



Change through education

AcadeMedia AB (publ)

Interim report July – December 2021

Continued strong demand, the number of children and students grew by 7.5 percent

The adult education segment received good allocation of vocational programmes for the autumn

High spread of infection among staff and students continue to impact operations

Academedia

Interim report quarter 2 2021/22

Summary of the second quarter (October - December 2021)

- Net sales increased by 9.8 percent and amounted to SEK 3,774 million (3,436). Organic growth, including bolt-on acquisitions, was 6.0 percent.
- Operating profit (EBIT) amounted to SEK 342 million (273).
- Adjusted operating profit, adjusted for items affecting comparability and effects of IFRS 16, amounted to SEK 263 million (224). Items affecting comparability amounted to SEK 7 million (-9) and include insurance compensation received in relating to a fire in a compulsory school in the first quarter and VAT-expenses relating to the Adult Education Segment.
- Net profit for the period amounted to SEK 186 million (133).
- Diluted earnings per share was SEK 1.76 (1.26). Adjusted for IFRS 16, diluted earnings per share was SEK 1.96 (1.49).
- The average number of children and students in preschool, compulsory school, and upper secondary school during the second quarter was 92,363 (85,927), representing an increase of 7.5 percent.
- High spread of infection in the quarter resulted in lower personnel costs, net SEK 10 million, and lower costs due to cancelled activities, SEK 5 million, compared to last year.

Summary the first six months (July – December 2021)

- Net sales increased by 10.0 percent to SEK 6,685 million (6,077). Organic growth, including bolt-on acquisitions, was 6.3 percent.
- Operating profit (EBIT) amounted to SEK 575 million (495).
- Operating profit, adjusted for items affecting comparability and effects of IFRS 16, amounted to SEK 457 million (375). Items affecting comparability amounted to SEK -23 million (1) and include costs and insurance compensation received in relation to a fire in a compulsory school and VAT-expenses relating to the Adult Education Segment.
- Net profit for the period amounted to SEK 285 million (224).
- Diluted earnings per share was SEK 2.70 (2.12). Adjusted for IFRS 16, diluted earnings per share was SEK 3.11 (2.61).
- The average number of children and students in preschool, compulsory school, and upper secondary school during the first six months was 91,897 (85,785), representing an increase of 7.1 percent.

Second quarter summary

SEK m	Second quarter			Half year			Rolling 12 months	Full year
	2021/22	2020/21	Change	2021/22	2020/21	Change	Jan 21 – Dec 21	2020/21
Net sales	3,774	3,436	9.8%	6,685	6,077	10.0%	13,948	13,340
Organic growth, %	6.0%	7.3%	-1.3 p.p.	6.3%	7.3%	-1 p.p.	7.6%	8.1%
Operating profit (EBIT)	342	273	25.3%	575	495	16.2%	1,249	1,169
EBIT margin, %	9.1%	7.9%	1.2 p.p.	8.6%	8.1%	0.5 p.p.	9.0%	8.8%
Adjusted EBIT ¹	263	224	17.4%	457	375	21.9%	1,015	934
Adjusted EBIT margin, %	7.0%	6.5%	0.5 p.p.	6.8%	6.2%	0.6 p.p.	7.3%	7.0%
Profit for the period	186	133	39.8%	285	224	27.2%	655	594
Earnings per share, diluted (SEK)	1.76	1.26	39.9%	2.70	2.12	27.0%	6.20	5.62
Free cash flow	606	572	5.9%	506	529	-4.3%	1,094	1,117
Number of children and students ²	92,363	85,927	7.5%	91,897	85,785	7.1%	-	87,823
Number of FTEs	13,847	13,127	5.5%	13,695	12,971	5.6%	n.m.	13,360

¹ The key performance indicators Adjusted EBITDA and Adjusted operating profit (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.

²Excl. adult education. See definitions on pages 32-33.

From our CEO

The second quarter of the financial year shows continued strong demand for our education programmes. The number of children and students increased by 7.5 percent and the organic growth was 6.0 percent. Growth is strongest in the Upper Secondary School Segment in Sweden and in our Germany preschools, where three new units have opened in the period. In total, seven new preschools were established. The Adult Education Segment's higher vocational business has also continued to perform well.

Once again, the pandemic is affecting operations

During the autumn, most teaching took place in the classroom, but absence among staff and students remained at high levels. Staff absence linked to the caring of own sick child increased significantly. We have had to postpone activities, but our digital transformation continued, an area where AcadeMedia has a strong position. Altogether, costs were lower-than-normal in the period due to high absence, and cancelled activities.

2022 has also begun with high infection rates and increased absence. We foresee that this situation will continue as long as infection levels in our communities remain high.

Our employees are working under severe pressure due to the pandemic. Over nearly two years of extraordinary circumstances our people have been doing a fantastic job keeping operations running.

AcadeMedia trusted to continue providing higher vocational education

AcadeMedia has a clear strategy to be the leading vocational education provider and the Adult Education Segment has for some time had a strong focus to increase the share of vocational education. Higher vocational education constituted 33 percent (26) of the segment's total net sales in the quarter

In January, the Swedish Agency for Higher Vocational Education's announced their allocation decision. AcadeMedia was awarded 5,430 educational places, with the first starting autumn 2022. The award means that current volumes are maintained

Although the pandemic still continues, the labour market has returned to normal. Unemployment is back to pre-pandemic levels, generating normalised volumes in the municipal adult education and in the higher vocational education. However, unemployment remains high in Sweden and skills shortages are still elevated in many sectors continuing to drive adult education.

School voucher funding 2022

A large portion of the decisions determining school funding for 2022 have now been received. Based on around 85 percent of decisions, we are seeing an average increase of 2.6 percent (1.7) in our Swedish preschool and school operations. This year's school funding adjustment is higher than last years.

In Norway, school voucher funding is expected to rise by about 2.8 percent (4.4). Last year's increase

reflected the earlier implemented staff density norm. At the same time the pension supplement, which is another part of the remuneration model, will decrease. We estimate that the revised pension supplement will impact revenue by SEK 35 million annually.

Strong position ahead of autumn 2022

During the spring, children and students make their school choices for the autumn start. This is an important time for us. The demographic trend is in our favour, especially in the Upper Secondary School Segment. Intensive preparations are under way within our units for the school choices that will be made. So far, activities taking place both on site and digitally indicate a high level of interest, which is encouraging and bodes well for the future.

Many new units are planned for autumn 2022. In Sweden, plans include one preschool, one compulsory school, and three new upper secondary schools. At the same time, completion of our two new campuses in Stockholm is underway. Eight of our existing schools will relocate to the campuses and have the opportunity to continue to expand. Altogether, we will create approximately 2,500 new upper secondary school places to be filled in the coming years.

In Germany, expansion continues, and in the coming year 15 new preschools are expected to open.

AcadeMedia continues to grow in EdTech

In January, AcadeMedia increased its ownership stake in Hypocampus, to 36 percent. Hypocampus is an EdTech company that develops AI-based learning tools targeting medical students. With the injection of additional capital, expansion into further countries can continue after successful growth in France during the autumn. We view this as an exciting and value-generating activity.

AcadeMedia acquires Sandviks AS and will form a new business area

After the end of this reporting period, AcadeMedia acquired the Norwegian company Sandviks AS. Sandviks has, since 1965, created physical and digital products and services that inspire children to read. Sandviks' most well-known brand is Goboken, a book club for children with 40,000 members in Norway and Sweden.

With AcadeMedia's experience in the education sector and Sandviks' established position among parents of young children, we will have the opportunity to target both our existing and new markets. We look forward to the joint development of educational products and services that further strengthen children's learning.

Marcus Strömberg

President and CEO

AcadeMedia AB (publ)

Development in the second quarter (October – December 2021)

Pandemic

The increased spread of virus has again impacted our operations. In Sweden, teaching took place in the classroom. Increased level of absence due to sickness, absence due to caring for own sick children (swedish VAB), and shortage of temporary staff resulted in lower personnel costs and some activities were postponed. Access to temporary staff has been better in Norway, consequently giving rise to higher expenses. Net, the costs were SEK 15 million lower.

Volume development and net sales

Net sales in the second quarter increased by 9.8 percent to SEK 3,774 million (3,436). The acquisition of Swedish Education Group AB (Segab) contributed with 3.1 percentage points. Organic growth, including bolt-on acquisitions, was 6.0 percent and changes in exchange rates impacted sales by 0.8 percent. The average number of children and students, excluding the Adult Education Segment, increased by 7.5 percent to 92,363 (85,927).

Several smaller school voucher adjustments from municipalities to both the Compulsory School and Upper Secondary School Segments amounted in total to SEK 15 million and contributed to the increase in the quarter.

Adjusted operating profit and operating profit (EBIT)

Adjusted EBIT was SEK 263 million (224) with an adjusted EBIT margin of 7.0 percent (6.5). Operating profit (EBIT) was SEK 342 million (273) with an EBIT margin of 9.1 percent (7.9). Earnings increased due to a higher number of children and students, recovery of German operation, and lower expenses in both the Compulsory School Segment and Upper Secondary School Segment, in part an effect of the pandemic.

The Adult Education Segment had somewhat lower operating profit as volumes in parts of the segment are returning to more normal levels. AcadeMedia's higher vocational education continue provide growth.

Group overhead expenses were somewhat higher compared to last year.

Items affecting comparability

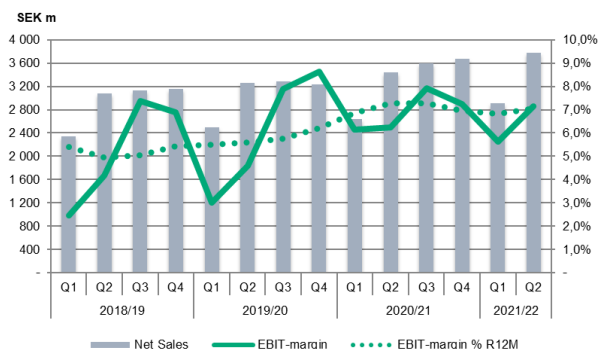
Items affecting comparability amounted to SEK 7 million (-9) and relates to insurance compensation of SEK 18 million received following a fire in compulsory school, and VAT-expenses relating to subcontractors in the Adult Education Segment of SEK -11 million. Costs related to the fire were reported in the first quarter with SEK -30 million and additional insurance compensation is expected in coming quarters.

SEK m	Second quarter	
	2021/22	2020/21
Fire, insurance compensation (comp)	18	-
VAT (adult education)	-11	-
Integration expenses, SEG	-	-8
Acquisition-related expenses	-	-2
Total	7	-9

Acquisitions, divestments, new establishments, and discontinued operation

Seven new preschools were added in the quarter.

Three new preschools in Germany and four acquired, of which three in Norway and one in Sweden.



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

Second quarter in summary by segment

	Number of students (average)		Net sales, SEK m		Adj. operating profit. (EBIT), SEK m		Adj. EBIT margin		Operating profit (EBIT), SEK m		EBIT margin	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
Preschool	21,982	20,969	1,061	958	22	19	2.1%	2.0%	22	19	2.1%	2.0%
Compulsory School	27,867	26,193	937	851	74	52	7.9%	6.1%	92	52	9.8%	6.1%
Upper Secondary School	42,513	38,765	1,278	1,142	118	97	9.2%	8.5%	118	97	9.2%	8.5%
Adult Education	- ¹	- ¹	498	484	71	75	14.3%	15.5%	60	75	12.0%	15.5%
Group adj. Parent company	-	-	0	1	-21	-19	-	-	-21	-28	-	-
Impact from IFRS 16 ²	-	-	-	-	-	-	-	-	72	59	-	-
Total	92,363	85,927	3,774	3,436	263	224	7.0%	6.5%	342	273	9.1%	7.9%

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

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

Development in the first six months (July 2021 – September 2021)

Volume development and net sales

Net sales increased by 10.0 percent to SEK 6,685 million (6,077). The acquisition of Swedish Education Group AB (Segab) contributed with 3.2 percentage points. Organic growth, including bolt-on acquisitions, was 6.3 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 7.1 percent to 91,897 (85,785)

Adjusted operating profit and operating profit (EBIT)

Adjusted EBIT for the first six months increased to SEK 457 million (375) with an adjusted EBIT margin of 6.8 percent (6.2). Operating profit (EBIT) was SEK 575 million (495) with an EBIT margin of 8.6 percent (8.1). The increase was due to a higher number of children and students and recovery in Germany but also due to lower expenses in the second quarter as a result of the pandemic and from employees taking more vacation days in the first quarter leading to lower personnel costs.

In the Adult Education Segment, AcadeMedia's higher vocational education continues to grow and drive earnings. Volumes in other parts of the segment have started to return to more normal levels.

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

Items affecting comparability

Items affecting comparability amounted to SEK -23 million (1) and relates to a fire in a compulsory school, where costs of SEK -30 million impacted the first quarter whereas insurance compensation of SEK 18 million was received and reported as revenue in the second quarter. The second quarter was also impacted by VAT-expenses relating to subcontractors in the Adult Education Segment of SEK -11 million

SEK m	Half year	
	2021/22	2020/21
Fire, insurance compensation (comp)	18	-
Fire (comp)	-30	-
VAT- (adult education)	-11	-
Integration expenses, SEG	-	-8
Acquisition-related expenses	-	-2
Retroactive revenue from previous years (Compulsory School)	-	3
Retroactive revenue from previous years (Upper Secondary School)	-	8
Total	-23	1

Acquisitions, divestments, new establishments, and discontinued operation

Net, thirteen new units were added during the first six months. One compulsory school and four preschools were acquired, and fourteen new units opened of which three upper secondary schools and eleven preschools in Germany. The number of units was negatively impacted by six from units merging, closing and the loss of a contract with Oslo municipality.

First six months in summary by segment

	Number of students (average)		Net sales, SEK m		Adj. operating profit. (EBIT), SEK m		Adj. EBIT margin		Operating profit (EBIT), SEK m		EBIT margin	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
Preschool	21,491	20,817	1,868	1,712	30	26	1.6%	1.5%	30	26	1.6%	1.5%
Compulsory School	27,782	26,182	1,649	1,495	128	85	7.8%	5.7%	116	88	7.0%	5.9%
Upper Secondary School	42,624	38,786	2,242	1,999	205	170	9.1%	8.5%	205	177	9.1%	8.9%
Adult Education	- ¹	- ¹	925	869	138	132	14.9%	15.2%	127	132	13.7%	15.2%
Group adj. Parent company	-	-	0	2	-44	-37	-	-	-44	-47	-	-
Impact from IFRS 16 ²	-	-	-	-	-	-	-	-	141	118	,	,
Total	91,897	85,785	6,685	6,077	457	375	6.8%	6.2%	575	495	8.6%	8.1%

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

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

Cash flow and financial position

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

Cash flow adjusted for lease payments

SEK m	Second quarter		Half year		Rolling 12 months	Full year
	2021/22	2020/21	2021/22	2020/21	Jan 21- Dec 21	2020/21
Cash flow from operating activities before changes in working capital	295	300	541	536	1,173	1,168
Cash flow from changes in working capital	380	321	108	111	186	190
Cash flow from operating activities	675	621	649	647	1,359	1,357
Investments related to existing operations ¹	-70	-49	-142	-118	-265	-241
Investments related to expansion ²	-51	-187	-84	-131	-150	-196
Cash flow from investing activities	-120	-236	-227	-248	-415	-437
Cash flow from financing activities	-313	-80	-312	-137	-662	-487
CASH FLOW FOR THE PERIOD	242	305	110	261	282	433
Free cash flow³	606	572	506	529	1,094	1,117

Cash flow from operating activities for the quarter amounted to SEK 675 million (621). The increase was due to a more favourable net working capital development, which affected cash flow positively by SEK +380 (+321) million. The net working capital development was primarily an effect from higher accounts payable at the end of the quarter.

Investments in existing operations¹ were higher compared to last year and amounted to SEK -70 million (-49) contributing to a free cash flow³ of SEK 606 million (572). Expansion investments² in the period were SEK -51 million (-187), of which the acquisition of Swedish Education Group affected cash flow with SEK -171 million in the previous year. In total, cash flow from investing activities amounted to SEK -120 million (-236). Cash flow from financing activities totalled SEK -313 million (-80), of which dividend to shareholders SEK -183 million (-158). All in all, cash flow for the quarter amounted to SEK +242 million (+305).

In the first six months, cash flow from operating activities amounted to SEK 649 million (647), which is in line with last year both in respect of profit and net working capital development.

Investments in existing operations¹ during the first six months were higher compared to last year and amounted to SEK -142 million (-118) contributing to a free cash flow³ of SEK 506 million (529). Expansion investments² in the period were SEK -84 million (-131) of which last year was affected by SEK -171 million from the acquisition of Swedish Education Group and by SEK +62 million from the sales proceeds received originating from the divestment of one property in Oslo. In total, cash flow from investing activities amounted to SEK -227 million (-248). Cash flow from financing activities totalled SEK -312 million (-137) of which dividend to shareholders SEK -183 million (-158). All in all, cash flow from the first six months amounted to SEK 110 million (261).

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

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

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

Financial position¹

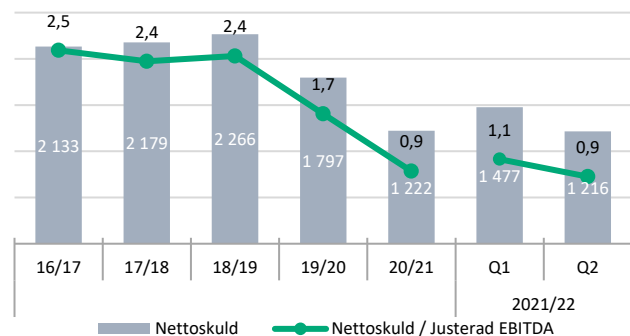
SEK m	2021-12-31	2020-12-31	2021-06-30
Equity/asset-ratio (%) (excluding IFRS 16)	53.0%	50.3%	53.3%
Net debt (inclusive of IFRS 16)	9,324	9,349	8,650
Property-related leasing liabilities	8,109	7,656	7,428
Net debt (excluding IFRS 16)	1,216	1,693	1,222
Net debt (excluding IFRS 16)/ adjusted EBITDA	0.9	1.4	0.9
Buildings ²	1,120	998	1,044

Consolidated interest-bearing net debt including property-related leasing liabilities amounted to SEK 9,324 million (9,349), of which property-related leasing liabilities amounts to SEK 8,109 million (7,656). Financial expenses increased to SEK -214 million (-205) following increased leasing liabilities. Interest expenses related to property-related leasing liabilities amounted to SEK -196 million (-183).

Consolidated interest-bearing net debt¹ excluding property-related leasing liabilities amounted to SEK 1,216 million (1,693) as of 31 December 2021. The decline in net debt over the past 12 months is due to positive cash flows following strong results.

The property loans, consisting of both non-current loans in the Norwegian State Housing Bank (Norw. Husbanken) and short-term construction loans, have, increased by SEK 87 million over the past 12 months to SEK 764 million (676). Excluding the currency effects of a stronger Norwegian krona, the property loans increased by SEK 50 million. Buildings increased by SEK 122 million to SEK 1,120 million (998) during the equivalent period.

Net debt in relation to adjusted EBITDA¹ (rolling 12 months) amounted to 0.9 (1.4), which meets the Group's financial target of a net debt in relation to adjusted EBITDA lower than 3.0. Property-adjusted net debt divided by adjusted EBITDA¹ (12m) was 0.3 (0.8).



¹ Implementation of IFRS 16 had a significant effect on AcadeMedia's financial statements. By excluding the effects of IFRS 16, continuity is achieved in the KPIs above. See pages 32 to 33 for definitions.

² As of 31 December 2021, 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.

Preschool

- The number of children increased by 4.8 percent to 21,982 (20,969) in the second quarter.
- Sales increased by 10.7% and amounted to SEK 1,061 million (958), positively affected by currency changes. Adjusted for this, net sales increased by 7.9 percent.
- Adjusted operating profit (adj. EBIT) improved to SEK 22 million (19).

AcadeMedia's Preschool segment runs preschools in Sweden, Norway, and Germany. In Sweden, the business is conducted in many municipalities with a total of 110 units. In Norway, Espira is the third largest preschool provider with 107 units. In Germany we operate preschools at 68 units. The segment had a total of 285 units during the quarter

Outcome for the second quarter

The average number of children increased by 4.8 percent compared with the previous year and amounted to 21,982 (20,969). The increase was mainly driven by new establishments in Germany but was negatively impacted by the termination of two preschools in Oslo with 310 children.

Sales increased by 10.7 percent and amounted to SEK 1,061 million (958). Adjusted for positive currency effects, SEK 25 million, net sales increased by 7.9 percent.

Adjusted operating profit (EBIT) increased to SEK 22 million (19) with a margin of 2.1 percent (2.0). The improved profit and margin were a result of return to more normal operations in Germany. Personnel expenses in Sweden were about SEK 5 million lower due to high absence among staff, absence due to caring for own sick child, but also lower expenses for temporary staff since the availability has been limited. As previously communicated, the Norwegian business was impacted by NOK 10 million from higher salary expenses which in part was retroactive from May 2021. The Norwegian business was also impacted by higher electricity costs and higher expenses for temporary staff, approximately SEK 8 million.

Outcome for the first half year

The average number of children increased by 3.2 percent and amounted to 21,491 (20,817). Net sales increased by 9.1 percent and amounted to SEK 1,868 million (1,712). Adjusted for positive currency effects of SEK 28 million, net sales increased by 7.3 percent.

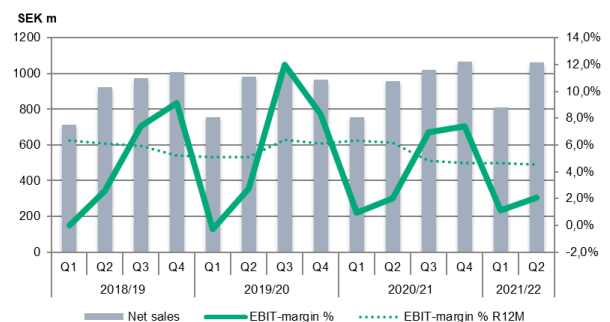
Operating profit (EBIT) for the first half year was SEK 30 million (26), with an operating margin of 1.6 percent (1.5). The improved profit and margin were a result of Germany returning to normal operation and of lower personnel expenses in Sweden, in part an effect of staff planning but also a result of high absence due to the pandemic. Higher salary revision in Norway impacted earnings by NOK 10 million. The anticipated full year effect remains at NOK 20 million.

Operational changes

During the second quarter seven new units were added. Three new preschools in Germany and four acquired, of which three in Norway and one in Sweden. During the first six months, net 12 units were added in total. The plan to open 15 units in Germany during 2021/22 remains unchanged.

The new unit in Sweden, originally planned to open in the third quarter, has been delayed and is now expected to open during the first quarter 2022/23.

Account for the preliminary voucher increase and the revised pension supplement can be found on page 14.



Financial overview¹

SEK m	Second quarter			Half year			Rolling 12 months Jan 21 – Dec 21	Full year 2020/21
	2021/22	2020/21	Change	2021/22	2020/21	Change		
Net sales	1,061	958	10.7%	1,868	1,712	9.1%	3,956	3,800
Operating profit (EBIT)	22	19	15.8%	30	26	15.4%	180	176
EBIT margin, %	2.1%	2.0%	0.1 p.p.	1.6%	1.5%	0.1 p.p.	4.6%	4.6%
Items affecting comparability	-	-	n/a	-	-	n/a	-	-
Adjusted operating profit	22	19	15.8%	30	26	15.4%	180	176
Adjusted EBIT margin, %	2.1%	2.0%	0.1 p.p.	1.6%	1.5%	0.1 p.p.	4.6%	4.6%
Number of children and students	21,982	20,969	4.8%	21,491	20,817	3.2%	n.m.	21,447
Number of units	285	267	6.7%	282	267	5.6%	n.m.	269

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

¹ Additional financial information per segment is presented on pages 28-29.

Compulsory School

- The number of students increased by 6,4 percent to 27,867 (26,193) in the second quarter.
- Sales increased by 10.1 percent to SEK 937 million (851).
- Adjusted operating profit (EBIT) increased to SEK 74 million (52).

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

Outcome for the second quarter

The average number of students increased by 6.4 percent compared with the previous year and amounted to 27,867 (26,193). The increase relates to acquisitions in the last twelve months, as well as growth in existing units which in some cases expanded capacity. The acquisitions of Segab and Stockholms internationella montessoriskola contributed with 3.9 percentage points to the growth.

Net sales increased by 10.1 percent and amounted to SEK 937 million (851). In addition to the increase in number of students, the increase was also due to the annual adjustment of school vouchers and increased government grants. Several smaller school voucher adjustments from municipalities, with costs taken in previous periods, amounted in total to approximately SEK 10 million in the quarter and contributed to the growth.

Adjusted operating profit was SEK 74 million (52) with a margin of 7.9 percent (6.1). Operating income and margin were affected by a higher number of students and lower personnel expenses of SEK 5 million. High levels of sick leave and substantial increase of absence due to caring for own sick child (se. vab) decreased personnel expenses, at the same time as access to temporary staff has been limited.

Items affecting comparability amounted to SEK +18 million (-) and relates to insurance compensation received in relation to a fire in July. Operating income

(EBIT) increased and amounted to SEK 92 million (52), corresponding to an EBIT-margin of 9.8 percent (6.1).

Outcome for the first half year

The average number of students increased by 6.1 percent and amounted to 27,782 (26,182). Net sales increased by 10.3 percent and amounted to SEK 1,649 million (1,495) following the volume increase but also the annual adjustment of school vouchers and increased government grants.

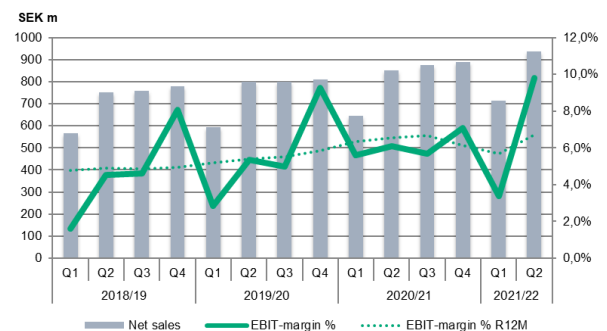
Adjusted operating profit was higher than last year, SEK 128 million (85), positively affected by more students, lower personnel cost. Increased absence in the second quarter and employees taking more vacation days in the first quarter impacted personnel costs.

Items affecting comparability amounted to SEK -12 million (3) relating to insurance compensation received and expenses following a fire in July. Additional compensation is expected in coming quarters. Operating profit (EBIT) amounted to SEK 116 million (88), and the operating margin was 7.0 percent (5.9).

Operational changes

During the first quarter, a compulsory school with 190 students, Friskolan Lyftet, was acquired.

The Compulsory School segment has continued the strategic work to bring together units with similar pedagogies and governance under common education profiles. In October 2021 Innovitaskolorna was launched. After the launch of Innovitaskolorna, the brand Pysslingen Skolor will no longer be used within AcadeMedia Compulsory Schools.



Financial overview¹

SEK m	Second quarter			Half year			Rolling 12 months	Full year
	2021/22	2020/21	Change	2021/22	2020/21	Change	Jan 21 – Dec 21	2020/21
Net sales	937	851	10.1%	1,649	1,495	10.3%	3,414	3,260
Operating profit (EBIT)	92	52	76.9%	116	88	31.8%	229	201
EBIT margin, %	9.8%	6.1%	3.7 p.p.	7.0%	5.9%	1.1 p.p.	6.7%	6.2%
Items affecting comparability	18	-	n/a	-12	3	n/a	-12	3
Adjusted operating profit	74	52	42.3%	128	85	50.6%	241	198
Adjusted EBIT margin, %	7.9%	6.1%	1.8 p.p.	7.8%	5.7%	2.1 p.p.	7.1%	6.1%
Number of children and students	27,867	26,193	6.4%	27,782	26,182	6.1%	n.m.	26,696
Number of units	116	112	3.6%	116	112	3.6%	n.m.	114

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

¹ Additional financial information per segment is presented on pages 28-29.

Upper Secondary School

- The number of students increased by 9.7 percent in the second quarter, amounting to 42,513 (38,765).
- Sales increased 11.9 percent to SEK 1,278 million (1,142).
- Adjusted operating profit increased to SEK 118 million (97).

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

Outcome for the second quarter

The number of students increased by 9.7 percent compared with the previous year, amounting to 42,513 (38,765). The acquisition of Segab contributed with 6.2 percentage points to the growth. Growth was also attributable to the opening of three new schools at the beginning of the fiscal year, as well as to additional students enrolled in the 18 new establishments that opened from 2017 to 2020. These 21 new establishments have in total admitted approximately 1,100 additional students compared to last year.

Net sales increased by 11.9 percent to SEK 1,278 million (1,142). In addition to increased student enrolment, the growth was also attributable to annual school voucher revision, higher government grants and in the quarter several small school voucher adjustments from municipalities approximately SEK 5 million.

Adjusted operating profit was SEK 118 million (97), representing a margin of 9.2 percent (8.5). Improved operating income and margin were attributable to growth in number of students but also SEK 5 million in lower personnel costs relating to high sick leave and substantial increase of absence due to caring for own sick child (se. vab) while access to temporary staff has been limited. In addition, some activities have once again been cancelled which reduced expenses by approximately SEK 5 million. Depending on the development of the pandemic, these costs might impact latter parts of the year.

Operating profit (EBIT) increased and amounted to SEK 118 million (97) and the margin was 9.2 percent (8.5).

Financial overview¹

	Second quarter			Half year			Rolling 12 months	Full year
SEK m	2021/22	2020/21	Change	2021/22	2020/21	Change	Jan 21 – Dec 21	2020/21
Net sales	1,278	1,142	11.9%	2,242	1,999	12.2%	4,668	4,424
Operating profit (EBIT)	118	97	21.6%	205	177	15.8%	429	402
EBIT margin, %	9.2%	8.5%	0.7 p.p.	9.1%	8.9%	0.2 p.p.	9.2%	9.1%
Items affecting comparability	-	-	n/a	-	8	n/a	-4	4
Adjusted operating profit	118	97	21.6%	205	170	20.6%	433	398
Adjusted EBIT margin, %	9.2%	8.5%	0.7 p.p.	9.1%	8.5%	0.6 p.p.	9.3%	9.0%
Number of children and students	42,513	38,765	9.7%	42,624	38,786	9.9%	n.m.	39,680
Number of units	151	146	3.4%	151	147	2.7%	n.m.	148

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

¹ Additional financial information per segment is presented on pages 28-29.

Outcome for the first half year

The number of students increased by 9.9 percent amounting to 42,624 (38,786) and net sales increased by 12.2 percent to SEK 2,242 million (1,999). The growth was attributable to new openings and higher school vouchers.

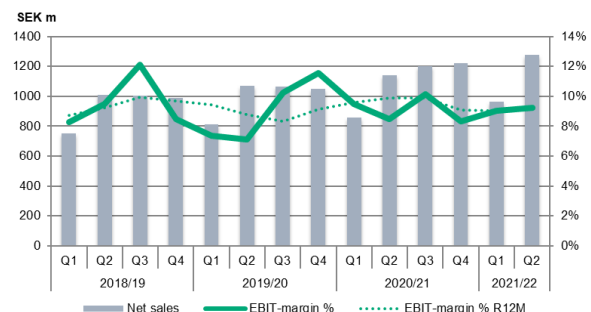
Adjusted operating profit was SEK 205 million (170), representing a margin of 9.1 percent (8.5). Result and margin affected by higher student numbers, lower personnel costs and cancelled activities due to the pandemic in the second quarter, and employees taking more vacation days in the first quarter.

Items affecting comparability amounted to SEK 0 million (8). Operating profit (EBIT) was SEK 205 million (177) and the margin was 9.1 percent (8.9).

Operational changes

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

Three new schools are planned to start in the autumn 2022. During spring, it will be clearer if these schools attract enough students to start. Preparations for eight existing schools to move in and expand in the two new campuses in Stockholm are also ongoing. In total, approximately 2,500 new educational places will be created to be filled in the coming years.



Adult Education

- Sales increased 2.9 percent to SEK 498 million (484).
- Operating profit (EBIT) was SEK 60 million (75), of which items affecting comparability amounted to SEK -11 million (0) relating to VAT-costs.

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 Adult Education (51 percent of sales), Higher Vocational Education (33) and Labour Market Services (10).

Outcome for the second quarter

Net sales increased by 2.9 percent and amounted to SEK 498 million (484). The increase is attributable to AcadeMedia's Higher Vocational Education (HVE) and the acquisition of KYH which contributed with 5.4 percentage points to the increase.

AcadeMedia HVE increased net sales by 31 percent compared to last year, of which existing business grew by 10 percent and the acquisition of KYH contributed with 21 percentage points to the growth. Improved capacity utilization and continued high number of students completing their education also impacted earnings positively. The HVE-business was impacted by SEK 11 million of VAT costs, an effect of the Swedish Tax Agency revised application of VAT on subcontractors, as previously communicated. The cost is reported as an item affecting comparability. In December, it was determined that VAT compensation will be paid with effect from 1 January 2022.

The **Municipal Adult Education** continues the return towards more normal volumes and capacity levels, net sales declined 9 percent. The SFI-operation (Swedish for immigrants) continue to have fewer participants, especially in the larger cities, resulting in lower profitability and operating income compared to last year. New restrictions due to the pandemic can impact attendance levels even further.

The **Labour Market Services** business' net sales declined by 24 percent but with maintained profitability. The transition from the old contracts (STOM) to the new matching contracts (KROM), continues and is expected to be in place in all of Sweden during the beginning of 2022.

Adjusted operating profit was SEK 71 million (75), corresponding to a margin of 14.3 percent (15.5). The decline in earnings were related to the municipal adult education business and the declining SFI-volumes.

Items affecting comparability amounted to SEK -11 million and was related to VAT-costs. Operating profit (EBIT) was SEK 60 million (75). EBIT-margin is estimated to decrease to normal levels of between 9 and 11 percent.

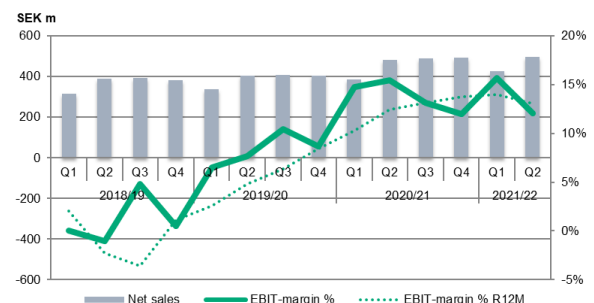
Outcome for the first half year

Net sales increased by 6.4 percent and amounted to SEK 925 million (869). Adjusted operating profit was SEK 138 million (132), corresponding to a margin of 14.9 percent (15.2). Operating profit decreased to SEK 127 million (132), impacted by SEK 11 million in VAT-costs. The margin was 13.7 percent (15.2).

Operational changes and market development

In January, the Swedish Agency for Higher Vocational Education's allocation decision was announced. AcadeMedia was awarded 5,430 educational places, with the first start in autumn 2022. The award means that current volumes are maintained with an expectation of 10,200–10,500 educational places in the autumn 2022.

The labour market has developed positively and the number of unemployed registered with the Swedish Public Employment Services has decreased to pre pandemic levels. However, unemployment continues to be high in Sweden with vast shortage of skilled labour in many industries.



Financial overview¹

	Second quarter			Half year			Rolling 12 months	Full year
SEK m	2021/22	2020/21	Change	2021/22	2020/21	Change	Jan 21 - Dec 21	2020/21
Net sales	498	484	2.9%	925	869	6.4%	1,906	1,850
Operating profit (EBIT)	60	75	-20.0%	127	132	-3.8%	250	255
EBIT margin, %	12.0%	15.5%	-3.5 p.p.	13.7%	15.2%	-1.5 p.p.	13.1%	13.8%
Items affecting comparability	-11	-	n/a	-11	-	n/a	-11	-
Adjusted operating profit	71	75	-5.3%	138	132	4.5%	261	255
Adjusted EBIT margin, %	14.3%	15.5%	-1.2 p.p.	14.9%	15.2%	-0.3 p.p.	13.7%	13.8%

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

¹ Additional financial information per segment is presented on pages 28-29.

Quality

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

"By offering a superior learning environment, AcadeMedia helps people and communities develop and grow. All students have the same right to a quality education, regardless of place of residence or background. A good atmosphere for learning is also about determining the needs of and opportunities for each individual student." AcadeMedia's sustainability report.

Quality results for the second quarter

During the second quarter AcadeMedias quality report and sustainability report for the fiscal year 2020/21 was published. The reports are available on AcadeMedias web.

Preschool

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

Compulsory School

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

Upper Secondary School

In November 2021, the Swedish national agency for education published the results for students who graduated from upper secondary school in the spring of 2021. The results were in line with AcadeMedia's own and preliminary grade compilations that were presented in the year-end report for 2020/21.

The percentage of AcadeMedia's students who met the upper secondary school graduation requirements was according to the preliminary results 92.0 percent (90.3). The national average was 91.8 percent (91.4). The grade point average for students with diplomas was in line with last year 14.2 (14.2), the national average rose to 14.5 (14.4) points. The percentage students with diploma within three years increased to 79.2 percent (76.5), the national average increased to 79.6 percent (78.2 percent).

Adult Education

Compilations of the Adult Education's participant surveys with respect to the autumn term of 2021 show that participants' satisfaction remains at a high level and continue to improve compared to the previous year, 86.0 percent (85.5). The propensity to recommend AcadeMedia to others declined, 87.1 percent (87.7).

Employees

The average number of full-time employees in the quarter was 13,847 (13,127) which represents an increase of 5.5 percent. The proportion of women in the Swedish operation was 66.9 percent (67.2) in the quarter. Employee turnover in Sweden, measured as the proportion of individuals who resigned, was 9.8 percent aggregated over the six-month July - December period, compared with 8.8 percent aggregated over the corresponding period in the previous year. Absence due to illness for AcadeMedia employees in Sweden (aggregated average short-term absence <90 days) was 4.7 percent (4.9) during the first six months.

Absence due to care of sick child (se. VAB) in the Swedish operations was very high during the period October to December, 1.9 percent (1.2) which is 0.7 percentage points higher compared to the same period last year. Over the past six months (aggregated average), absence due to VAB amounted to 1.4 percent (1.0).

Parent Company

Net sales in the first six months amounted to SEK 6 million (5). Operating profit (EBIT) amounted to SEK -5 million (-6) and profit after tax was SEK -2 million (-5). The Parent Company's assets essentially consist of participations in Group companies and intercompany receivables. Operations are funded by equity, bank loans, and intra group loans. Equity in the Parent Company as of 31 December 2021 was SEK 2,406 million (2,561). The Parent Company's interest-bearing external debt as of 31 December 2021 was SEK 730 million (1,091).

Owners and share capital

AcadeMedia AB (publ) is a public limited company listed on Nasdaq Stockholm since 2016. As of 31 December 2021, share capital was SEK 105,788,845 and the number of shares amounted to a total of 105,788,845 shares distributed among 105,582,940 ordinary shares and 205,905 Class C shares, where the C-shares are held by AcadeMedia AB. The quota value is SEK 1.00 per share. Mellby Gård AB is the largest shareholder in AcadeMedia with 21.3 percent of the capital as of 31 December 2021.

Significant events after the end of the reporting period

Preliminary school voucher increases

With around 85 percent of decisions received, we see an average increase of 2.6 percent (1.7) for our Swedish preschool and school operations. This year's school funding adjustment is higher than last year. In Norway, school voucher funding is expected to rise by about 2.8 percent (4.4) and is based on the actual municipal cost for the financial year 2020 adjusted with a cost index for 2021 and 2022. The voucher increases are based on municipality announcements to date and are calculated as a weighted average based on AcadeMedia's student mix in each country.

In Norway, in addition to the school voucher independent preschool providers receive a pension supplement. It is calculated as a percent of personnel costs at each municipality. In Norway, the Norwegian Directorate for Education and Training (no. Utdanningsdirektoratet), has been commissioned by the new government determined that the pension supplement is to be revised from 13 to 10 percent of personnel costs for 2022. Preliminary calculations indicate that the change in pension supplement will impact net sales by SEK 35 million annually.

Acquisition of Sandviks AS

After the end of the reporting period, AcadeMedia entered into an agreement to acquire all shares in Sandviks AS for NOK 87 million. The company primarily offers products and services that inspire children to read at an early age. With the acquisition, AcadeMedia initiates a new business area offering products and services targeting the educational market. Sandviks AS' Swedish and Norwegian business had a turnover in 2021 of approximately NOK 103 million and an EBIT of approximately NOK 14 million. Sandviks AS will be reported in AcadeMedia's Preschool Segment.

Increased ownership in Hypocampus

In January, AcadeMedia increased its ownership stake in Hypocampus, to 36 percent. Hypocampus is an EdTech company that develops AI-based learning tools for medical students. During the autumn, a highly successful expansion in France was completed and, with the injection of additional capital, expansion into more countries is now planned. We view this as a very exciting and value-generating business.

Other

Risks and uncertainties

AcadeMedia categorises risks as operating, external and financial and they are described in detail in AcadeMedia AB's 2020/21 Annual Report. Operating risks include variations in demand and number of students and participants, risk relating to the supply of qualified employees and payroll expenses, risk relating to quality deficiencies, contractual compliance within adult education, AcadeMedia's reputation and brand, permits, and liability and property risk. With declining demand in a specific unit, fixed expenses and thus rental costs are a risk.

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

The spread of the coronavirus since spring 2020 and the decisions made by the governments in the countries where AcadeMedia operates due to the pandemic has had a significant impact on AcadeMedia's operations. As of the start of the autumn term in August 2021, all segments have returned to normal operations. At the beginning of the winter,

however, the spread of infection increased sharply, the same development later took place in Sweden. With high sickness absence as a result. If the situation worsens further, there is a risk that operations again will have to close for periods, that new openings will be delayed, that the future school voucher development is negatively affected following weaker economies in the municipalities, and that students won't receive the knowledge they have the right to.

Seasonal variations

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

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

Outlook

AcadeMedia does not publish any forecasts.

Calendar

5 May 2022	Interim report, third quarter
1 September 2022	Year-end report
25 October 2022	Interim report, first quarter
25 October 2022	Annual report 2021/22

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

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

Stockholm 1 February 2022

Anders Bülow
Chairman of the Board

Marcus Strömberg
Chief Executive Officer

Johan Andersson
Board Member

Ann-Marie Begler
Board Member

Jan Bernhardsson
Board Member

Pia Rudengren
Board Member

Silvija Seres
Board Member

Håkan Sörman
Board Member

Anna Lundmark Boman
Employee representative

Anders Lövgren
Employee representative

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

AcadeMedia AB (publ)

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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 CET on 1 February 2022.

Consolidated income statement

SEK m	Note	Second quarter		Half year		Rolling 12 months Jan 21- Dec 21	Full year
		2021/22	2020/21	2021/22	2020/21		2020/21
Net Sales	3	3,774	3,436	6,685	6,077	13,948	13,340
Cost of services		-345	-293	-617	-524	-1,212	-1,120
Other external expenses		-325	-324	-592	-590	-1,353	-1,351
Personnel expenses		-2,333	-2,149	-4,021	-3,700	-8,427	-8,106
Depreciation/amortization		-436	-387	-858	-769	-1,676	-1,587
Items affecting comparability ¹⁾		7	-9	-23	1	-32	-7
TOTAL OPERATING EXPENSES		-3,433	-3,163	-6,111	-5,583	-12,700	-12,172
OPERATING INCOME		342	273	575	495	1,249	1,169
Financial income		0	0	0	0	3	3
Financial expenses	6	-108	-100	-214	-205	-415	-405
Net financial items		-108	-100	-214	-204	-411	-402
INCOME BEFORE TAX		234	173	361	290	838	767
Tax		-48	-40	-76	-66	-183	-173
PROFIT FOR THE PERIOD		186	133	285	224	655	594
Profit for the period attributable to:							
Owners of the parent company		186	133	285	224	655	594
Basic earnings per share (SEK)		1.76	1.26	2.70	2.13	6.21	5.64
Diluted earnings per share (SEK)		1.76	1.26	2.70	2.12	6.20	5.62
Earnings per share based on number of shares outstanding (SEK)		1.76	1.26	2.70	2.13	6.20	5.62

¹⁾ Items affecting comparability are specified on page 4 and 5. Key performance indicator definitions are on pages 32-33. Please see note 2 for information on how application of IFRS 16 impact the financial reports.

Consolidated statement of comprehensive income

SEK m	Note	Second quarter		Half year		Rolling 12 months Jan 21- Dec 21	Full year
		2021/22	2020/21	2021/22	2020/21		2020/21
PROFIT FOR THE PERIOD		186	133	285	224	655	594
Other comprehensive income							
<i>Items that will not be reclassified to profit/loss</i>							
Actuarial gains and losses		-10	14	-20	14	21	55
Deferred tax relating to actuarial gains and losses		2	-3	4	-3	-5	-12
		-8	11	-15	11	17	43
<i>Items that may be reclassified to profit/loss</i>							
Translation differences		17	-8	23	-11	48	14
Other comprehensive income for the period		9	3	7	-0	64	57
COMPREHENSIVE INCOME FOR THE PERIOD		195	136	293	224	719	651
Comprehensive income for the period attributable to:							
Owners of the parent company		195	136	293	224	719	651

Consolidated statement of financial position in summary

SEK m	Note	31 Dec 2021	31 Dec 2020	30 Jun 2021
ASSETS				
Intangible non-current assets		6,488	6,293	6,426
Buildings		1,120	998	1,044
Right-of-use assets		8,140	7,758	7,489
Other property, plant, and equipment		824	803	791
Other non-current assets		62	75	41
Total non-current assets		16,634	15,926	15,790
Current receivables		613	638	658
Cash and cash equivalents ¹		1,084	787	966
Total current assets		1,697	1,425	1,624
TOTAL ASSETS		18,330	17,351	17,414
EQUITY AND LIABILITIES				
Total equity		5,425	4,874	5,317
Non-current liabilities to credit institutions		1,605	1,865	1,824
Long-term lease liabilities		7,150	6,724	6,495
Provisions and other non-current liabilities		181	256	187
Total non-current liabilities		8,936	8,845	8,506
Current interest-bearing liabilities		431	387	195
Short-term lease liabilities		1,197	1,136	1,077
Other current liabilities		2,342	2,110	2,319
Total current liabilities		3,970	3,632	3,591
TOTAL EQUITY AND LIABILITIES		18,330	17,351	17,414

¹ Cash includes Cash restricted for payroll tax withholdings with SEK 54 million (SEK 42 million per 31 Dec 2020 and SEK 34 million per 30 June 2021).

Summary of consolidated statement of changes in equity

Equity attributable to the owners of the Parent Company

SEK m	Jul – Dec 2021/22	Jul - Dec 2020/21	Jul-Jun 2020/21
Opening balance	5,317	4,807	4,807
Profit for the period	285	224	594
Other comprehensive income for the period	7	-0	57
Consolidated statement of comprehensive income	293	224	650
Dividend paid	-185	-158	-158
Other transactions with owners ¹	-	0	17
Closing balance	5,425	4,874	5,317

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

Consolidated cash flow statement

SEK m	Second quarter		Half year		Full year
	2021/22	2020/21	2021/22	2020/21	2020/21
Operating profit (EBIT)	342	273	575	495	1,169
Depreciation/amortization	436	387	858	769	1,587
Adjustment for other non-cash items	-17	26	-15	22	24
Tax paid	-59	-32	-71	-37	-146
Cash flow from operating activities before changes in working capital	701	655	1,347	1,248	2,634
Cash flow from changes in working capital	317	277	40	83	238
Cash flow from operating activities	1,019	932	1,387	1,331	2,872
Acquisition of subsidiaries	-37	-171	-51	-171	-235
Investments in buildings	-13	-16	-20	-22	-23
Leasehold improvements	-31	-17	-64	-46	-107
Investments in equipment	-34	-28	-74	-68	-128
Investments in intangible non-current assets	-4	-1	-4	-1	-3
Divestment of tangible non-current assets	-	-	-	62	62
Investments in non-current financial assets	-0	-3	-14	-3	-7
Divestment of non-current financial assets	-	-	-	-	3
Cash flow from investing activities	-120	-236	-227	-248	-437
Interest received (+) and paid (-)	-6	-7	-13	-17	-31
Interest paid, lease liabilities	-101	-93	-200	-186	-368
Dividend paid	-185	-158	-185	-158	-158
New share issue	-	-	-	-	17
Increase (+)/decrease (-) of interest-bearing liabilities	-82	122	-45	103	-182
Repayment of lease liabilities	-282	-255	-608	-564	-1,281
Cash flow from financing activities	-656	-391	-1,051	-822	-2,003
CASH FLOW FOR THE PERIOD	242	305	110	261	433
Cash and cash equivalents at beginning of period	836	483	966	528	528
Exchange-rate differences in cash and cash equivalents	6	-1	8	-2	5
Cash and cash equivalents at end of period	1,084	787	1,084	787	966

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

Notes and accounting policies

The interim report includes pages 1 to 33 and pages 1 to 14 are an integrated part of this financial report.

Significant events after the end of the reporting period are when applicable presented on page 13. Segment reporting is presented on pages 8 to 11. Disclosures about risk factors and seasonality are presented on page 13 and 14.

NOTE 1: ACCOUNTING POLICIES

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

The accounting policies and basis of calculation applied are the same as those described in AcadeMedia's 2020/21 Annual Report, which was prepared in accordance with the Annual Accounts Act and the International Financial Reporting Standards (IFRS) as adopted by the EU.

New and amended accounting standards applied from 1 July 2021

New and amended standards and interpretations applicable from 1 July 2021 have not and will not have any significant effect on the financial reports.

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

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

Consolidated income statement

SEK m	Second quarter 21/22			Half year 21/22			Full year 20/21		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
Net Sales	3,774	-	3,774	6,685	-	6,685	13,340	-	13,340
Cost of services	-345	-	-345	-617	-	-617	-1,120	-	-1,120
Other external expenses	-325	406	-731	-592	806	-1,399	-1,351	1,466	-2,817
Personnel expenses	-2,333	-	-2,333	-4,021	-	-4,021	-8,106	-	-8,106
Depreciation/amortization	-436	-335	-102	-858	-666	-192	-1,587	-1,224	-364
Items affecting comparability	7	-	7	-23	-	-23	-7	-	-7
TOTAL OPERATING EXPENSES	-3,433	72	-3,504	-6,111	141	-6,252	-12,172	243	-12,415
OPERATING INCOME	342	72	270	575	141	434	1,169	243	926
Financial income	0	-	0	0	-	0	3	-	3
Financial expenses	-108	-99	-8	-214	-196	-18	-405	-365	-40
Net financial items	-108	-99	-8	-214	-196	-18	-402	-365	-37
INCOME BEFORE TAX	234	-28	262	361	-55	416	767	-122	889
Tax	-48	6	-54	-76	12	-88	-173	27	-201
PROFIT FOR THE PERIOD	186	-22	207	285	-43	328	594	-95	689
Other comprehensive income for the period	9	-	9	7	-	7	57	-	57
COMPREHENSIVE INCOME FOR THE PERIOD	195	-22	216	293	-43	336	651	-95	746
Earnings per share basic (SEK)	1.76	-0.20	1.96	2.70	-0.41	3.11	5.64	-0.90	6.54
Earnings per share basic/diluted (SEK)	1.76	-0.20	1.96	2.70	-0.41	3.11	5.62	-0.90	6.52
Earnings per share based on number of shares outstanding (SEK)	1.76	-0.20	1.96	2.70	-0.41	3.11	5.62	-0.90	6.52

Consolidated statement of financial position in summary

SEK m	31 Dec 2021			31 Dec 2020		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
ASSETS						
Intangible non-current assets	6,488	-	6,488	6,293	-	6,293
Buildings	1,120	-	1,120	998	-	998
Right-of-use assets	8,140	7,905	235	7,758	7,556	201
Other property, plant, and equipment	824	-	824	803	-	803
Other non-current assets	62	19	43	75	47	28
Total non-current assets	16,634	7,924	8,709	15,926	7,604	8,323
Current receivables	613	-302	915	638	-282	920
Cash and cash equivalents	1,084	-	1,084	787	-	787
Total current assets	1,697	-302	1,999	1,425	-282	1,706
TOTAL ASSETS	18,330	7,622	10,708	17,351	7,322	10,029
EQUITY AND LIABILITIES						
Total equity	5,425	-256	5,680	4,874	-168	5,041
Non-current liabilities to credit institutions	1,605	-	1,605	1,865	-	1,865
Long-term lease liabilities	7,150	7,041	109	6,724	6,635	89
Provisions and other non-current liabilities	181	-53	234	256	-	256
Total non-current liabilities	8,936	6,987	1,948	8,845	6,635	2,209
Current interest-bearing liabilities	431	-	431	387	-	387
Short-term lease liabilities	1,197	1,068	129	1,136	1,020	115
Other current liabilities	2,342	-178	2,519	2,110	-166	2,276
Total current liabilities	3,970	890	3,079	3,632	854	2,779
TOTAL EQUITY AND LIABILITIES	18,330	7,622	10,708	17,351	7,322	10,029

Consolidated cash flow statement

SEK m	Second quarter 21/22			Half year 21/22		
		IFRS 16 effect	Excl. IFRS 16		IFRS 16 effect	Excl. IFRS 16
Operating profit/loss (EBIT)	342	72	270	575	141	434
Depreciation/amortization	436	335	102	858	666	192
Adjustment for other non-cash items	-17	-	-17	-15	-	-15
Tax paid	-59	-	-59	-71	-	-71
Cash flow from operating activities before changes in working capital	701	406	295	1,347	806	541
Cash flow from changes in working capital	317	-63	380	40	-68	108
Cash flow from operating activities	1,019	343	675	1,387	739	649
Cash flow from investing activities	-120	-	-120	-227	-	-227
Cash flow from financing activities	-656	-343	-313	-1,051	-738	-312
CASH FLOW FOR THE PERIOD	242	-	242	110	-	110

NOTE 3: REVENUE

SEK m	Second quarter		Half year		Full year
	2021/22	2020/21	2021/22	2020/21	2020/21
Education-related income	3,651	3,343	6,480	5,909	12,967
State subsidies	74	46	123	82	164
Other income	49	46	82	86	209
Net Sales	3,774	3,436	6,686	6,077	13,340

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

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

Other income refers to income not directly related to education.

NOTE 4: RELATED-PARTY TRANSACTIONS

Related party transactions are described in detail in the 2020/21 Annual Report. Related party transactions take place at an arm's length basis. During the first six months no significant related-party transactions took place.

NOTE 5: ACQUISITIONS

Acquiring company	Acquired company	Acquisition date	Segment
Vittraskolorna AB	Friskolan Lyftet AB	30-Aug-21	Comp. School
Pysslingen Förskolor och Skolor AB	Kråkbrinkens Förskola AB	01-Nov-21	Preschool
Espira Barnehager AS	Espira Holbekk Idrettsbarnehage AS	01-Nov-21	Preschool
Espira Barnehager AS	Holbekk Barnehagetun	01-Nov-21	Preschool
Espira Barnehager AS	Naturbarnehagene	01-Nov-21	Preschool
Espira Barnehager AS	Espira Sandtoppen Naturbarnehage AS	01-Nov-21	Preschool
Espira Barnehager AS	Espira Eikenøtta Naturbarnehage AS	01-Nov-21	Preschool

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

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

The purchase consideration was in the form of cash.

Details of the net assets acquired, and goodwill are given below. Goodwill attributed to company value exceeding net assets is not tax deductible.

Acquisition effects of acquisitions made (SEK m)	Total
Purchase consideration including transaction expenses	70
Purchase consideration excluding transaction expenses and including interest	70
Fair value of acquired net assets excluding goodwill	-37
Total goodwill	33

Fair values acquired (SEK m)	Total
Intangible non-current assets	8
Property, plant and equipment	47
Right-of-use assets	18
Financial non-current assets	-
Current assets	5
Cash and cash equivalents	19
Interest bearing liabilities	-26
Interest bearing liabilities - IFRS 16	-18
Non-interest-bearing liabilities	-9
Current tax liability	-1
Deferred tax liability	-5
Net assets acquired	37

Goodwill that has arisen in connection with acquisitions consists of synergies with existing businesses, resources such as personnel, recruitment and personnel development and service organisation, which can be streamlined as a result of the acquisitions.

Impact of the acquisitions on the Group's cash and cash equivalents (SEK m)	Total
Purchase consideration excluding transaction expenses and including interest	70
Less purchase consideration that has not been settled in cash as of period end.	0
Cash and cash equivalents at time of acquisition	-19
Impact on the Group's cash and cash equivalents	51

Contribution of acquisitions to consolidated profit (SEK m)	Total
Net sales	7
Operating profit (EBIT)	1

If the units had been included in consolidated profit from July 1, 2021 the contribution would have been (SEK m)	Total
Net sales	16
Operating profit (EBIT)	2

NOTE 6: FINANCIAL EXPENSES

SEK m	Second quarter		Half year		Full year
	2021/22	2020/21	2021/22	2020/21	2020/21
Financial expenses					
Interest expense	-5	-6	-12	-15	-28
Borrowing costs *	-1	-1	-1	-1	-2
Interest expense on the lease liability	-101	-93	-200	-186	-370
Exchange rate losses	-	-	-	-0	-0
Other	-1	-1	-1	-2	-4
Financial expenses	-108	-100	-214	-205	-405
<i>Interest expense, property related lease liabilities</i>	<i>-99</i>	<i>-91</i>	<i>-196</i>	<i>-183</i>	<i>-365</i>

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

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

NOTE 7: TAXES

The tax expense for the first six months amounted to SEK 76 (66) million, corresponding to an effective tax rate of 21.0 percent (22.8). The lower effective tax rate follows a lower nominal tax rate in Sweden, 20.6 percent 2021/2022 vs 21.4 percent in 2020/2021.

NOTE 8: FINANCIAL INSTRUMENTS

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

NOT 9: LEASING COMMITMENTS

In addition to the leasing contracts reported in the balance sheet, AcadeMedia has entered into leasing contracts which have not yet commenced. The total commitment for these contracts as per 31 December 2021 amounts to SEK 2,748 million (3,447 as per 30 June 2021). The decrease in first six months is an effect of leasing contracts commencing in the period.

Parent company – financial reports

Parent company income statement in summary

SEK m	Second quarter		Half year		Full year
	2021/22	2020/21	2021/22	2020/21	2020/21
Net sales	2	3	6	5	8
Operating expenses	-6	-7	-11	-11	-22
OPERATING PROFIT	-4	-4	-5	-6	-14
Interest income and similar items	5	5	9	9	18
Interest expense and similar items	-4	-4	-7	-9	-15
Net financial items	1	0	2	0	3
Year-end appropriations	-	-	-	-	25
PROFIT BEFORE TAX	-3	-4	-3	-6	14
Tax	1	1	1	1	-3
PROFIT FOR THE PERIOD	-3	-3	-2	-5	11

Parent company other comprehensive income

SEK m	Second quarter		Half year		Full year
	2021/22	2020/21	2021/22	2020/21	2020/21
Profit for the period	-3	-3	-2	-5	11
Other comprehensive income for the period	-	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	-3	-3	-2	-5	11

Parent company balance sheet in summary

SEK m	31 Dec 2021	31 Dec 2020	30 Jun 2021
ASSETS			
Participations in Group companies	3,261	3,261	3,261
Total non-current assets	3,261	3,261	3,261
Current receivables	2,947	2,909	3,017
Cash and cash equivalents	828	581	662
Total current assets	3,775	3,490	3,679
TOTAL ASSETS	7,036	6,751	6,941
EQUITY AND LIABILITIES			
Restricted equity	106	106	106
Non-restricted equity	2,300	2,455	2,488
Total equity	2,406	2,561	2,593
Non-current liabilities	355	878	653
Current liabilities	4,275	3,312	3,694
TOTAL EQUITY AND LIABILITIES	7,036	6,751	6,941

Parent company statement of changes in equity

SEK m	Jul-Dec 21/22	Jul-Dec 20/21	Jul-Jun 20/21
Opening balance	2,593	2,723	2,723
Profit for the period	-2	-5	11
Other comprehensive income for the period	-	-	-
Total profit for the period	-2	-5	11
Dividend	-185	-158	-158
Other transactions with owners ¹	0	0	17
Closing balance	2,406	2,561	2,593

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

Multi-year review

SEK million, unless otherwise stated	Second quarter		Half year		Full year				
	2021/22	2020/21	2021/22	2020/21	2020/21	2019/20	2018/19 ¹	2017/18 ¹	2016/17 ¹
PROFIT/LOSS ITEMS									
Net sales	3,774	3,436	6,685	6,077	13,340	12,271	11,715	10,810	9,520
Items affecting comparability	7	-9	-23	1	-7	36	1	-48	-23
EBITDA	778	661	1,433	1,264	2,756	2,486	931	872	827
Depreciation/amortization	-436	-387	-858	-769	-1,587	-1,513	-296	-250	-212
Operating profit/loss (EBIT)	342	273	575	495	1,169	973	635	622	615
Net financial items	-108	-100	-214	-204	-402	-417	-69	-68	-80
Profit/loss for the period before tax	234	173	361	290	767	556	566	555	535
Profit/loss for the period after tax	186	133	285	224	594	431	431	430	416
BALANCE SHEET ITEMS									
Non-current assets	16,634	15,926	16,634	15,926	15,790	15,285	8,218	7,823	6,574
Current receivables and inventories	613	638	613	638	658	704	976	860	695
Cash and cash equivalents	1,084	787	1,084	787	966	528	527	699	579
Non-current interest-bearing liabilities	1,631	1,889	1,631	1,889	1,850	1,914	2,205	2,209	2,200
Long-term lease liabilities	7,150	6,724	7,150	6,724	6,495	6,346	-	-	-
Non-current non-interest-bearing liabilities	155	232	155	232	162	207	305	135	114
Current interest-bearing liabilities	431	387	431	387	195	270	592	673	516
Short-term lease liabilities	1,197	1,136	1,197	1,136	1,077	1,010	-	-	-
Current non-interest-bearing liabilities	2,342	2,110	2,342	2,110	2,319	1,965	2,030	2,103	1,577
Equity	5,425	4,874	5,425	4,874	5,317	4,807	4,589	4,262	3,443
Total assets	18,330	17,351	18,330	17,351	17,414	16,518	9,720	9,383	7,849
Capital employed*	7,980	7,521	7,980	7,521	7,718	7,250	7,386	7,144	6,158
Net debt*	1,216	1,693	1,216	1,693	1,222	1,797	2,266	2,179	2,133
Property adjusted net debt*	451	1,016	451	1,016	526	1,138	1,533	1,528	1,550
KEY RATIOS									
Net sales, SEK m	3,774	3,436	6,685	6,077	13,340	12,271	11,715	10,810	9,520
Organic growth incl. Bolt-on acquisitions, %	6.0%	7.3%	6.3%	7.3%	8.1%	5.4%	4.4%	5.8%	9.0%
Acquired growth, larger acquisitions, %	3.1%	-	3.2%	-	1.6%	-	3.2%	7.9%	0.8%
Change in currency, %	0.8%	-1.8%	0.5%	-1.8%	-1.1%	-0.7%	0.8%	-0.1%	0.8%
Operating margin (EBIT), %	9.1%	7.9%	8.6%	8.1%	8.8%	7.9%	5.4%	5.8%	6.5%
Adjusted EBIT, SEK m	263	224	457	375	934	728	634	670	638
Adjusted EBIT margin, %	7.0%	6.5%	6.8%	6.2%	7.0%	5.9%	5.4%	6.2%	6.7%
Adjusted EBITDA, SEK m	365	315	649	550	1,297	1,066	930	920	850
Adjusted EBITDA margin, %	9.7%	9.2%	9.7%	9.1%	9.7%	8.7%	7.9%	8.5%	8.9%
Return on capital employed, %, (12 months)	13.1%	11.7%	13.1%	11.7%	12.5%	10.0%	8.7%	10.1%	10.9%
Return on equity, %, (12 months)	13.9%	14.0%	13.9%	14.0%	13.2%	11.5%	9.7%	11.2%	12.9%
Equity/assets ratio, %	53.0%	50.3%	53.0%	50.3%	53.3%	51.5%	47.2%	45.4%	43.9%
Interest coverage ratio, times	33.0	21.5	33.0	21.5	27.7	15.9	12.5	10.9	9.4
Net debt/Adjusted EBITDA (12 months)	0.9	1.4	0.9	1.4	0.9	1.7	2.4	2.4	2.5
Adjusted net debt/adjusted EBITDA (12 months)	0.3	0.8	0.3	0.8	0.4	1.1	1.6	1.7	1.8
Free cash flow	606	572	506	529	1,117	805	356	688	658
Cash flow from investing activities	-120	-236	-227	-248	-437	-375	-559	-970	-374
Number of full-time employees	13,847	13,127	13,695	12,971	13,360	12,686	12,405	11,863	10,564

¹ Relates to financial statements with application of accounting policies for financial years earlier than 1 July 2019. This entails accounting with application of leases under IAS 17, i.e. effects from leases of real estate are recognised as rent and not as finance leases.
Key performance indicator definitions, see pages 32 to 33.

Quarterly data, Group

Quarterly data	2021/22		2020/21				2019/20			
SEK million, unless otherwise stated	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	3,774	2,911	3,672	3,591	3,436	2,641	3,227	3,284	3,258	2,502
EBITDA	778	655	742	750	661	603	713	700	565	508
Depreciation/amortization	-436	-421	-413	-405	-387	-382	-379	-391	-364	-379
Items affecting comparability	7	-30	-14	6	-9	10	-	36	-0	-
Operating income (EBIT)	342	233	329	345	273	221	334	309	201	129
Total financial items	-108	-106	-100	-98	-100	-104	-105	-101	-103	-108
Income before taxes	234	127	229	247	173	117	229	208	98	22
Tax for the current period	-48	-27	-50	-58	-40	-26	-50	-47	-23	-5
Profit/loss for the period	186	100	180	190	133	91	179	161	75	16
Number of children/students, schools	92,363	91,431	90,032	89,691	85,927	85,642	82,999	82,940	82,325	81,468
Number of full-time employees	13,847	13,543	13,733	13,767	13,127	12,814	12,738	12,759	12,723	12,524
Number of education units	552	545	539	536	525	525	516	512	511	504
Key ratios										
Operating margin (EBIT), %	9.1%	8.0%	9.0%	9.6%	7.9%	8.4%	10.4%	9.4%	6.2%	5.2%
Adjusted EBIT	263	194	280	278	224	151	279	224	150	75
Adjusted EBIT, %	7.0%	6.7%	7.6%	7.7%	6.5%	5.7%	8.6%	6.8%	4.6%	3.0%
Adjusted EBITDA	365	285	374	373	315	235	363	313	237	153
Adjusted EBITDA, %	9.7%	9.8%	10.2%	10.4%	9.2%	8.9%	11.2%	9.5%	7.3%	6.1%
Net margin, %	4.9%	3.4%	4.9%	5.3%	3.9%	3.4%	5.5%	4.9%	2.3%	0.6%
Return on equity, % (12 months) ¹	13.9%	13.0%	13.2%	13.8%	14.0%	12.8%	11.5%	10.7%	10.6%	10.0%
Return on capital employed, % (12 Months) ¹	13.1%	12.7%	12.5%	12.3%	11.7%	10.8%	10.0%	9.3%	9.1%	8.8%
Equity/assets ratio, % ¹	53.0%	53.5%	53.3%	52.1%	50.3%	51.5%	51.5%	49.6%	47.0%	46.9%
Net debt/Adjusted EBITDA (12 months) ¹	0.9	1.1	0.9	1.2	1.4	1.6	1.7	2.3	2.5	2.6
Interest coverage ratio ¹	33.0	30.9	27.7	23.4	21.5	18.4	15.9	15.3	13.9	13.3
Other										
Free cash flow	606	-99	341	246	572	-42	560	107	260	-122
Cash flow from operating activities	675	-26	435	275	621	26	634	139	325	-29
Cash flow from investing activities	-120	-106	-128	-61	-236	-12	-97	-38	-112	-128

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

Quarterly data, segment

SEK million, unless otherwise stated	2021/22			2020/21			2019/20			
Preschool (SE, NO, DE)	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	21 982	20,999	22,265	21,891	20,969	20,664	21,404	21,310	20,686	20,015
Net sales	1 061	808	1,068	1,020	958	755	964	1,007	981	755
of which Sweden	339	253	349	343	328	247	338	332	329	242
of which Norway	520	377	552	524	481	364	499	533	514	389
of which Germany	201	178	168	153	149	144	127	142	137	123
EBITDA	45	33	104	93	40	28	99	142	49	19
EBITDA margin, %	4,2%	4.1%	9.7%	9.1%	4.2%	3.7%	10.3%	14.1%	5.0%	2.5%
Depreciation/amortization	-23	-24	-24	-22	-20	-22	-19	-22	-22	-21
Operating profit/loss (EBIT)	22	9	79	71	19	7	80	121	27	-2
EBIT margin, %	2,1%	1.1%	7.4%	7.0%	2.0%	0.9%	8.3%	12.0%	2.8%	-0.3%
Items affecting comparability	-	-	-	-	-	-	-	53	-	-
Adjusted operating profit/loss (EBIT)	22	9	79	71	19	7	80	68	27	-2
Adjusted EBIT margin, %	2,1%	1.1%	7.4%	7.0%	2.0%	0.9%	8.3%	6.8%	2.8%	-0.3%
Number of preschool units	285	278	273	270	267	266	262	260	259	253

SEK million, unless otherwise stated	2021/22			2020/21			2019/20			
Compulsory School	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	27 867	27,697	27,374	27,046	26,193	26,170	25,706	25,339	24,983	24,689
Net sales	937	713	888	877	851	644	809	801	801	594
EBITDA	113	43	81	68	69	52	92	58	60	33
EBITDA margin, %	12,1%	6.0%	9.1%	7.8%	8.1%	8.1%	11.4%	7.2%	7.5%	5.6%
Depreciation/amortization	-21	-18	-18	-18	-18	-16	-17	-17	-17	-15
Operating profit/loss (EBIT)	92	24	63	50	52	36	75	40	43	17
EBIT margin, %	9,8%	3.4%	7.1%	5.7%	6.1%	5.6%	9.3%	5.0%	5.4%	2.9%
Items affecting comparability	18	-30	-	-	-	3	-	-	-	-
Adjusted operating profit/loss (EBIT)	74	54	63	50	52	33	75	40	43	17
Adjusted EBIT margin, %	7,9%	7.6%	7.1%	5.7%	6.1%	5.1%	9.3%	5.0%	5.4%	2.9%
Number of education units	116	116	116	116	112	112	111	109	109	108

SEK million, unless otherwise stated	2021/22			2020/21			2019/20			
Upper Secondary School	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	42 513	42,735	40,394	40,753	38,765	38,808	35,889	36,291	36,656	36,764
Net sales	1 278	964	1,223	1,202	1,142	856	1,049	1,064	1,072	814
EBITDA	168	129	147	170	144	121	163	153	119	95
EBITDA margin, %	13,1%	13.4%	12.0%	14.1%	12.6%	14.1%	15.5%	14.4%	11.1%	11.7%
Depreciation/amortization	-51	-41	-45	-48	-47	-40	-42	-44	-43	-36
Operating profit/loss (EBIT)	118	87	102	122	97	81	121	109	76	60
EBIT margin, %	9,2%	9.0%	8.3%	10.1%	8.5%	9.5%	11.5%	10.2%	7.1%	7.4%
Items affecting comparability	-0	-0	-10	6	-	8	-	11	-	-
Adjusted operating profit/loss (EBIT)	118	87	112	116	97	73	121	98	76	60
Adjusted EBIT margin, %	9,2%	9.0%	9.2%	9.7%	8.5%	8.5%	11.5%	9.2%	7.1%	7.4%
Number of education units	151	151	150	150	146	147	143	143	143	143

SEK million, unless otherwise stated	2021/22			2020/21			2019/20			
Adult Education	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	498	427	492	488	484	385	405	410	403	339
EBITDA	64	71	63	68	79	61	39	47	34	26
EBITDA margin, %	12,9%	16,6%	12,8%	13,9%	16,3%	15,8%	9,6%	11,5%	8,4%	7,7%
Depreciation/amortization	-4	-4	-4	-4	-4	-4	-4	-4	-4	-4
Operating profit/loss (EBIT)	60	67	59	64	75	57	35	43	31	22
EBIT margin, %	12,0%	15,7%	12,0%	13,1%	15,5%	14,8%	8,6%	10,5%	7,7%	6,5%
Items affecting comparability	-11	-	-	-	-	-	-	-	-	-
Adjusted operating profit/loss (EBIT)	71	67	59	64	75	57	35	43	31	22
Adjusted EBIT margin, %	14,3%	15,7%	12,0%	13,1%	15,5%	14,8%	8,6%	10,5%	7,7%	6,5%

SEK million, unless otherwise stated	2021/22			2020/21			2019/20			
Group-OH and adjustments	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	0	0	0	4	1	1	1	3	0	0
EBITDA	388	380	347	351	329	342	320	300	302	335
Depreciation/amortization	-337	-333	-321	-313	-298	-301	-298	-305	-279	-303
Operating profit/loss (EBIT)	51	46	26	38	31	41	23	-4	23	32
Items affecting comparability	-	-	-4	-	-9	-	-	-28	-	-
Adjusted operating profit/loss (EBIT)	-21	-23	-33	-23	-19	-18	-32	-26	-27	-22

SEK million, unless otherwise stated	2021/22			2020/21			2019/20			
Group	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Number of children/students (average)	92,363	91,431	90,032	89,691	85,927	85,642	82,999	82,940	82,325	81,468
Net sales	3,774	2,911	3,672	3,591	3,436	2,641	3,227	3,284	3,258	2,502
EBITDA	778	655	742	750	661	603	713	700	565	508
EBITDA margin, %	20,6%	22,5%	20,2%	20,9%	19,2%	22,8%	22,1%	21,3%	17,3%	20,3%
Depreciation/amortization	-436	-421	-413	-405	-387	-382	-379	-391	-364	-379
Operating profit/loss (EBIT)	342	233	329	345	273	221	334	309	201	129
EBIT margin, %	9,1%	8,0%	9,0%	9,6%	7,9%	8,4%	10,4%	9,4%	6,2%	5,2%
Items affecting comparability	7	-30	-14	6	-9	10	-	36	-	-
Effect of IFRS 16 on operating profit	72	69	63	61	59	59	55	50	51	54
Adjusted operating profit/loss (EBIT)	263	194	280	278	224	151	279	224	150	75
Adjusted EBIT margin, %	7,0%	6,7%	7,6%	7,7%	6,5%	5,7%	8,6%	6,8%	4,6%	3,0%
Net financial items	-108	-106	-100	-98	-100	-104	-105	-101	-103	-108
Profit/loss after financial items	234	127	229	247	173	117	229	208	98	22
Tax	-48	-27	-50	-58	-40	-26	-50	-47	-23	-5
Profit/loss for the period	186	100	180	190	133	91	179	161	75	16
Number of full-time employees (period)	13,847	13,543	13,733	13,767	13,127	12,814	12,738	12,759	12,723	12,524
Number of units	552	545	539	536	525	525	516	512	511	504

Reconciliation of alternative key performance indicators

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

SEK million, unless otherwise stated	Second quarter		Half year		Full year			
	2021/22	2020/21	2021/22	2020/21	2020/21	2019/20	2018/19	2017/18
Adjusted operating profit								
Operating profit	342	273	575	495	1,169	973	635	622
- Items affecting comparability	7	-9	-23	1	-7	36	1	-48
- IFRS 16 impact	72	59	141	118	243	209	-	-
= Adjusted operating profit	263	224	457	375	934	728	634	670
Adjusted EBIT margin								
Adjusted operating profit	263	224	457	375	934	728	634	670
Divided by /Net sales	3 774	3 436	6 685	6 077	13,340	12,271	11,715	10,810
= Adjusted EBIT margin	7.0%	6.5%	6.8%	6.2%	7.0%	5.9%	5.4%	6.2%
Adjusted EBITDA								
Adjusted operating profit	263	224	457	375	934	728	634	670
- Depreciation excluding depreciation relating to property rental agreements	-102	-91	-192	-175	-364	-338	-296	-250
= Adjusted EBITDA	365	315	649	550	1,297	1,066	930	920
Net debt								
Non-current interest-bearing liabilities	8,781	8,613	8,781	8,613	8,344	8,260	2,205	2,209
+ Current interest-bearing liabilities	1,628	1,522	1,628	1,522	1,272	1,279	592	673
- Interest-bearing receivables	-	-	-	-	-	-	4	4
- Cash and cash equivalents	1,084	787	1,084	787	966	528	527	699
- IFRS 16 Non-current and current lease liabilities ¹	8,109	7,656	8,109	7,656	7,428	7,214	-	-
= Net debt excluding IFRS 16²	1,216	1,693	1,216	1,693	1,222	1,797	2,266	2,179
Property-adjusted net debt								
Net debt (as described above)	1,216	1,693	1,216	1,693	1,222	1,797	2,266	2,179
- non-current property loans	738	654	738	654	671	597	644	603
- current property loans	26	22	26	22	25	62	89	48
= Property adjusted net debt excluding IFRS 16²	451	1,016	451	1,016	526	1,138	1,533	1,528
Return on capital employed %, 12 months								
Adjusted EBIT	1,015	878	1,015	878	934	728	634	670
+ Interest income	0	0	0	0	0	0	1	2
divided by								
Average equity	5,149	4,704	5,149	4,704	5,062	4,698	4,426	3,853
+ average non-current interest-bearing liabilities	8,697	8,554	8,697	8,554	8,302	5,232	2,207	2,204
+ average current interest-bearing liabilities	1,575	1,643	1,575	1,643	1,276	935	632	594
- IFRS 16 average equity ¹	-212	-113	-212	-113	-165	-59	-	-
- IFRS 16 average non-current and current lease liabilities ¹	7,882	7,475	7,882	7,475	7,321	3,607	-	-
= Return on capital employed excluding IFRS 16², %	13.1%	11.7%	13.1%	11.7%	12.5%	10.0%	8.7%	10.1%
Return on equity %, 12 months								
Profit/loss after tax	655	564	655	564	594	431	431	430
- IFRS 16 profit/loss after tax	-88	-109	-88	-109	-95	-117	-	-
divided by								
Average equity	5 149	4 704	5 149	4 704	5,062	4,698	4,426	3 853
- IFRS 16 average equity ¹	-212	-113	-212	-113	-165	-59	-	-
= Return on equity², %	13.9%	14.0%	13.9%	14.0%	13.2%	11.5%	9.7%	11.2%

SEK million, unless otherwise stated	2021/22			2020/21			2019/20			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Interest coverage ratio										
Adjusted operating profit EBIT (12 months)	1,015	976	934	933	878	805	728	681	667	656
+ Interest income (12 months)	0	0	0	0	0	0	0	1	1	1
+ Other financial income (12 months)	3	3	3	3	4	4	4	4	2	2
divided by										
Interest expense (12 months)	-409	-402	-399	-403	-404	-404	-406	-316	-229	-142
- Interest expense (12 months) IFRS 16 ¹	-378	-370	-365	-363	-363	-360	-360	-271	-180	-92
= Interest coverage ratio (excl. IFRS 16)	33.0	30.9	27.7	23.4	21.5	18.4	15.9	15.3	13.9	13.3

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

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

Definitions of key performance indicators

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

KPIs	Definition	Purpose ⁴
Number of children/students	Average number of children/students enrolled during the specified period. Adult education participants are not included in the Group's total figures for number of children/students.	The number of children/students is the most important driver for revenue.
Number of education units	Refers to the number of preschools, compulsory schools and/or upper secondary schools operating in the period. Integrated units where preschools and compulsory schools are combined are counted as two units as they each hold their own permit.	The number of education units indicates how the Company grows over time through new establishments and acquisitions minus discontinued units.
Number of full-time employees	Average number of full-time employees during the period, full-time equivalent (FTE).	The number of employees is the main cost driver for the Company.
Return on equity ⁵	Profit/loss for the most recent 12-month period according to IAS 17 i.e. excluding the effects of the implementation of IFRS16, divided by average equity applying IAS 17 (opening balance + closing balance)/2.	Return on equity is a profitability measure used to set profit (loss) in relation to shareholders' paid-in and earned capital.
Return on capital employed ²	Adjusted operating profit/loss (EBIT) for the most recent 12-month period plus interest income, divided by average capital.	Adjusted return on capital employed is used to set adjusted operating profit/loss in relation to total tied up capital regardless of type of financing.
EBITDA	Operating profit/loss before depreciation/amortisation and impairment of non-current assets and right-of-use assets. This KPI is only used for monitoring the segments which accounts for leasing of properties in accordance with IAS 17.	EBITDA is used to measure profit (loss) from operating activities, regardless of depreciation/amortisation.
EBITDA margin	EBITDA as a percentage of net sales.	EBITDA margin is used to set EBITDA in relation to sales.
Equity excl. IFRS16 ²	Equity according to IAS 17 i.e. excluding the effects of the implementation of IFRS16.	Equity excluding IFRS16 is used to be able to calculate return on equity consistently.
Net financial items	Financial income less financial expenses.	The measure Net financial items is used to illustrate the outcome of the Company's financial activities.
Free cash flow ²	Cash flow from operating activities and changes in working capital inclusive of property lease payments less investments in operating activities. Investments in operating activities relate to all investments in property, plant and equipment and intangible assets except buildings and acquisitions.	This measure shows how much cash flow the business generates after the necessary investments have been made. This cash flow can be used for purposes such as expansion, amortisation, or dividends.
Acquired growth	Increase of net sales due to larger acquisitions during the last 12 months.	Indicates growth generated from acquisitions in contrast to organic growth and currency effects.
Adjusted EBITDA ²	Operating profit/loss according to the previous standard IAS 17 i.e. excluding the effects of IFRS16 and before amortisation/depreciation of intangible assets and property, plant, and equipment, and excluding items affecting comparability.	Adjusted EBITDA is used to measure underlying profit from operating activities, excluding depreciation/amortisation and items affecting comparability.
Adjusted EBITDA margin ²	Adjusted EBITDA as a percentage of net sales.	Adjusted EBIT margin sets underlying operating profit excluding amortisation in relation to sales.
Adjusted net debt ²	Net debt less real estate-related	Adjusted net debt shows the portion of loans that finance the business, while property loans are linked to a building asset that can be separated off and sold.
Adjusted net debt/Adjusted EBITDA ²	Adjusted net debt divided by adjusted EBITDA for the past 12 months	Net debt/adjusted EBITDA is a theoretical measure of how many years it would take, with current earnings (adjusted EBITDA), to pay off the Company's liabilities, including property-related loans. It shows the loan-to-value ratio of the business excluding real assets such as real estate.
Adjusted EBIT ²	Operating profit/loss (EBIT) according to the previous standard IAS 17 i.e. excluding the effects of the implementation of IFRS 16, adjusted for items affecting comparability.	Adjusted EBIT is used to get a better picture of the underlying operating profit.
Adjusted EBIT margin ²	Adjusted EBIT as a percentage of net sales.	Adjusted EBIT margin sets underlying operating profit in relation to sales.
Items affecting comparability	Items affecting comparability are income and cost of an irregular nature such as larger (>SEK 5 million) retroactive income related to prior financial years, to property-related items such as capital gains, major property damage not covered by insurance, advisory costs relating to larger acquisitions or fundraising, major integration costs resulting from	Items affecting comparability are used to illustrate the profit/loss items that are not included in ongoing operating activities, to obtain a clearer picture of the underlying profit trend.

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

⁵ The key indicator was calculated applying IAS 17 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.