	0.5%	0.8%	-1.1%	-0.7%	0.8%	-0.1%
Operating margin (EBIT), %	6.8%	7.7%	8.2%	8.5%	8.8%	7.9%	5.4%	5.8%
Adjusted EBIT, SEK m	151	151	964	1,001	939	728	634	670
Adjusted EBIT margin, %	4.4%	4.9%	6.2%	7.0%	7.0%	5.9%	5.4%	6.2%
Adjusted EBITDA, SEK m	269	256	1,422	1,398	1,295	1,066	930	920
Adjusted EBITDA margin, %	7.8%	8.2%	9.2%	9.7%	9.7%	8.7%	7.9%	8.5%
Return on capital employed, %, (12 months)	11.3%	11.8%	11.8%	12.6%	12.6%	10.0%	8.7%	10.1%
Return on equity, % (12 months)	10.2%	11.6%	10.7%	12.0%	13.3%	11.6%	9.7%	11.2%
Equity/assets ratio, %, incl IFRS 16	29.1%	29.6%	30.8%	30.5%	30.5%	29.0%	-	-
Equity/assets ratio, %, Excl IFRS 16	54.5%	54.3%	57.9%	55.3%	53.3%	51.4%	47.2%	45.4%
Interest coverage ratio, times	13.5	26.4	15.6	31.6	27.9	15.9	12.5	10.9
Net debt/Adjusted EBITDA (12 m) incl IFRS 16	3.4	3.4	3.1	3.1	3.1	3.7	-	-
Net debt/Adjusted EBITDA (12 m)	0.9	1.0	0.6	0.7	0.9	1.7	2.4	2.4
Debt ratio, incl IFRS 16	55.0%	55.3%	53.5%	53.4%	52.6%	56.4%	-	-
Debt ratio, excl. IFRS 16	11.9%	12.6%	8.0%	10.1%	13.0%	19.9%	-	-
Free cash flow	-127	-64	792	922	1,117	805	356	688
Cash flow from investing activities	-261	-170	-481	-536	-437	-375	-559	-970
Number of full-time employees	14,647	13,982	14,459	13,829	13,360	12,686	12,405	11,863

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

Quarterly data, Group

Quarterly data	2023/24		2022/23				2021/22			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
SEK million, unless otherwise stated										
Net sales	3,430	4,199	4,195	4,041	3,104	3,851	3,802	3,774	2,911	
EBITDA	729	899	868	740	687	787	760	778	655	
<i>Depreciation/amortization</i>	-77	-68	-74	-73	-67	-62	-59	-58	-58	
<i>Depreciation/amortization related to acquisitions</i>	-6	-6	-6	-6	-6	-5	-4	-5	-4	
<i>Depreciation/amortization related to right-of-use assets</i>	-414	-421	-427	-395	-376	-383	-384	-373	-359	
Depreciation/amortization	-498	-495	-507	-474	-448	-450	-447	-436	-421	
Items affecting comparability	-6	-23	-6	-21	6	-14	-27	7	-30	
Operating income (EBIT)	232	404	361	266	239	337	313	342	233	
Total financial items	-155	-126	-144	-122	-120	-114	-113	-108	-106	
Income before taxes	77	279	217	144	119	223	200	234	127	
Tax for the current period	-14	-74	-47	-35	-25	-59	-44	-48	-27	
Profit/loss for the period	62	205	170	109	94	164	155	186	100	
Number of children/students, schools	100,752	98,988	99,076	97,767	95,834	93,308	93,092	92,363	91,431	
Number of full-time employees	14,647	14,642	14,702	14,510	13,982	14,022	13,904	13,847	13,543	
Number of education units	595	586	586	580	571	559	556	552	545	
Key ratios										
Operating margin (EBIT), %	6.8%	9.6%	8.6%	6.6%	7.7%	8.8%	8.2%	9.1%	8.0%	
Adjusted EBIT	151	333	277	203	151	279	264	263	194	
Adjusted EBIT, %	4.4%	7.9%	6.6%	5.0%	4.9%	7.2%	6.9%	7.0%	6.7%	
Adjusted EBITDA	269	445	398	323	256	382	367	365	284	
Adjusted EBITDA, %	7.8%	10.6%	9.5%	8.0%	8.2%	9.9%	9.7%	9.7%	9.8%	
Net margin, %	1.8%	4.9%	4.1%	2.7%	3.0%	4.3%	4.1%	4.9%	3.4%	
Return on equity, % (12 months) ¹	10.2%	10.7%	10.3%	10.4%	11.6%	12.0%	12.6%	13.9%	13.1%	
Return on capital employed, % (12 Months) ¹	11.3%	11.8%	11.1%	11.1%	11.8%	12.6%	12.7%	13.2%	12.8%	
Equity/assets ratio, % ¹	54.5%	57.9%	56.0%	54.8%	54.3%	55.3%	54.4%	53.0%	53.5%	
Net debt/Adjusted EBITDA (12 months) ¹	0.9	0.6	0.9	1.0	1.0	0.7	0.9	0.9	1.1	
Interest coverage ratio ¹	13.5	15.6	17.7	21.8	26.4	31.6	32.3	33.0	31.0	
Other										
Free cash flow	-127	406	168	282	-64	397	19	606	-99	
Cash flow from operating activities	-32	474	223	354	24	517	59	675	-26	
Cash flow from investing activities	-261	-74	-91	-146	-170	-217	-93	-120	-106	

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

Quarterly data, segment

SEK million, unless otherwise stated	2023/24		2022/23		2021/22				
Preschool & International (SE, NO, DE, NL)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	25,989	26,663	26,446	24,842	22,702	23,651	23,020	21,982	20,999
Net sales	1,165	1,388	1,386	1,252	956	1,184	1,128	1,061	808
of which Sweden	282	386	376	363	274	365	351	339	253
of which Norway preschool	455	605	619	553	417	582	574	520	377
of which Germany	358	355	349	293	231	215	203	201	178
of which Netherlands	45	19	18	15	8	8	-	-	-
of which Sandviks	24	23	24	28	27	15	-	-	-
EBITDA	27	118	105	46	24	73	91	45	33
EBITDA margin, %	2.3%	8.5%	7.6%	3.7%	2.5%	6.2%	8.1%	4.2%	4.1%
Depreciation/amortization	-33	-23	-30	-31	-27	-26	-26	-23	-24
Operating profit/loss (EBIT)	-6	95	75	15	-3	47	65	22	9
EBIT margin, %	-0.5%	6.8%	5.4%	1.2%	-0.3%	4.0%	5.8%	2.1%	1.1%
Items affecting comparability	-6	-0	-0	-11	-	-21	-	-	-
Adjusted operating profit/loss (EBIT)	0	95	76	26	-3	68	65	22	9
Adjusted EBIT margin, %	-	6.8%	5.5%	2.1%	-0.3%	5.7%	5.8%	2.1%	1.1%
Number of preschool units	328	317	317	312	303	292	289	285	278

SEK million, unless otherwise stated	2023/24		2022/23		2021/22				
Compulsory School	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	28,825	28,911	28,715	28,520	28,416	28,052	27,965	27,867	27,697
Net sales	799	1,029	1,008	986	746	954	940	937	713
EBITDA	74	111	87	76	78	108	72	113	43
EBITDA margin, %	9.3%	10.8%	8.6%	7.7%	10.5%	11.3%	7.7%	12.1%	6.0%
Depreciation/amortization	-22	-24	-24	-24	-22	-21	-21	-21	-18
Operating profit/loss (EBIT)	51	88	63	53	57	86	51	92	24
EBIT margin, %	6.4%	8.6%	6.3%	5.4%	7.6%	9.0%	5.4%	9.8%	3.4%
Items affecting comparability	1	-0	-6	-10	6	6	-12	18	-30
Adjusted operating profit/loss (EBIT)	51	88	69	63	51	80	63	74	54
Adjusted EBIT margin, %	6.4%	8.6%	6.8%	6.4%	6.8%	8.4%	6.7%	7.9%	7.6%
Number of education units	118	117	117	116	116	116	116	116	116

SEK million, unless otherwise stated	2023/24		2022/23		2021/22				
Upper Secondary School	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	45,938	43,413	43,915	44,405	44,716	41,605	42,106	42,513	42,735
Net sales	1,102	1,383	1,385	1,361	1,025	1,284	1,280	1,278	964
EBITDA	119	195	176	166	124	180	153	168	129
EBITDA margin, %	10.8%	14.1%	12.7%	12.2%	12.1%	14.0%	12.0%	13.1%	13.4%
Depreciation/amortization	-56	-58	-60	-59	-50	-50	-53	-51	-41
Operating profit/loss (EBIT)	63	137	116	107	74	130	100	118	87
EBIT margin, %	5.7%	9.9%	8.4%	7.9%	7.2%	10.1%	7.8%	9.2%	9.0%
Items affecting comparability	1	-23	-	-	-	0	-15	-0	-0
Adjusted operating profit/loss (EBIT)	63	160	116	107	74	130	115	118	87
Adjusted EBIT margin, %	5.7%	11.6%	8.4%	7.9%	7.2%	10.1%	9.0%	9.2%	9.0%
Number of education units	149	152	152	152	152	151	151	151	151

SEK million, unless otherwise stated	2023/24		2022/23				2021/22			
Adult Education	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Net sales	365	397	415	438	377	429	450	498	427	
EBITDA	54	26	39	33	49	41	44	64	71	
EBITDA margin, %	14.8%	6.5%	9.4%	7.5%	13.0%	9.6%	9.8%	12.9%	16.6%	
Depreciation/amortization	-6	-6	-6	-6	-5	-5	-4	-4	-4	
Operating profit/loss (EBIT)	48	20	33	28	45	37	40	60	67	
EBIT margin, %	13.2%	5.0%	8.0%	6.4%	11.9%	8.6%	8.9%	12.0%	15.7%	
Items affecting comparability	-	-	-	-	-	-	-	-11	-	
Adjusted operating profit/loss (EBIT)	48	20	33	28	45	37	40	71	67	
Adjusted EBIT margin, %	13.2%	5.0%	8.0%	6.4%	11.9%	8.6%	8.9%	14.3%	15.7%	

SEK million, unless otherwise stated	2023/24		2022/23				2021/22			
Group-OH and adjustments	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Net sales	0	0	1	4	0	0	4	0	0	
EBITDA	456	449	460	419	410	386	400	388	380	
Depreciation/amortization	-380	-384	-387	-355	-344	-349	-342	-337	-333	
Operating profit/loss (EBIT)	76	64	73	64	66	37	57	51	46	
Items affecting comparability	-	-	-	-	-	-	-	-	-	
Adjusted operating profit/loss (EBIT)	-10	-30	-16	-20	-16	-35	-18	-21	-23	

SEK million, unless otherwise stated	2023/24		2022/23				2021/22			
Group	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Number of children/students (average)	100,752	98,988	99,076	97,767	95,834	93,308	93,092	92,363	91,431	
Net sales	3,430	4,199	4,195	4,041	3,104	3,851	3,802	3,774	2,911	
EBITDA	729	899	868	740	687	787	760	778	655	
EBITDA margin, %	21.3%	21.4%	20.7%	18.3%	22.1%	20.4%	20.0%	20.6%	22.5%	
Depreciation/amortization	-498	-495	-507	-474	-448	-450	-447	-436	-421	
Operating profit/loss (EBIT)	232	404	361	266	239	337	313	342	233	
EBIT margin, %	6.8%	9.6%	8.6%	6.6%	7.7%	8.8%	8.2%	9.1%	8.0%	
Items affecting comparability	-6	-23	-6	-21	6	-14	-27	7	-30	
Effect of IFRS 16 on operating profit	86	94	90	84	82	72	75	72	69	
Adjusted operating profit/loss (EBIT)	151	333	277	203	151	279	264	263	194	
Adjusted EBIT margin, %	4.4%	7.9%	6.6%	5.0%	4.9%	7.2%	6.9%	7.0%	6.7%	
Net financial items	-155	-126	-144	-122	-120	-114	-113	-108	-106	
Profit/loss after financial items	77	279	217	144	119	223	200	234	127	
Tax	-14	-74	-47	-35	-25	-59	-44	-48	-27	
Profit/loss for the period	62	205	170	109	94	164	155	186	100	
Number of full-time employees (period)	14,647	14,642	14,702	14,510	13,982	14,022	13,904	13,847	13,543	
Number of units	595	586	586	580	571	559	556	552	545	

Reconciliation of alternative key performance indicators

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

SEK million, unless otherwise stated	First quarter			Full year			
	2023/24	2022/23	2022/23	2021/22	2020/21	2019/20	2018/19 ²
Adjusted operating profit							
Operating profit	232	239	1,270	1,224	1,174	973	635
- Items affecting comparability	-6	6	-45	-64	-7	36	1
- IFRS 16 impact	86	82	350	288	243	209	-
= Adjusted operating profit	151	151	964	1,001	939	728	634
Adjusted EBIT margin							
Adjusted operating profit	151	151	964	1,001	939	728	634
Divided by /Net sales	3,430	3,104	15,539	14,339	13,340	12,271	11,715
= Adjusted EBIT margin	4.4%	4.9%	6.2%	7.0%	7.0%	5.9%	5.4%
Adjusted EBITDA							
Adjusted operating profit	151	151	964	1,001	939	728	634
- Depreciation excluding depreciation relating to property rental agreements	-118	-105	-458	-398	-357	-338	-296
= Adjusted EBITDA	269	256	1,422	1,398	1,295	1,066	930
Net debt							
Non-current interest-bearing liabilities	10,098	9,588	9,633	8,211	8,344	8,260	2,205
+ Current interest-bearing liabilities	1,991	1,723	1,476	2,386	1,272	1,279	592
- Interest-bearing receivables	-	-	-	-	-	-	4
- Cash and cash equivalents	969	907	967	1,137	966	528	527
= Net debt including IFRS 16	11,120	10,404	10,142	9,460	8,650	9,011	2,266
- IFRS 16 Non-current and current lease liabilities ¹	9,799	9,094	9,317	8,474	7,428	7,214	-
= Net debt excluding IFRS 16²	1,320	1,309	825	987	1,222	1,797	2,266
Property-adjusted net debt							
Net debt (as described above)	1,320	1,309	825	987	1,222	1,797	2,266
- non-current property loans	697	722	698	722	671	597	644
- current property loans	31	29	30	28	25	62	89
= Property adjusted net debt excluding IFRS 16²	593	558	97	237	526	1,138	1,533
Return on capital employed %, 12 months							
Adjusted EBIT	965	958	964	1,001	939	728	634
+ Interest income	11	1	9	1	0	0	1
divided by							
Average equity	6,004	5,619	5,946	5,531	5,047	4,690	4,426
+ average non-current interest-bearing liabilities	9,843	9,020	8,922	8,277	8,302	5,232	2,207
+ average current interest-bearing liabilities	1,857	1,666	1,931	1,829	1,276	935	632
- IFRS 16 average equity ¹	-374	-278	-349	-256	-165	-59	-
- IFRS 16 average non-current and current lease liabilities ¹	9,447	8,421	8,896	7,951	7,321	3,607	-
= Return on capital employed excluding IFRS 16², %	11.3%	11.8%	11.8%	12.6%	12.6%	10.0%	8.7%
Return on equity %, 12 months							
Profit/loss after tax	546	599	578	605	599	431	431
- IFRS 16 profit/loss after tax	-106	-87	-97	-88	-95	-117	-
divided by							
Average equity	6,004	5,619	5,946	5,531	5,047	4,690	4,426
- IFRS 16 average equity ¹	-374	-278	-349	-256	-165	-59	-
= Return on equity², %	10.2%	11.6%	10.7%	12.0%	13.3%	11.6%	9.7%
Debt ratio, incl IFRS 16							
Net debt incl IFRS 16	11,120	10,404	10,142	9,460	8,650	9,011	-
divided by							
Total assets	21,184	19,708	19,918	18,864	17,401	16,500	-
-cash and cash equivalents	969	907	967	1,137	966	528	-
=Debt ratio incl IFRS 16	55.0%	55.3%	53.5%	53.4%	52.6%	56.4%	-
Debt ratio, excl IFRS 16							
Net debt excl IFRS 16	1,320	1,309	825	987	1,222	1,797	-
divided by							
Total assets	12,110	11,330	11,289	10,951	10,353	9,551	-
-cash and cash equivalents	969	907	967	1,137	966	528	-
=Debt ratio excl IFRS 16	11.9%	12.6%	8.0%	10.1%	13.0%	19.9%	-

SEK million, unless otherwise stated	2023/24		2022/23			2021/22			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Interest coverage ratio									
Adjusted operating profit EBIT (12 months)	965	964	910	898	958	1,001	1,003	1,018	980
+ Interest income (12 months)	11	9	6	3	1	1	0	0	0
+ Other financial income (12 months)	21	24	9	9	3	0	-0	3	3
divided by									
Interest expense (12 months)	-561	-533	-501	-470	-449	-432	-421	-409	-402
- Interest expense (12 months) IFRS 16 ¹	-487	-469	-448	-428	-412	-401	-390	-378	-370
= Interest coverage ratio (excl. IFRS 16)	13.5	15.6	17.7	21.8	26.4	31.6	32.3	33.0	31.0

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

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

Definitions of key performance indicators

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

KPIs	Definition	Purpose ⁶
Number of children/students	Average number of children/students enrolled during the specified period. Adult education participants are not included in the Group's total figures for number of children/students.	The number of children/students is the most important driver for revenue.
Number of education units	Refers to the number of preschools, compulsory schools and/or upper secondary schools operating in the period. Integrated units where preschools and compulsory schools are combined are counted as two units as they each hold their own permit.	The number of education units indicates how the Company grows over time through new establishments and acquisitions minus discontinued units.
Number of full-time employees	Average number of full-time employees during the period, full-time equivalent (FTE).	The number of employees is the main cost driver for the Company.
Return on equity ⁷	Profit/loss for the most recent 12-month period according to IAS 17 i.e., excluding the effects of the implementation of IFRS16, divided by average equity applying IAS 17 (opening balance + closing balance)/2.	Return on equity is a profitability measure used to set profit (loss) in relation to shareholders' paid-in and earned capital.
Return on capital employed ²	Adjusted operating profit/loss (EBIT) for the most recent 12-month period plus interest income, divided by average capital.	Adjusted return on capital employed is used to set adjusted operating profit/loss in relation to total tied up capital regardless of type of financing.
EBITDA	Operating profit/loss before depreciation/amortisation and impairment of non-current assets and right-of-use assets. This KPI is only used for monitoring the segments which accounts for leasing of properties in accordance with IAS 17.	EBITDA is used to measure profit (loss) from operating activities, regardless of depreciation/amortisation.
EBITDA margin	EBITDA as a percentage of net sales.	EBITDA margin is used to set EBITDA in relation to sales.
Equity excl. IFRS16 ²	Equity according to IAS 17 i.e., excluding the effects of the implementation of IFRS16.	Equity excluding IFRS16 is used to be able to calculate return on equity consistently.
Net financial items	Financial income less financial expenses.	The measure Net financial items is used to illustrate the outcome of the Company's financial activities.
Free cash flow ²	Cash flow from operating activities and changes in working capital inclusive of property lease payments less investments in operating activities. Investments in operating activities relate to all investments in property, plant and equipment and intangible assets except buildings and acquisitions.	This measure shows how much cash flow the business generates after the necessary investments have been made. This cash flow can be used for purposes such as expansion, amortisation, or dividends.
Acquired growth	Increase of net sales due to larger acquisitions during the last 12 months.	Indicates growth generated from acquisitions in contrast to organic growth and currency effects.
Adjusted EBITDA ²	Operating profit/loss according to the previous standard IAS 17 i.e., excluding the effects of IFRS16 and before amortisation/depreciation of intangible assets and property, plant, and equipment, and excluding items affecting comparability.	Adjusted EBITDA is used to measure underlying profit from operating activities, excluding depreciation/amortisation and items affecting comparability.
Adjusted EBITDA margin ²	Adjusted EBITDA as a percentage of net sales.	Adjusted EBIT margin sets underlying operating profit excluding amortisation in relation to sales.
Adjusted net debt ²	Net debt less real estate-related	Adjusted net debt shows the portion of loans that finance the business, while property loans are linked to a building asset that can be separated off and sold.
Adjusted net debt/Adjusted EBITDA ²	Adjusted net debt divided by adjusted EBITDA for the past 12 months	Net debt/adjusted EBITDA is a theoretical measure of how many years it would take, with current earnings (adjusted EBITDA), to pay off the Company's liabilities, including property-related loans. It shows the loan-to-value ratio of the business excluding real assets such as real estate.
Adjusted EBIT ²	Operating profit/loss (EBIT) according to the previous standard IAS 17 i.e., excluding the effects of the implementation of IFRS 16, adjusted for items affecting comparability.	Adjusted EBIT is used to get a better picture of the underlying operating profit.
Adjusted EBIT margin ²	Adjusted EBIT as a percentage of net sales.	Adjusted EBIT margin sets underlying operating profit in relation to sales.
Items affecting comparability	Items affecting comparability are income and cost of an irregular nature such as larger (>SEK 5 million) retroactive income related to prior financial years, to property-related items such as capital gains, major property damage not covered by insurance, advisory costs relating to larger acquisitions or fundraising, major integration costs resulting from	Items affecting comparability are used to illustrate the profit/loss items that are not included in ongoing operating activities, to obtain a clearer picture of the underlying profit trend.

⁶ According to ESMA guidelines on performance measures, each performance measure must be motivated.

⁷ The key indicator was calculated applying IAS 17 i.e., excluding effects from implementing IFRS 16, as the implementation had a significant impact on assets and liabilities as well as items in the income statement. By excluding the IFRS 16 effects continuity is achieved.

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

General

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

