



We make the world  
a better place,  
one person  
at a time.

## Interim report January–September 2021

# Strong quarter with growing demand

### Third quarter July–September

- Net sales rose 7 per cent to SEK 2,912 million (2,732). Acquired growth was 4 per cent and organic growth 3 per cent.
- Operating profit (EBIT) totalled SEK 316 million (264).
- EBITA rose 18 per cent to SEK 344 million (291), corresponding to a margin of 11.8 per cent (10.7).
- Adjusted EBITA, which excludes items affecting comparability, rose 8 per cent to SEK 344 million (319). The adjusted EBITA margin was 11.8 per cent (11.7).
- Profit for the period totalled SEK 190 million (152).
- Earnings per share were SEK 2.01 (1.61) before and after dilution.
- Cash conversion was 52.1 per cent (70.8).
- Free cash flow totalled SEK 186 million (274).

### First nine months, January–September

- Net sales amounted to SEK 8,490 million (8,319). Acquired growth was 2 per cent and organic growth 0 per cent.
- Operating profit (EBIT) totalled SEK 560 million (543).
- EBITA increased 2 per cent to SEK 642 million (628), corresponding to a margin of 7.6 per cent (7.6).
- Adjusted EBITA, which excludes items affecting comparability, decreased 6 per cent to SEK 642 million (679). The adjusted EBITA margin was 7.6 per cent (8.2).
- Profit for the period totalled SEK 273 million (266).
- Earnings per share were SEK 2.90 (2.82) before and after dilution.
- Cash conversion was 81.7 per cent (91.1).
- Free cash flow totalled SEK 730 million (804).

### Consolidated key figures

SEK million	2021 Jul-Sep	2020 Jul-Sep	Δ%	2021 Jan-Sep	2020 Jan-Sep	Δ%	RTM	2020 Jan-Dec
Net sales	2,912	2,732	7	8,490	8,319	2	11,254	11,083
EBITA*	344	291	18	642	628	2	843	829
Operating margin, EBITA (%)*	11.8	10.7		7.6	7.6		7.5	7.5
Adjusted EBITA*	344	319	8	642	679	-6	842	879
Operating margin, adjusted EBITA (%)*	11.8	11.7		7.6	8.2		7.5	7.9
Operating profit, EBIT	316	264	20	560	543	3	734	717
Operating margin, EBIT (%)*	10.9	9.7		6.6	6.5		6.5	6.5
Profit after tax	190	152	25	273	266	2	366	359
Earnings per share before dilution, SEK	2.01	1.61	25	2.90	2.82	3	3.87	3.80
Earnings per share after dilution, SEK	2.01	1.61	25	2.90	2.82	3	3.87	3.80
Cash conversion (%)*	52.1	70.8		81.7	91.1		95.8	103.2
Free cash flow*	186	274	-32	730	804	-9	1,197	1,271

\* Alternative performance measures. For reconciliation of financial statements to IFRS, see Note 8, for purpose and definition, see [ambea.com/investor-relations/reports-and-presentations](https://www.ambea.com/investor-relations/reports-and-presentations)

## Strong quarter with growing demand

A look back on the third quarter confirms that occupancy and demand in elderly care in Sweden is continuing to rise. We can also see how social challenges such as demographic shifts, a lack of care placements and mental illness are once again becoming evident.

In September, most of the general restrictions were eased across Scandinavian countries, bringing delight and relief. But in our operations, we are obviously continuing to follow the health guidance issued by the authorities in relation to, for example, PPE and hygiene procedures. I recently visited units in all three countries and would particularly like to commend our employees for the care and commitment they are showing our care receivers and their contribution to the creation of security and well-being.

### Social challenges once again evident

How society will be affected in the long term by this difficult period we have experienced is anybody's guess, but we are now seeing some consequences with impact on Ambea's operational areas. Mental health problems have increased in the community, while the expansion of new nursing homes has not kept pace with the demographic shift. These challenges have existed for some time, but are once again becoming evident.

In a study from the University of Queensland in Australia, researchers have followed the psychological effects of the pandemic across the world. According to estimates from the study, the pandemic led to 53 million more cases of depression during 2020. According to the same report, the depression rate rose 24 per cent in Sweden and 17 per cent in Norway and Denmark. Women and children were reportedly the most affected. The 2020 annual report for the Swedish Children's Rights in Society organisation (BRIS) also reported a significant increase in calls from children and young people related to anxiety, depression, family conflicts, and physical and psychological violence. A similar situation was confirmed by the National Council for Children (Børns Vilkår) in Denmark. Society must take action to stop this trend. Ambea has a high level of expertise and experience in working with children, young people and adults when it comes to mental illness, substance abuse problems or other types of residential and treatment alternatives, and we are ready to help with this important task.

### Continued unmet need for new nursing homes

In 2019, the Swedish Ministry of Finance estimated that 560 new nursing homes would be needed in Sweden by 2026 due to the demographic shift of an increasingly ageing population. In September this year, Timbro released an updated report based on new population projections, which also accounts for the current rate of nursing home



Mark in conversation with Britta and Birgitta at Villa Solhem, Spånga

*In the years to come, Ambea will undoubtedly play a very important role in ensuring that society can provide enough care for everyone.*

construction. According to the report, private actors are needed. Timbro predicts a shortage of 289 nursing homes in Sweden by 2026 and 418 residential facilities by 2030. Unless private actors like Ambea help society by building their own residential facilities, the situation could be even worse. The unmet need for nursing homes could already reach 400 within five years.

The fact that placements are currently available in elderly care has no effect on the major social challenge ahead. But there are solutions, and I am optimistic about the opportunities that exist for us to help our clients. While the political debate can sometimes be polarised, the fact re-



mains that too few new nursing homes are being built. One concrete solution that would help to increase the number of new nursing homes in Sweden is a national introduction of the Act on System of Choice in the Public Sector (LOV). That would make it easier for both non-profit and private actors to help the community offer more care placements, provide more freedom of choice and help to meet the challenge. But the task is urgent and needs political priority.

### Increased occupancy

In the third quarter, Ambea's net sales rose 7 per cent to SEK 2,912 million. This trend was attributable to increased occupancy in Vardaga, acquisitions and contracts won in Altiden. EBITA rose 18 per cent to SEK 344 million.

Nytida, our disability care operations, posted earnings in line with the preceding year. During the quarter, Nytida took over three contract management units in Västerås and opened five new residential LSS facilities under own management. We will continue to focus on sharing information and knowledge with our clients, loved ones and care receivers via events such as our popular webinars.

In Vardaga, the positive trend for demand and occupancy will continue – a situation that we expect to continue as society gets back to normal. During the quarter, we took over our first contract management unit in Gotland and occupancy in our new nursing homes under own management – Villa Näs in Åkersberg and Villa Stallgängen in Eskilstuna – is running according to plan. Our intensified marketing campaigns will also continue to meet the higher demand.

In Altiden in Denmark, the integration of EKKOfonden is ongoing, and creating a leading position for Altiden in social care. In the third quarter, sales rose 57 per cent due to the acquisition and contracts won. In line with our strategy, we will continue to terminate contracts in home care, which will help to strengthen profitability. We have confidence in our growth potential in Denmark. Primarily

through organic and acquired growth in social care, and through more residential facilities under own management in elderly care.

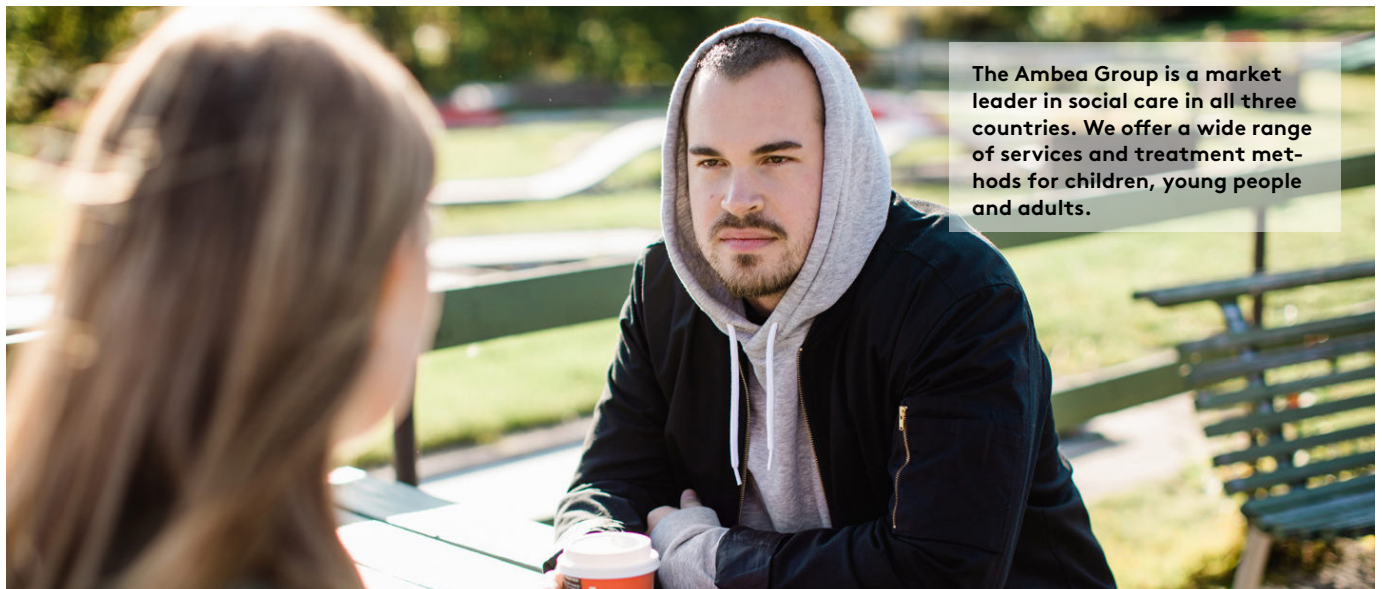
In Stendi, our Norwegian operations, we have introduced capacity adjustments and efforts to strengthen profitability and increase occupancy are continuing as planned. Achieving long-term and sustained profitability requires a new approach now that society has reopened. As part of this process, we have decided to focus on social care where we are the market leader, have a high level of expertise and strong potential for growth as we move forward. Due to this decision, we are divesting elderly care in Norway. Elderly care accounts for 8 per cent of Stendi's sales and generates low profits. The divestment of elderly care will begin in the final quarter of the year and is expected to conclude in 2022.

### Our contribution

In the years to come, Ambea will undoubtedly play a very important role in ensuring that society can provide enough care for everyone. Together with our clients, we will continue our efforts to ensure that all people have access to effective, personalised and high-quality care. As well as creating new care placements and developing the skills of employees, this also means improving the quality of care and encouraging innovation. We are optimistic about the future and want to contribute.



Mark Jensen



# We are working together to create safe and secure care for everyone

Ambea is the leading care provider in Scandinavia. We work with the elderly and people with disabilities or a need for psychosocial support. Our mission is to ensure quality of life for every person in Ambea's 900 units. Seeing and hearing them is the heart of our company.

But we also look up and see the world through the eyes of our clients – municipalities. Will they have enough resources in the years ahead? As the need for care grows sharply, financial pressures intensify and the shortage of care workers increases, smart solutions, partnerships and innovative solutions will be crucial. Ambea has a key role to play here.

We are a company that dares to test new ideas, strives for continuous improvement and continuously develops our units and our employees. We are big enough to make a difference and want to be a role model that works together with municipalities to create as much safe and secure care as possible from every valuable tax krona.

Always in the best interests of our care receivers. Always guided by our vision: We make the world a better place, one person at a time.



**First sod turned for Fribo Greve.** In August, the first sod was turned for Altiden's upcoming nursing home in Greve – Altiden's second residential facility under own management. The facility will feature 75 apartments and be ready to welcome the first residents in early 2023. Miriam Toft (CEO of Altiden), Pernille Beckmann (Mayor of Greve) and Klaus Ahm (from the developer NREP) are holding the spade.

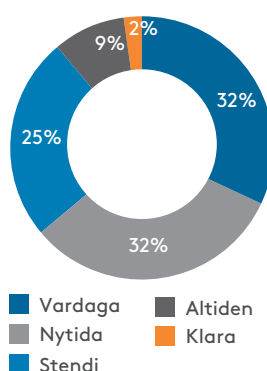
## Our divisions

**nytida vardaga klara**  
vi kan kompetens  
**stendi altiden**

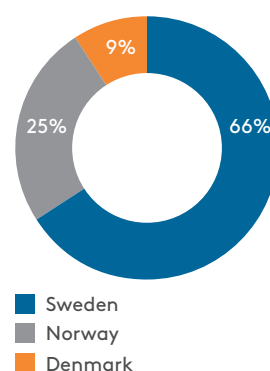
## Our services

- Elderly care
- Disability care
- Psychosocial support
- Qualified temporary care staff

## Sales per division



## Sales per country



**26,000**  
employees

**12,000**  
care receivers

**900**  
units

**350**  
municipalities are  
our clients

# Sustainability and quality management in the third quarter

## Proud sponsor and co-host of Glada Midnattsloppet

For fifth consecutive year, Nytida is co-hosting Glada Midnattsloppet, a running event for people with intellectual disabilities. In the wake of the pandemic, the event was held virtually and locally – a solution that proved successful for many people who don't want to, or cannot, participate in a normal event due to the pressures. A record number of participants, approximately 500 in total, ran, walked or rolled the two kilometres during the last two weeks of August.

Several of Nytida's units have arranged local events that have brought joy and inspired a fighting spirit in both care receivers and employees. One of these was Bräckevägen's day services in Falkenberg, where the young people blogged about their training sessions during the summer. Ambea and Nytida are proud of their contribution to the joy of movement, in a target group where exercise is often particularly important.



Tellusvägen group home in Nacka, and Vallbostrand Industri & Hantverk in Vallentuna took part in Glada Midnattsloppet.

## We are developing our industry – Lära celebrates 5 years!

Ambea has been training and developing the skills of both our own employees and the industry in general for a long time, and over the past five years, within the framework of Ambea's educational platform Lära. Lära was formed to gather all expertise in training, supervision and skills development that existed across various parts of the company. Staff turnover is high in care, and many employees may lack training or need



to complement their basic training. As an employer, we have a responsibility to ensure that employees have the knowledge they need to do a good job and treat our care receivers the right way. With approximately 10,000

trainees each year, of whom about half are our own employees, Lära is now one of the leading companies in Sweden in training and competence-raising initiatives in social work, care, school and treatment.

Lära was quick to offer online alternatives when the pandemic put a stop to classroom training, and will continue to offer free seminars and online training courses.

## Reports and quality inspections during the quarter

### SWEDEN

**IVO inspections:** The IVO performed 16 inspections, all within Nytida. Decisions have been issued for three of these, with no remarks from the IVO.

**Lex Sarah:** Two Lex Sarah cases were lodged, one by Nytida and one by Vardaga. A decision has not been issued for either of these cases.

**Lex Maria:** One Lex Maria case was lodged by Nytida. A decision on an earlier Lex Maria case in Vardaga has been received, and the IVO is closing the case without any need for further action.

**Individual complaints:** Four individual complaints are under investigation by the IVO – one related to Vardaga and three to Nytida. No decisions have been issued for any of these cases. The IVO has issued decisions for two individual complaints lodged in earlier quarters, and closing them without any need for further action.

### NORWAY

**Regulatory inspections based on quality management:** 23 units, all in children's operations, were inspected in the third quarter and none resulted in demands for action.

### DENMARK

**Regulatory inspections based on quality management:** Nine regulatory inspections were carried out in Altiden during the quarter. Eight of these were performed in the newly acquired EKKO operations. Four of these inspections resulted in improvement measures and one of the units was required to take action which has now been completed with no remarks.





## Ambea's key figures for social sustainability


	TARGET	OUTCOME Q3 2021	COMMENTS
<b>Care Receiver Survey</b> Positive response rate to the question about overall satisfaction with our care and service. Scale of 0–100.	>85.0%	–	In the third quarter, Vardaga conducted surveys of both customers and family members in all units, but the results have not been compiled and will be presented in the fourth quarter.
<b>Team Barometer Index (TBI)</b> The Group's employee satisfaction survey in the form of regular pulse surveys conducted during the year. Scale of 0–100.	>75	72	The Team Barometer Index is in line with the preceding quarter (-1) and full-year 2020. All divisions identify structured objective and focus areas at both central and local levels, alongside of active and continuous improvements in each individual unit.
<b>QHR Index</b> Function of eight selected quality and HR metrics that indicate the status of the operations in a relevant way. Scale of 0–10.	>7.50	7.28	A lower outcome for Q3 compared with Q2 (7.37). Alti-den in particular reports a lower result since several new units are included in the calculation, which are obviously rated lower in the index, but Nytida has also dropped slightly. Continued focus on units with a low QHR Index score, with frequent monitoring of action plans and support from the relevant support functions.
<b>Leadership Index (LI)</b> The Group's employee satisfaction survey related to leadership. Scale of 0–100.	>80	–	No survey in Q3.
<b>Improvement Index</b> A unit's management of reported non-confor-mances and documented systematic quality management. Scale of 0–10.	>7.50	7.84	Higher outcome in Q3 compared with Q2 (7.79).
<b>eNPS</b> The Group's survey of employee loyalty. Scale of -100 – +100.	>+20	+18	The eNPS score is a measure of the likelihood that our employees would recommend us as an employer. No new survey was conducted in Q3.
<b>Self-assessment</b> A unit's control of conformance with about 200 requirements in the quality management system. Scale of 0–2.	>1.85	–	No survey in Q3. Conducted in November.


All divisions identified objectives and focus areas at both central and local levels, alongside of active and continuous improvements in each individual unit.


## We prioritise five of the UN Sustainable Development Goals

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**Good Health and Well-being**  
Ambea offers high-quality social care for our care receivers and security for their loved ones.
- 

**Quality Education**  
We use Lära, our internal and external educational plat-form, to train the employees of today and tomorrow.
- 

**Affordable and Clean Energy**  
By ensuring that Ambea's Own Management operations always use renewable energy, we are helping to increase overall market demand for fossil-free energy.
- 

**Decent work and economic growth**  
Ambea's operations begin with caring for our employees – when they are happy and healthy, they can do more for our care receivers.
- 

**Responsible Consumption and Production**  
Ambea creates modern residential facilities with lower CO<sub>2</sub> emissions. By keeping our stocks down, we only consume as much as we need.

**READ MORE** about our global goals in the Annual Report.

## Lower CO<sub>2</sub> emissions from Ambea's units

Ambea shall reduce the GHG emissions we can control by 50 per cent by the end of 2025, and by 30 per cent as early as 2020–2021. All compared with the base year of 2019. This target was set by Ambea's Board in 2020.



**VI HALVERAR KLIMAT-  
AVTRYCKET TILL 2025**

### Emission-reduction initiatives

Based on our 2019 emissions, we identified the following topics as material for reducing Ambea's CO<sub>2</sub> emissions: en-ergy, travel and transport, food and waste management.

**READ MORE** about our environmental performance on our website: [www.ambea.com/target-50-percent-reduce-of-our-climate-footprint-to-2025/emission-reduction-initiatives](http://www.ambea.com/target-50-percent-reduce-of-our-climate-footprint-to-2025/emission-reduction-initiatives)

## Group

### Third quarter

#### Net sales

Net sales rose 7 per cent to SEK 2,912 million (2,732). Acquired growth was 4 per cent and organic growth was 3 per cent year-on-year.

Net sales in Own Management amounted to SEK 2,207 million (2,021). The year-on-year increase in sales was due to acquisitions completed and start-up units.

Net sales in Contract Management amounted to SEK 642 million (653). The year-on-year decline in sales was attributable to terminated home care contracts in Altiden.

Net sales in staffing rose 8 per cent to SEK 64 million (59).

#### Earnings

EBIT rose 20 per cent to SEK 316 million (264), representing a margin of 10.9 per cent (9.7).

EBITA rose 18 per cent to SEK 344 million (291). The EBITA margin was 11.8 per cent (10.7). In the preceding year, EBITA was negatively impacted by items affecting comparability of SEK 27 million in Stendi related to restructuring.

Adjusted EBITA for the quarter rose 8 per cent to SEK 344 million (319). The year-on-year increase was positively impacted by a higher rate of occupancy in Vardaga, but offset by higher costs in Stendi.

#### Net financial items

Net financial expense for the quarter was SEK -76 million (-69). Of this amount, SEK -59 million (-47) pertained to interest on a lease liability, SEK -16 million (-22) to interest and financial expenses/income, and SEK -1 million (0) to exchange rate fluctuations.

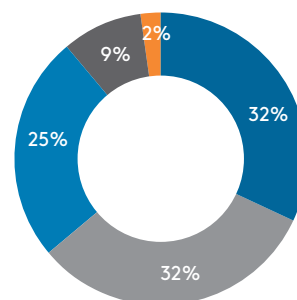
#### Income tax

Tax expense for the period was SEK 50 million (43), corresponding to an effective tax rate of 21 per cent (22).

#### Profit for the period

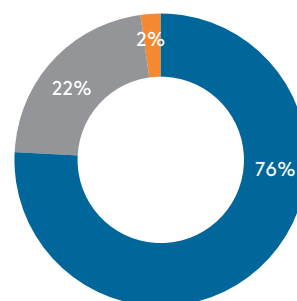
Profit for the period totalled SEK 190 million (152), corresponding to earnings per share of SEK 2.01 (1.61) before dilution and SEK 2.01 (1.61) after dilution.

#### Net sales by segment July-September 2021



■ Vardaga  
■ Nytida  
■ Stendi  
■ Altiden  
■ Klara

#### Net sales by contract model July-September 2021



■ Own management  
■ Contract management  
■ Staffing

## Group

### January-September

#### Net sales

Net sales amounted to SEK 8,490 million (8,319). Acquired growth was 2 per cent and organic growth amounted to 0 per cent year-on-year.

Net sales in Own Management amounted to SEK 6,425 million (6,173), up 4 per cent year-on-year, attributable to acquisitions and start-up units.

Net sales in Contract Management amounted to SEK 1,872 million (1,967). The year-on-year decline in sales was negatively impacted by terminated elderly care contracts in Altiden, Vardaga and Stendi.

Net sales in staffing rose 8 per cent to SEK 193 million (179).

#### Earnings

EBIT rose 3 per cent to SEK 560 million (543), representing a margin of 6.6 per cent (6.5).

EBITA rose 2 per cent to SEK 642 million (628). The EBITA margin was 7.6 per cent (7.6). EBITA for the period was positively impacted by a higher rate of occupancy in Vardaga and acquired units in Altiden. In the preceding year, EBITA was positively impacted by the leap day, but adversely impacted by items affecting comparability of SEK 51 million in Stendi related to restructuring.

Adjusted EBITA declined 6 per cent to SEK 642 million (679).

#### Net financial items

Net financial expense for the period was SEK -215 million (-194). Of this amount, SEK -168 million (-131) pertained to interest on a lease liability, SEK -50 million (-61) to interest and financial expenses/income, and SEK 3 million (-2) to exchange rate fluctuations.

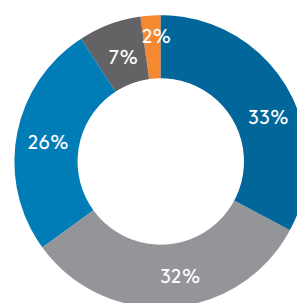
#### Income tax

Tax expense for the period was SEK 72 million (83), corresponding to an effective tax rate of 21 per cent (24).

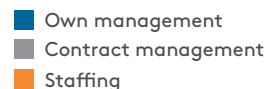
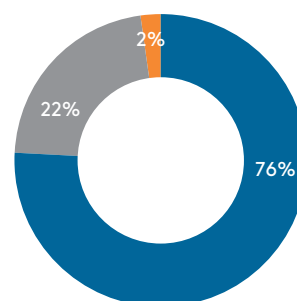
#### Profit for the period

Profit for the period totalled SEK 273 million (266), corresponding to earnings per share of SEK 2.90 (2.82) before dilution and SEK 2.90 (2.82) after dilution.

#### Net sales by segment January-September 2021



#### Net sales by contract model January-September 2021





## Cash flow

SEK million	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	RTM	2020 Jan-Dec
Adjusted EBITDA	578	521	1,302	1,262	1,704	1,663
Adjustment for non-cash items	17	4	3	13	3	13
Change in working capital	-272	-138	-207	-80	-24	103
Cash flow from investments in fixed assets	-24	-25	-47	-94	-74	-120
<b>Operating cash flow, including investments to increase capacity</b>	<b>299</b>	<b>361</b>	<b>1,052</b>	<b>1,101</b>	<b>1,610</b>	<b>1,658</b>
Net interest paid	-75	-68	-211	-188	-277	-253
Tax paid	-38	8	-111	-59	-136	-83
Reversal of items affecting comparability	0	-27	0	-50	-1	-51
<b>Free cash flow</b>	<b>186</b>	<b>274</b>	<b>730</b>	<b>804</b>	<b>1,197</b>	<b>1,271</b>
Acquisition/disposal of shares and participations	11	0	-189	-105	-189	-105
Cash flow from financing activities	-187	-333	-482	-692	-968	-1,178
Other	0	0	0	1	0	0
<b>Cash flow for the period</b>	<b>10</b>	<b>-59</b>	<b>58</b>	<b>7</b>	<b>39</b>	<b>-12</b>
Operating cash flow, excluding effect of IFRS 16	61	151	354	503	708	857
Free cash flow, excluding effect of IFRS 16	7	111	198	335	510	648

Free cash flow for the quarter was SEK 186 million (274). The year-on-year decline in free cash flow was largely attributable to an increase in working capital tied-up. In the preceding year, working capital tied-up was lower due to government grants.

Free cash flow for the period was SEK 730 million (804). The decline was largely attributable to an increase in working capital tied-up.

## Financial position

SEK million	2021 30 Sep	2021 30 Sep excl. IFRS 16	2020 30 Sep	2020 30 Sep excl. IFRS 16	2020 31 Dec	2020 31 Dec excl. IFRS 16
Net interest-bearing debt*	9,717	2,864	8,588	2,947	8,375	2,672
Rolling 12 months adjusted EBITDA*	1,704	800	1,601	825	1,663	862
Net debt/Rolling 12 months adjusted EBITDA	5.7	3.6	5.4	3.6	5.0	3.1

At 30 September 2021, net interest-bearing debt amounted to SEK 9,717 million (8,588). Excluding the effect of IFRS 16, indebtedness declined SEK 83 million year-on-year to SEK 2,864 million, or 3.6 (3.6) times 12-months adjusted EBITDA.

\* Alternative performance measures. For reconciliation of financial statements to IFRS, purpose and definition, see [ambea.com/investor-relations/reports-and-presentations](https://www.ambea.com/investor-relations/reports-and-presentations)

Nytida provides support and care for children, young people and adults with lifelong disabilities and psychosocial problems. We offer residential care, day services, support for individuals and families, and schools in approximately 400 units across Sweden. Using proven models and in-depth knowledge, our 8,500 employees help to strengthen the ability of individuals to live an independent life.



## The quarter

Net sales amounted to SEK 924 million (915).

Net sales in Own Management amounted to SEK 763 million (757). Sales were positively impacted by start-up units.

Net sales in Contract Management amounted to SEK 161 million (159). The 1 per cent increase was due to the net effect between start-ups and the termination of previous contracts.

Adjusted EBITA declined 2 per cent to SEK 174 million (177). Government grants due to the COVID-19 situation had a positive impact on the comparative period.

The adjusted EBITA margin was 18.8 per cent (19.3).

## January-September period

Net sales rose 1 per cent to SEK 2,774 million (2,755).

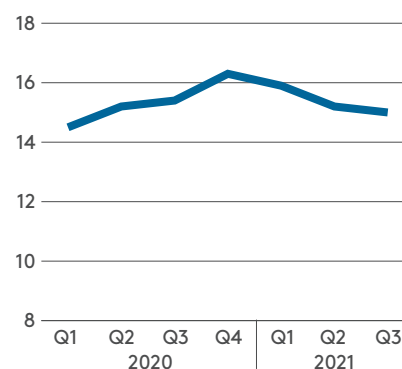
Net sales in Own Management amounted to SEK 2,301 million (2,314), down 1 per cent. Lower occupancy in the Individual and family segment had a negative impact on sales.

Net sales in Contract Management amounted to SEK 473 million (441), up 7 per cent due to the start-up of previously won contracts.

Adjusted EBITA declined 10 per cent to SEK 401 million (445). Earnings were negatively impacted by a lower rate of occupancy in the Individual and family segment. Government grants due to the COVID-19 situation had a positive impact on the comparative period.

The adjusted EBITA margin was 14.5 per cent (16.2).

## Adjusted EBITA margin RTM %



MSEK	2021 jul-sep	2020 jul-sep	Δ %	2021 jan-sep	2020 jan-sep	Δ %	R12	2020 Helår
Nettoomsättning	924	915	1	2 774	2 755	1	3 721	3 701
Justerad EBITA*	174	177	-2	401	445	-10	560	604
Rörelsemarginal justerad EBITA (%)*	18,8	19,3		14,5	16,2		15,0	16,3

\* Alternative performance measures.

At Vardaga's just over 100 residential care facilities across Sweden, we offer elderly care where every day is as meaningful as the next. Every one of our nursing homes, short-term residential facilities, home care and day services offers a high level of expertise and a safe environment. Our employees ensure quality of life and safety for every care receiver.



## The quarter

Vardaga's net sales rose 9 per cent year-on-year to SEK 940 million (860).

Net sales in Own Management amounted to SEK 612 million (531), up 15 per cent due to a higher rate of occupancy and newly opened units.

Net sales in Contract Management amounted to SEK 329 million (329). During the quarter, municipalities did not announce any new management contracts or that any contracts would be retaken.

Adjusted EBITA rose 78 per cent to SEK 89 million (50). Increased occupancy in mature units had a positive impact on earnings.

The adjusted EBITA margin was 9.5 per cent (5.8). The EBITA margin for mature units increased 3.5 percentage points, which was mainly attributable to higher rates of occupancy.

## January-September period

Vardaga's net sales rose 2 per cent year-on-year to SEK 2,694 million (2,630).

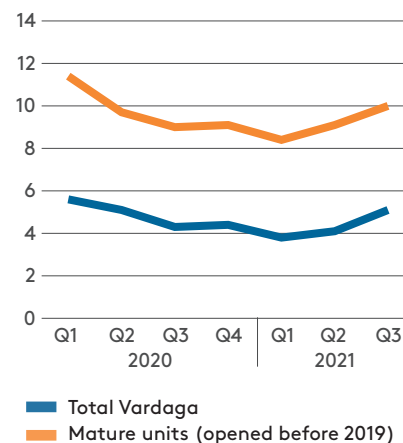
Net sales in Own Management amounted to SEK 1739 million (1636), up 6 per cent, which was attributable to newly opened units.

Net sales in Contract Management amounted to SEK 955 million (995). The 4 per cent decline was due to terminated contracts.

Adjusted EBITA rose 25 per cent to SEK 140 million (112). The year-on-year increase was due to better cost adjustment in relation to the occupancy rate.

The adjusted EBITA margin was 5.2 per cent (4.3).

## Adjusted EBITA margin RTM %



MSEK	2021 jul-sep	2020 jul-sep	Δ %	2021 jan-sep	2020 jan-sep	Δ %	R12	2020 Helår
Nettoomsättning	940	860	9	2 694	2 630	2	3 560	3 497
Justerad EBITA*	89	50	78	140	112	25	182	154
Rörelsemarginal justerad EBITA (%)*	9,5	5,8		5,2	4,3		5,1	4,4
Rörelsemarginal justerad EBITA mogna enheter (%)*	14,6	11,1		9,8	8,6		10,0	9,1

\* Alternative performance measures.



Stendi is the largest care provider in Norway and runs nationwide operations in support and residential care for adults, children and young people. We also offer personal assistance, elderly care and home care. We have about 5,000 employees and more than 400 units across Norway.



## The quarter

Net sales declined 1 per cent to SEK 723 million (733). Sales declined 3 per cent in local currency.

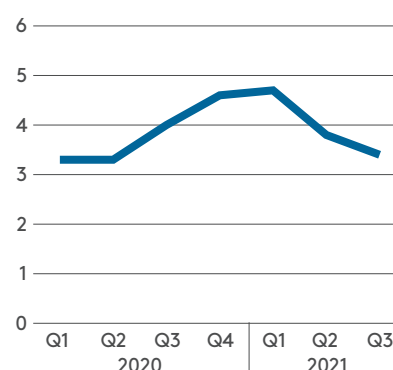
Net sales in Own Management amounted to SEK 667 million (679). Sales declined 3 per cent in local currency.

Net sales in Contract Management amounted to SEK 57 million (54), where the higher sales were attributable to exchange rate fluctuations. During the quarter, Oslo Municipality announced that elderly care management contracts would be terminated. Following a review, a decision was made to divest the elderly care operations after the end of the quarter. Stendi will focus on social care instead. Elderly care in Stendi accounts for 8 per cent of sales and generates lower than average profits within the division.

Adjusted EBITA was SEK 64 million (79). Earnings were negatively impacted by lower occupancy and increased personnel costs related to the pandemic. During the quarter, capacity adjustments continued.

The adjusted EBITA margin was 8.9 per cent (10.7).

## Adjusted EBITA margin RTM %



## January-September period

Net sales declined 2 per cent to SEK 2,202 million (2,250). Growth was -3 per cent in local currency.

Net sales in Own Management amounted to SEK 2,031 million (2,054), down 1 per cent. Growth was -2 per cent in local currency.

Net sales in Contract Management amounted to SEK 171 million (195). The decline in sales was attributable to terminated contracts in elderly care.

Adjusted EBITA amounted to SEK 84 million (122). The decline was attributable to lower occupancy and higher personnel costs related to the pandemic. The preceding year's earnings were positively impacted by government grants due to the COVID-19 situation.

The adjusted EBITA margin was 3.8 per cent (5.4).

MSEK	2021 jul-sep	2020 jul-sep	Δ %	2021 jan-sep	2020 jan-sep	Δ %	R12	2020 Helår
Nettoomsättning	723	733	-1	2 202	2 250	-2	2 928	2 975
Justerad EBITA*	64	79	-19	84	122	-31	99	137
Rörelsemarginal justerad EBITA (%)*	8,9	10,7		3,8	5,4		3,4	4,6

\* Alternative performance measures.

Altiden is the largest private care provider in Denmark, with operations comprising elderly care, home care, rehabilitation, disability care and social care. All over Denmark, we provide skilled care services based on respect. Approximately 1,000 employees ensure quality of life and a secure environment with a focus on development.



## The quarter

Net sales rose 57 per cent to SEK 261 million (166).

Net sales in Own Management amounted to SEK 166 million (55). The increase in sales was attributable to acquisitions and new residential facility start-ups.

Net sales in Contract Management amounted to SEK 95 million (111), where the decrease was attributable to terminated contracts in elderly care and home care.

Adjusted EBITA was SEK 15 million (11). Adjusted EBITA was positively impacted by completed acquisitions.

The adjusted EBITA margin was 5.7 per cent (6.6).

## January-September period

Net sales rose 23 per cent to SEK 623 million (505).

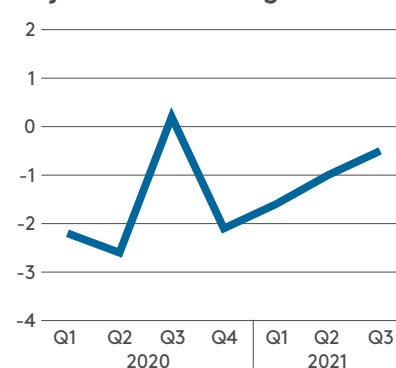
Net sales in Own Management amounted to SEK 351 million (170). The increase was largely attributable to the acquisition of EKKOfondens omsorgsverksamhet.

Net sales in Contract Management amounted to SEK 272 million (335). The decrease was attributable to terminated contracts in elderly care and home care.

Adjusted EBITA was SEK 12 million (1). EBITA was positively impacted by the above acquisition and a high rate of occupancy.

The adjusted EBITA margin was 1.9 per cent (0.2).

## Adjusted EBITA margin RTM %



MSEK	2021 jul-sep	2020 jul-sep	Δ %	2021 jan-sep	2020 jan-sep	Δ %	R12	2020 Helår
Nettoomsättning	261	166	57	623	505	23	781	663
Justerad EBITA*	15	11	36	12	1	1100	-4	-14
Rörelsemarginal justerad EBITA (%)*	5,7	6,6		1,9	0,2		-0,5	-2,1

\* Alternative performance measures.

Klara is one of Sweden's leading providers of staffing services for social care. We are an authorised staffing company and are ISO certified. With personal service and long experience in the industry, Klara provides the best staffing solutions for both public and private clients. We offer ambulatory care teams and temporary doctors, nurses and other care workers, in Sweden.



## The quarter

Net sales rose 9 per cent to SEK 89 million (82). The increase was attributable to a positive trend for Klara Team, which offers ambulatory care teams.

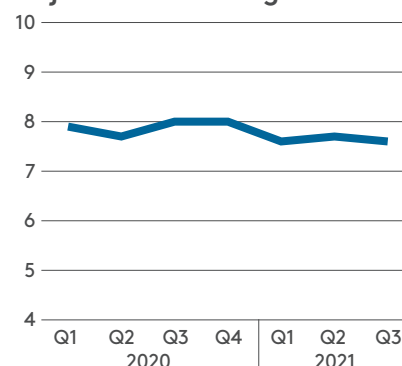
Adjusted EBITA was SEK 8 million (8), representing a margin of 9.0 per cent (9.8). The performance was positively impacted by a positive trend for ambulatory care teams.

## January-September period

Net sales rose 12 per cent to SEK 268 million (240). The increase was attributable to newly started ambulatory care teams in Klara Team and a positive trend for temporary staffing in Klara Team and Dagpatruller.

Adjusted EBITA was SEK 20 million (19), representing a margin of 7.5 per cent (7.9). Earnings were positively impacted by an increase in temporary staffing.

## Adjusted EBITA margin RTM %



SEK million	2021 Jul-Sep	2020 Jul-Sep	Δ%	2021 Jan-Sep	2020 Jan-Sep	Δ%	RTM	2020 Full-year
Net sales	89	82	9	268	240	12	357	328
Adjusted EBITA*	8	8	0	20	19	5	26	26
Operating margin, adjusted EBITA (%)*	9.0	9.8		7.5	7.9		7.3	7.9

\* Alternative performance measures.



## Operational key figures

SEK million	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3
<b>Ambea</b>					
Number of beds and placements in operation under own management on the closing date	9,036	9,160	9,170	9,464	9,489
Number of beds and placements opened under own management (RTM)	610	643	531	454	416
Number of beds and placements under own management under construction	1,950	1,931	1,916	1,706	1,736
Net won/lost management contracts, SEK million*	-	33	165	45	-91
<b>Vardaga</b>					
Number of beds in operation under own management	2,792	2,885	2,884	2,998	3,004
Number of beds opened under own management (RTM)	504	511	395	298	238
Number of beds under own management under construction	1,686	1,628	1,629	1,509	1,569
Net won/lost management contracts, SEK million*	-	-	-	-16	-
<b>Nytida</b>					
Number of beds and placements in operation under own management	5,220	5,275	5,280	5,260	5,284
Number of beds and placements opened under own management (RTM)	98	124	123	71	101
Number of beds and placements under own management under construction	187	151	140	122	92
Net won/lost management contracts, SEK million*	-	33	2	61	-
<b>Stendi</b>					
Number of beds in operation under own management	866	842	843	807	802
Number of beds opened under own management (RTM)	-	-	-	-	-
Number of placements under own management under construction	-	-	-	-	-
Net won/lost management contracts, SEK million*	-	-	-	-	-91
<b>Altiden</b>					
Number of beds and placements in operation under own management	158	158	163	399	399
Number of beds opened under own management (RTM)	8	8	13	85	77
Number of beds and placements under own management under construction	77	152	147	75	75
Net won/lost management contracts, SEK million**	-	-	163	-	-
Announced home care contracts to be retaken	-	-	-88	-	-

\* Includes management contracts to be retaken.

## Other events

### Legal proceeding regarding social security costs for temporary staff in Norway

Since the first quarter of 2019, through the acquisition of the Aleris Omsorg operations, Ambea has been involved in an ongoing legal proceeding in Norway regarding costs for temporary staff. Ambea's exposure due to this procedure is limited to NOK 30 million, which has been reserved as a provision in the combined companies' balance sheet. Ambea is working actively to increase the proportion of permanent employees in the Norwegian operations.

In the third quarter of 2019, the District Court handed down its decision. Of the 24 parties involved in the legal proceeding, two were considered entitled to social security benefits for previously delivered services. Both the counterparty and Ambea appealed the decision to a higher court.

During the second quarter of 2021, the outcome of the appealed court decision was received. The counterparty was considered entitled to social security benefits for previously delivered services in all cases. The outcome had no impact on earnings for the quarter, as Ambea made an earlier provision for this outcome in the combined companies' balance sheet. The ruling was appealed to the Supreme Administrative Court in the third quarter of 2021.

### Legal dispute in Norway

In the fourth quarter of 2019, lawsuits were filed against Ambea citing the previously communicated irregularities in Norway, which are described in the Q1 report for 2019. The dispute concerns circumstances that existed prior to the acquisition of Aleris Omsorg's operations in Norway, and estimated costs associated with the case have already been reserved in the combined companies' balance sheet.

### Dispute with the Swedish Tax Agency

In 2018, Ambea received a reassessment notice from the Swedish Tax Agency regarding VAT of SEK 12 million, including tax surcharges, for prior years in Ambea AB (publ). No provision was made for these costs during the period. The reassessment was mainly related to input VAT on costs arising from the IPO in 2017. The company appealed the Tax Agency's decision and received a judgment from the Administrative Court after the end of the quarter, which supports the Tax Agency's decision. Ambea appealed the ruling to a higher court in the third quarter of 2021.

## Related-party transactions

During the quarter, no transactions took place between Ambea and its related parties that had any material impact on the company's position and earnings. The nature and volume of transactions remained unchanged during the period compared with the preceding year.

## Events after the end of the quarter

After the end of the quarter, a decision was made to divest the elderly care operations in Norway and focus on social care instead, where we are now a market leader and see significant growth potential.

## Seasonal variations

Ambea's operating profit is affected by seasonal variations, weekends and public holidays.

Weekends and public holidays reduce Ambea's profitability due to higher personnel costs for inconvenient working hours. Most of the public holidays in countries where the company operates normally fall in the second quarter. In some years, Easter may fall in the first quarter and then affect its profitability. Christmas and New Year affect the first and fourth quarters.

The company's personnel costs are affected in a similar manner when employees take out their holidays. For example, the company is most profitable in the third quarter, as employees usually take their holidays during July and August and therefore receive holiday pay that is continuously accrued throughout the year. Costs during the summer months are also generally lower due to a reduced schedule for central activities, such as mandatory training programmes and central initiatives, during this period.

## Employees

During the quarter, the average number of full-time employees (FTEs) was 14,132 (13,752), and the increase was mainly due to acquisitions. This report uses an improved methodology to calculate the average number of employees during the period and for the comparative period, see Note 1.

## Risks and uncertainties

Ambea is exposed to a variety of risks and attaches great importance to continuously analysing, minimising and managing these risks. The risk assessment is also a key element of the annual strategy process, where risks in relation to the company's ability to achieve its financial targets and strategic ambitions are specifically evaluated. Ambea has identified the following risks: brand risks, industry and market risks, compliance and legal risks, operational risks and financial risks. For a description of these risks and how they are managed, refer to pages 49–50 of the 2020 Annual Report.

## Key judgements and estimates

For information about key judgements and estimates in this interim report, refer to Note K32 in the company's 2020 Annual Report.



## The Board of Director's assurance

The Board of Directors and President hereby provide their assurance that this interim report provides a true and fair overview of the operations, position and earnings of the Parent Company and the Group, and describes the material risks and uncertainties facing the Parent Company and the companies in the Group.

Stockholm, 3 November 2021

**Lena Hofsberger**  
*Chair of the Board*

**Daniel Björklund**                      **Liselott Kilaas**  
*Board member*      *Board member*

**Yrjö Närhinen**  
*Board member*

**Gunilla Rudebjer**  
*Board member*

**Samuel Skott**  
*Board member*

**Patricia Briceño**  
*Employee representative*

**Charalampos Kalpakas**  
*Employee representative*

**Magnus Sällström**  
*Employee representative*

**Mark Jensen**  
*President and CEO*

## Presentation of the third quarter of 2021

Ambea will hold a presentation for the financial market, with the possibility to participate by teleconference, at 10:00 a.m. CET on Thursday, 4 November 2021. The presentation will be held in English, and be available as a webcast at ambea.se

### Call-up information

To make sure that the hook-up to the conference call works, please call at least ten minutes before the conference call's start time to register, and use the code: 5381787.

### Phone numbers

Sweden: +46 (0)8 506 921 80  
UK: +44 (0)20 71 92 80 00  
US: +1 63 15 10 74 95

## Contact

Benno Eliasson, CFO & Investor Relations  
Telephone: +46 (0)73 343 45 00

## Forthcoming report occasions

Year-end report 2021	9 February 2022
Annual Report	30 March 2022
Q1 interim report for 2022	4 May 2022
Annual General Meeting	12 May 2022

## Auditor's review

*Ambea AB (publ), Corp. Reg. No. 556468-4354*

### Introduction

We have reviewed the condensed interim report for Ambea AB (publ) as at September 30, 2021 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, 3 November 2021  
Ernst & Young AB

**Staffan Landén**  
*Authorised Public Accountant*

## Consolidated earnings in summary

SEK million	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	RTM	2020 Jan-Dec
<b>Operating income</b>						
Net sales	2,912	2,732	8,490	8,319	11,254	11,083
Other operating income	35	18	125	51	195	122
<b>Total operating income</b>	<b>2,947</b>	<b>2,750</b>	<b>8,615</b>	<b>8,370</b>	<b>11,449</b>	<b>11,205</b>
<b>Operating expenses</b>						
Consumables	-126	-87	-296	-259	-395	-358
Other external costs	-335	-296	-947	-940	-1,267	-1,260
Personnel costs	-1,908	-1,877	-6,069	-5,961	-8,080	-7,973
Depreciation, amortisation and impairment of fixed assets	-262	-229	-742	-668	-970	-896
Other operating expenses	0	3	-1	1	-3	-1
<b>Operating expenses</b>	<b>-2,631</b>	<b>-2,486</b>	<b>-8,055</b>	<b>-7,827</b>	<b>-10,715</b>	<b>-10,488</b>
<b>Operating profit</b>	<b>316</b>	<b>264</b>	<b>560</b>	<b>543</b>	<b>734</b>	<b>717</b>
Financial income	0	-0	1	0	1	1
Financial expenses	-76	-69	-216	-194	-283	-261
<b>Net financial items</b>	<b>-76</b>	<b>-69</b>	<b>-215</b>	<b>-194</b>	<b>-282</b>	<b>-260</b>
<b>Profit after net financial items</b>	<b>240</b>	<b>195</b>	<b>345</b>	<b>349</b>	<b>452</b>	<b>457</b>
<b>Profit before tax</b>	<b>240</b>	<b>195</b>	<b>345</b>	<b>349</b>	<b>452</b>	<b>457</b>
Tax on profit for the period	-50	-43	-72	-83	-86	-97
<b>Profit for the period</b>	<b>190</b>	<b>152</b>	<b>273</b>	<b>266</b>	<b>366</b>	<b>359</b>
Profit for the period attributable to shareholders of the Parent Company	190	152	273	266	366	359
Earnings per share before dilution, SEK	2.01	1.61	2.90	2.82	3.87	3.80
Earnings per share after dilution, SEK	2.01	1.61	2.90	2.82	3.87	3.80

## Consolidated statement of comprehensive income in summary

SEK million	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	RTM	2020 Jan-Dec
Profit for the period after tax	190	152	273	266	366	359
<b>Other comprehensive income, items not transferable to profit or loss</b>						
Remeasurements of defined-benefit pension plans	-4	-8	-4	-8	-2	-6
Tax related to remeasurement of defined-benefit pension plans	1	2	1	2	0	1
<b>Total items not transferable to profit or loss</b>	<b>-3</b>	<b>-6</b>	<b>-3</b>	<b>-6</b>	<b>-2</b>	<b>-5</b>
<b>Other comprehensive income, items transferable to profit or loss</b>						
Translation differences	14	-8	50	-91	46	-95
Hedging of net investments in foreign operations	-3	4	-21	47	-23	46
Cash flow hedges	1	0	0	-11	2	-9
Cash flow hedge reserve	0	0	1	-2	4	1
Incentive programmes	0	0	2	0	2	0
Tax	0	-1	5	-7	4	-8
<b>Total items transferable to profit or loss</b>	<b>12</b>	<b>-4</b>	<b>37</b>	<b>-63</b>	<b>35</b>	<b>-65</b>
<b>Total other comprehensive income</b>	<b>9</b>	<b>-10</b>	<b>34</b>	<b>-69</b>	<b>33</b>	<b>-69</b>
<b>Total comprehensive income for the period</b>	<b>199</b>	<b>142</b>	<b>307</b>	<b>197</b>	<b>399</b>	<b>290</b>
Comprehensive income for the period attributable to shareholders of the Parent Company	199	142	307	197	399	290

## Earnings per share

	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	RTM	2020 Jan-Dec
Profit for the period attributable to shareholders of the Parent Company, SEK million	190	152	273	266	366	359
<b>Earnings per share before dilution</b>						
Average number of shares, thousands	94,533	94,484	94,509	94,460	94,502	94,466
Earnings per share before dilution, SEK	2.01	1.61	2.90	2.82	3.87	3.80
<b>Earnings per share after dilution</b>						
Average number of shares, thousands	94,567	94,535	94,542	94,513	94,536	94,531



## Consolidated balance sheet in summary

SEK million	2021 30 Sep	2020 30 Sep	2020 31 Dec
<b>Assets</b>			
<b>Fixed assets</b>			
Goodwill	6,826	6,517	6,508
Customer contracts and customer relationships	433	520	496
Other intangible assets	26	27	27
Right-of-use assets	6,809	5,604	5,675
Tangible assets	329	272	270
Derivative instruments	3	0	2
Deferred tax assets	85	55	72
Non-current receivables	107	99	99
<b>Total fixed assets</b>	<b>14,618</b>	<b>13,095</b>	<b>13,148</b>
<b>Current assets</b>			
Accounts receivable	1,039	1,017	1,078
Other receivables	136	146	93
Prepaid expenses and accrued income	317	294	291
Cash and cash equivalents	78	52	25
<b>Total current assets excluding assets held for sale</b>	<b>1,570</b>	<b>1,509</b>	<b>1,487</b>
Assets held for sale	59	79	83
<b>Total current assets</b>	<b>1,629</b>	<b>1,588</b>	<b>1,570</b>
<b>Total assets</b>	<b>16,247</b>	<b>14,683</b>	<b>14,718</b>

## Consolidated balance sheet in summary – continued

SEK million	2021 30 Sep	2020 30 Sep	2020 31 Dec
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	2	2	2
Other capital contributions	6,167	6,167	6,167
Reserves	-46	-80	-82
Retained earnings, including profit for the year	-1,597	-1,856	-1,762
<b>Total equity attributable to shareholders of the Parent Company</b>	<b>4,526</b>	<b>4,233</b>	<b>4,326</b>
Non-controlling interests	-	-	-
<b>Total equity</b>	<b>4,526</b>	<b>4,233</b>	<b>4,326</b>
<b>Non-current liabilities</b>			
Non-current interest-bearing liabilities	1,055	1,281	766
Lease liabilities	6,291	5,091	5,167
Derivative instruments	7	11	7
Pension provisions	46	41	38
Other provisions	39	31	38
Deferred tax liabilities	179	157	186
<b>Total non-current liabilities</b>	<b>7,617</b>	<b>6,612</b>	<b>6,203</b>
<b>Current liabilities</b>			
Current interest-bearing liabilities	-	-	-
Commercial papers	1,729	1,631	1,813
Lease liabilities	719	638	655
Accounts payable	209	222	311
Tax liabilities	60	109	80
Other non-interest-bearing liabilities	258	188	182
Accrued expenses and deferred income	1,129	1,050	1,149
<b>Total current liabilities</b>	<b>4,104</b>	<b>3,838</b>	<b>4,190</b>
<b>Total equity and liabilities</b>	<b>16,247</b>	<b>14,683</b>	<b>14,718</b>

## Consolidated statement of changes in equity in summary

SEK million	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
<b>Opening balance</b>	<b>4,326</b>	<b>4,036</b>	<b>4,036</b>
Comprehensive income	307	197	290
Warrants issued	3	-	-
Dividends	-109	-	-
<b>Closing balance</b>	<b>4,526</b>	<b>4,233</b>	<b>4,326</b>

## Consolidated cash flow statement in summary

SEK million	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	RTM	2020 Jan-Dec
<b>Operating activities</b>						
Profit before financial items	316	264	560	543	734	717
Depreciation, amortisation and impairment losses	262	229	742	668	970	896
Capital gains/losses	0	-3	-9	-1	-8	0
Changes in provisions	17	5	12	12	14	14
<b>Total non-cash items</b>	<b>279</b>	<b>231</b>	<b>745</b>	<b>679</b>	<b>975</b>	<b>909</b>
Net interest paid	-75	-67	-211	-187	-277	-253
Tax paid	-38	8	-111	-59	-136	-83
<b>Cash flow from operating activities before changes in working capital</b>	<b>482</b>	<b>437</b>	<b>983</b>	<b>978</b>	<b>1,295</b>	<b>1,289</b>
<b>Cash flow from changes in working capital</b>						
Decrease/increase in receivables	-18	26	-1	-68	-3	-70
Decrease/increase in current liabilities	-254	-164	-206	-12	-21	173
<b>Cash flow from operating activities</b>	<b>210</b>	<b>299</b>	<b>776</b>	<b>897</b>	<b>1,270</b>	<b>1,392</b>
<b>Investing activities</b>						
Acquisition of tangible assets	-20	-21	-70	-87	-95	-112
Acquisition of intangible assets	-4	-4	-7	-10	-9	-12
Sale of fixed assets	0	0	31	3	32	4
<b>Free cash flow</b>	<b>186</b>	<b>274</b>	<b>730</b>	<b>804</b>	<b>1,197</b>	<b>1,271</b>
Acquisition of subsidiaries	11	0	-189	-105	-189	-105
Acquisition of financial assets	0	0	-1	0	-1	0
<b>Cash flow from investing activities</b>	<b>-17</b>	<b>-26</b>	<b>-236</b>	<b>-198</b>	<b>-263</b>	<b>-225</b>
<b>Cash flow after investments</b>	<b>197</b>	<b>274</b>	<b>540</b>	<b>699</b>	<b>1,007</b>	<b>1,167</b>
<b>Financing activities</b>						
Loans raised	1,480	3,027	4,399	4,149	6,288	6,037
Repayment of debt	-1,539	-1,874	-4,483	-4,463	-6,209	-6,189
Repayment of lease liability	-189	-164	-556	-484	-695	-623
Net change in checking account	61	-1,321	269	106	-240	-403
Cost of loans raised	-	-	-5	-	-5	-
Premiums for warrants	-	-	3	-	3	-
Dividends paid	-	-	-109	-	-109	-
<b>Cash flow from financing activities</b>	<b>-187</b>	<b>-333</b>	<b>-482</b>	<b>-692</b>	<b>-968</b>	<b>-1,178</b>
Cash flow for the period	10	-59	58	7	39	-12
Cash and cash equivalents on the opening date	70	115	25	52	52	52
Exchange rate differences in cash and cash equivalents	-3	-4	-6	-7	-13	-14
<b>Cash and cash equivalents on the closing date</b>	<b>77</b>	<b>52</b>	<b>77</b>	<b>52</b>	<b>77</b>	<b>25</b>

## Parent Company income statement in summary

SEK million	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	RTM	2020 Jan-Dec
<b>Income</b>						
Net sales	2	4	6	6	8	8
<b>Total income</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>8</b>	<b>8</b>
<b>Operating expenses</b>						
Other external costs	-2	-2	-9	-7	-10	-9
Personnel costs	-4	-4	-10	-10	-14	-14
Amortisation of intangible assets	0	0	0	0	0	0
<b>Operating expenses</b>	<b>-6</b>	<b>-6</b>	<b>-19</b>	<b>-17</b>	<b>-24</b>	<b>-23</b>
<b>Operating profit</b>	<b>-4</b>	<b>-2</b>	<b>-13</b>	<b>-11</b>	<b>-16</b>	<b>-15</b>
Financial items	-5	-10	-15	-23	-21	-29
<b>Loss after financial items</b>	<b>-9</b>	<b>-12</b>	<b>-28</b>	<b>-34</b>	<b>-37</b>	<b>-44</b>
Appropriations	0	0	0	0	96	96
<b>Profit before tax</b>	<b>-9</b>	<b>-12</b>	<b>-28</b>	<b>-34</b>	<b>59</b>	<b>51</b>
Tax on profit for the period	0	0	0	0	-11	-11
<b>Profit for the period</b>	<b>-9</b>	<b>-12</b>	<b>-28</b>	<b>-34</b>	<b>48</b>	<b>40</b>



## Parent Company balance sheet in summary

SEK million	2021 30 Sep	2020 30 Sep	2020 31 Dec
<b>Assets</b>			
<i>Intangible assets</i>			
Software	1	1	1
<i>Financial assets</i>			
Participations in Group companies	7,212	7,210	7,210
Derivatives	3	2	4
<b>Total fixed assets</b>	<b>7,215</b>	<b>7,213</b>	<b>7,215</b>
<i>Current assets</i>			
Receivables from Group companies	3,256	3,163	3,156
Other receivables	13	13	16
Prepaid expenses and accrued income	8	13	8
Cash and bank balances	0	0	0
<b>Total current assets</b>	<b>3,276</b>	<b>3,189</b>	<b>3,180</b>
<b>Total assets</b>	<b>10,491</b>	<b>10,402</b>	<b>10,394</b>
<b>Equity and liabilities</b>			
Share capital	2	2	2
Statutory reserve	0	0	0
<b>Total restricted equity</b>	<b>2</b>	<b>2</b>	<b>3</b>
Share premium reserve	1,406	1,404	1,404
Retained earnings	1,800	1,869	1,869
Profit/loss for the period	-28	-34	40
<b>Total non-restricted equity</b>	<b>3,178</b>	<b>3,239</b>	<b>3,313</b>
<b>Total equity</b>	<b>3,180</b>	<b>3,241</b>	<b>3,316</b>
Untaxed reserves	50	33	50
<i>Non-current liabilities</i>			
Liabilities to credit institutions	1,087	1,331	814
<b>Total non-current liabilities</b>	<b>1,087</b>	<b>1,331</b>	<b>814</b>
<i>Current liabilities</i>			
Commercial papers	1,729	1,631	1,813
Accounts payable	1	1	4
Tax liabilities	11	21	32
Liabilities to Group companies	4,419	4,133	4,352
Other liabilities	0	0	0
Accrued expenses and deferred income	14	11	12
<b>Total current liabilities</b>	<b>6,174</b>	<b>5,797</b>	<b>6,214</b>
<b>Total equity and liabilities</b>	<b>10,491</b>	<b>10,402</b>	<b>10,394</b>

## Notes

### NOTE 1 Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act, as well as the Swedish Financial Reporting Board's RFR 1, Supplementary Accounting Rules for Groups, and RFR 2 Accounting for Legal Entities. The accounting policies applied are consistent with those applied in the preparation of the most recent annual report, with exception for the reclassification of Klara's income, which is described below.

#### Reclassification of Klara's income

In 2021, the Klara segment's income was reclassified. Income attributable to intra-Group sales previously classified as other income is now classified as net sales, since it is considered income earned from the segment's core business activities. To facilitate comparability with earlier periods, these figures have been adjusted, where appropriate, using the same methodology.

#### New or revised IFRSs as of 2021

None of the new or revised standards or interpretations that were applicable from 1 January 2021 had any material impact on the financial statements of the Group or the Parent Company. No new or revised standards have been adopted in advance.

#### Alternative performance measures

In 2019, alternative performance measures were presented that were adjusted for the effects of the implementation of IFRS 16 to enable a comparison with 2018. As comparability exists between 2021 and 2020, no such adjusted measures are now presented, except for Net debt/Rolling 12 months adjusted EBITDA, which pertains to covenants for the revolving credit facility and the Group's EBITA and EBITDA results.

#### Change in the calculation of the average number of employees (FTE)

As of the interim report for the first quarter of 2021, an improved methodology has been used to calculate the average number of employees. To facilitate comparability with earlier periods, these figures have been restated, where applicable, using the same methodology.

### NOTE 2 Segment information

Ambea's operations consist of the following segments:

Nytida	Comprises residential facilities, day services, support for individuals and families, and schools for children, young people and adults with disabilities or psychosocial problems in Sweden.
Vardaga	Comprises nursing homes, short-term residential facilities, home care and day services for the elderly in Sweden.
Stendi	Comprises support for children, young people and adults by offering personal assistance, residential care, elderly care and home care in Norway.
Altiden	Comprises operations in elderly care, home care, social care and disability care in Denmark.
Klara	Comprises subscription services for ambulatory care teams and supply of temporary doctors and nurses in Sweden.

### Quarterly overview

SEK million	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3
<b>Net sales</b>									
Nytida	932	919	912	928	915	946	919	932	924
Vardaga	904	915	909	862	860	867	859	895	940
Stendi	813	770	761	756	733	726	731	748	723
Altiden	127	131	169	170	166	158	151	211	261
Klara	82	85	76	80	82	89	89	90	89
Group adjustments	-14	-16	-16	-20	-23	-22	-23	-23	-25
<b>Ambea</b>	<b>2,843</b>	<b>2,804</b>	<b>2,811</b>	<b>2,776</b>	<b>2,732</b>	<b>2,764</b>	<b>2,727</b>	<b>2,851</b>	<b>2,912</b>
<b>Adjusted EBITA</b>									
Nytida	174	120	129	138	177	159	114	113	174
Vardaga	82	39	48	15	50	42	25	25	89
Stendi	61	-2	13	31	79	15	15	4	64
Altiden	-8	0	-3	-7	11	-16	1	-4	15
Klara	7	7	6	5	8	7	6	6	8
Unallocated items	-4	-10	-6	-8	-7	-7	-10	2	-6
<b>Ambea</b>	<b>312</b>	<b>154</b>	<b>187</b>	<b>174</b>	<b>319</b>	<b>200</b>	<b>152</b>	<b>146</b>	<b>344</b>

## NOTE 2 Segment information

### July-September 2021

SEK million	Nytida	Vardaga	Stendi	Altiden	Klara	Unallocated items*	Group adjustments	Group
<b>Operating income</b>								
Net sales	924	940	723	261	89	0	-25	2,912
Other operating income	7	20	1	4	0	3	0	35
Internal transactions	0	0	0	0	0	0	0	0
<b>Total income from external customers</b>	<b>931</b>	<b>960</b>	<b>725</b>	<b>265</b>	<b>89</b>	<b>3</b>	<b>-25</b>	<b>2,948</b>
EBITA	174	89	64	15	8	-6	0	344
EBITA margin, %	18.8	9.5	8.9	5.7	9.0	-	-	11.8
Items affecting comparability	-	-	-	-	-	-	-	-0
Adjusted EBITA	174	89	64	15	8	-6	0	344
Adjusted EBITA margin, %	18.8	9.5	8.9	5.7	9.0	-	-	11.8
Amortisation of intangible assets								-28
<b>Operating profit (EBIT)</b>								<b>316</b>
Net financial items								-76
<b>Profit after net financial items</b>								<b>240</b>
<b>Profit before tax</b>								<b>240</b>
Tax on profit for the period								-50
<b>Profit for the period</b>								<b>190</b>
<b>Assets</b>	<b>5,740</b>	<b>7,047</b>	<b>1,989</b>	<b>1,071</b>	<b>177</b>	<b>222</b>	<b>0</b>	<b>16,247</b>

### July-September 2020

SEK million	Nytida	Vardaga	Stendi	Altiden	Klara	Unallocated items*	Group adjustments	Group
<b>Operating income</b>								
Net sales	915	860	733	166	59	0	0	2,732
Other operating income	7	6	2	0	23	3	-23	18
Internal transactions	0	0	0	0	-23	0	23	0
<b>Total income from external customers</b>	<b>922</b>	<b>865</b>	<b>735</b>	<b>167</b>	<b>59</b>	<b>3</b>	<b>0</b>	<b>2,750</b>
EBITA	177	50	51	11	8	-7	0	291
EBITA margin, %	19.3	5.8	7.0	6.6	13.6	-	-	10.7
Items affecting comparability	-	-	27	-	-	-	-	27
Adjusted EBITA	177	50	79	11	8	-7	0	319
Adjusted EBITA margin, %	19.3	5.8	10.7	6.6	13.6	-	-	11.7
Amortisation of intangible assets								-27
<b>Operating profit (EBIT)</b>								<b>263</b>
Net financial items								-69
<b>Profit after net financial items</b>								<b>195</b>
<b>Profit before tax</b>								<b>195</b>
Tax on profit for the period								-43
<b>Profit for the period</b>								<b>152</b>
<b>Assets</b>	<b>5,785</b>	<b>6,228</b>	<b>1,877</b>	<b>466</b>	<b>182</b>	<b>146</b>	<b>0</b>	<b>14,683</b>

\*The 'Unallocated items' column consists of centrally approved costs for general central administration, restructures and acquisitions.

## NOTE 2 Segment information – continued

### January–September 2021

SEK million	Nytida	Vardaga	Stendi	Altiden	Klara	Unallocated items*	Group adjustments	Group
<b>Operating income</b>								
Net sales	2,774	2,694	2,202	623	268	0	-71	8,490
Other operating income	19	68	5	9	0	23	0	125
Internal transactions	0	0	0	0	0	0	0	0
<b>Total income from external customers</b>	<b>2,793</b>	<b>2,762</b>	<b>2,207</b>	<b>632</b>	<b>268</b>	<b>23</b>	<b>-70</b>	<b>8,615</b>
EBITA	401	140	84	12	20	-15	0	642
EBITA margin, %	14.5	5.2	3.8	1.9	7.5	–	–	7.6
Items affecting comparability	–	–	–	–	–	–	–	0
Adjusted EBITA	401	140	84	12	20	-15	0	642
Adjusted EBITA margin, %	14.5	5.2	3.8	1.9	7.5	–	–	7.6
Amortisation of intangible assets								-82
<b>Operating profit (EBIT)</b>								<b>560</b>
Net financial items								-215
Profit after net financial items								345
<b>Profit before tax</b>								<b>345</b>
Tax on profit for the period								-72
<b>Profit for the period</b>								<b>273</b>
<b>Assets</b>	<b>5,740</b>	<b>7,047</b>	<b>1,989</b>	<b>1,071</b>	<b>177</b>	<b>222</b>	<b>0</b>	<b>16,247</b>

### January–September 2020

SEK million	Nytida	Vardaga	Stendi	Altiden	Klara	Unallocated items*	Group adjustments	Group
<b>Operating income</b>								
Net sales	2,755	2,630	2,250	505	179	0	0	8,319
Other operating income	17	18	7	1	61	9	-61	51
Internal transactions	0	0	0	0	-61	0	61	0
<b>Total income from external customers</b>	<b>2,772</b>	<b>2,648</b>	<b>2,256</b>	<b>507</b>	<b>179</b>	<b>9</b>	<b>0</b>	<b>8,370</b>
EBITA	445	112	71	1	19	-21	0	628
EBITA margin, %	16.2	4.3	3.2	0.2	10.6	–	–	7.6
Items affecting comparability	–	–	50	–	–	0	0	50
Adjusted EBITA	445	112	122	1	19	-21	0	679
Adjusted EBITA margin, %	16.2	4.3	5.4	0.2	10.6	–	–	8.2
Amortisation of intangible assets								-85
<b>Operating profit (EBIT)</b>								<b>543</b>
Net financial items								-194
Profit after net financial items								349
<b>Profit before tax</b>								<b>349</b>
Tax on profit for the period								-83
<b>Profit for the period</b>								<b>266</b>
<b>Assets</b>	<b>5,785</b>	<b>6,228</b>	<b>1,877</b>	<b>466</b>	<b>182</b>	<b>146</b>	<b>0</b>	<b>14,683</b>

\*The 'Unallocated items' column consists of centrally approved costs for general central administration, restructures and acquisitions.



## NOTE 3 Revenue from Contracts with Customers

### Type of service delivery (July–September)

SEK million	Nytida		Vardaga		Stendi		Altiden		Klara		Group eliminations		Group	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Own Management	763	757	612	531	667	679	166	55	–	–	–	–	2,207	2,021
Contract Management	161	159	329	329	57	54	95	111	–	–	–	–	642	653
Staffing	–	–	–	–	–	–	–	–	89	82	-25	-23	64	59
<b>Total</b>	<b>924</b>	<b>915</b>	<b>940</b>	<b>860</b>	<b>723</b>	<b>733</b>	<b>261</b>	<b>166</b>	<b>89</b>	<b>82</b>	<b>-25</b>	<b>-23</b>	<b>2,912</b>	<b>2,732</b>

### Type of service delivery (January–September)

SEK million	Nytida		Vardaga		Stendi		Altiden		Klara		Group eliminations		Group	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Own Management	2,301	2,314	1,739	1,636	2,031	2,054	351	170	–	–	–	–	6,425	6,173
Contract Management	473	441	955	995	171	195	272	335	–	–	–	–	1,872	1,967
Staffing	–	–	–	–	–	–	–	–	268	240	-71	-61	193	179
<b>Total</b>	<b>2,774</b>	<b>2,755</b>	<b>2,694</b>	<b>2,630</b>	<b>2,202</b>	<b>2,250</b>	<b>623</b>	<b>505</b>	<b>268</b>	<b>240</b>	<b>-71</b>	<b>-61</b>	<b>8,490</b>	<b>8,319</b>

## NOTE 4 Items affecting comparability

SEK million	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	RTM	2020 Jan-Dec
Restructuring-related items	–	-27	–	-50	–	-50
<b>Total items affecting comparability</b>	<b>–</b>	<b>-27</b>	<b>–</b>	<b>-50</b>	<b>–</b>	<b>-50</b>

No items affecting comparability were booked during 2021. Items affecting comparability in 2020 relate to the restructuring programme in Norway.

## Note 5 Business combinations

EKKOfondens omsorgsverksamhet, which offers residential facilities for adults with disabilities across Denmark, was acquired on 30 April 2021. The consideration transferred for the acquisition comprises cash of SEK 230 million, including contingent consideration of SEK 61 million. The acquisition generated goodwill of SEK 224 million, corresponding to the difference between the consideration transferred and the net identifiable assets acquired. The goodwill mainly relates to a stronger market position and operative and administrative synergies. The acquisition analysis is preliminary, since intangible assets are undergoing valuation. Since the acquisition date, EKKOfonden has contributed SEK 160 million to net sales, and SEK 12 million to profit before tax. If the acquisition had taken place on 1 January 2021, the company would have contributed SEK 283 million to net sales and SEK 16 million to profit before tax.

The acquisition of LSS Omsorgen was completed on 1 February 2021 for a consideration of SEK 65 million. The acquisition generated goodwill of SEK 23 million, corresponding to the difference between the consideration transferred and the net identifiable assets acquired. The acquisition analysis is preliminary, since intangible assets are undergoing valuation. Since the acquisition date, LSS Omsorgen has contributed SEK 39 million to net sales, and SEK 5 million to profit before tax. If the acquisition had taken place on 1 January 2021, the company would have contributed SEK 44 million to net sales and SEK 6 million to profit before tax.

### Effect on financial position

SEK million	EKKO	LSS Omsorgen	Total
Net identifiable assets excl. intangible assets	6	34	40
Intangible assets	–	8	8
Group goodwill	224	23	247
<b>Total consideration (price of shares)</b>	<b>230</b>	<b>65</b>	<b>295</b>
Less: earn-out	-61	–	-61
Less: cash and cash equivalents	-43	-2	-45
<b>Net change in cash</b>	<b>126</b>	<b>63</b>	<b>189</b>

### Allocation of net assets on the acquisition date

SEK million	EKKO	LSS Omsorgen	Total
Fixed assets	20	32	52
Right-of-use assets	–	71	71
Accounts receivable and other receivables	11	8	19
Cash and cash equivalents	43	2	45
Non-current liabilities and provisions	-21	–	-21
Lease liabilities	–	-58	-58
Accounts payable and other liabilities	-47	-7	-54
<b>Net identifiable assets</b>	<b>6</b>	<b>48</b>	<b>54</b>

## NOTE 5 Business combinations – continued

### Acquisitions and divestments during the year

Date	Acquisitions	Divestments	Operations	Segments	Annual sales
1 Feb 2021	LSS Omsorgen	-	Residential services for people with disabilities	Nytida	SEK 57 million
29 Apr 2021	EKKOfondens omsorgsverksamhet	-	Social care for young people and adults	Altiden	DKK 250 million

## NOTE 6 Fair value of financial instruments in the fair value hierarchy

		Classification in the fair value hierarchy							
		1		2		3			
SEK million	2021 30 Sep	2020 30 Sep	2021 30 Sep	2020 30 Sep	2021 30 Sep	2020 30 Sep	2021 30 Sep	2020 30 Sep	
<b>Assets</b>									
Interest-rate derivatives	3	0	-	-	3	0	-	-	
<b>Liabilities</b>									
Interest-rate derivatives	7	11	-	-	7	11	-	-	
Earn-out	61	-	-	-	-	-	61	-	

### Fair value of financial instruments in the fair value hierarchy

Ambea applies the following hierarchy for the fair value measurement of financial instruments:

**Level 1** – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes Eligible treasury bills, Bonds and Other interest-bearing securities. Remeasurement is recognised in Net financial items.

**Level 2** – Observable data for assets or liabilities other than quoted prices included in Level 1, either directly (i.e. as price quotations) or indirectly (i.e. derived from price quotations). This level includes derivative instruments that are recognised under Other current assets or Other current liabilities.

**Level 3** – Data for assets or liabilities not based on observable market data. Earn-out liabilities measured at fair value based on management's best estimate of possible outcome.

Ambea has loans denominated in both SEK and NOK and is thereby exposed to interest-rate risk. According to the compa-

ny's financial policy, at least 50 per cent of the interest-rate risk should be hedged. To reduce the company's interest-rate risk, the company purchased an interest-rate swap and an interest rate cap in March 2019, both with three-year maturities. In the second quarter, these were extended to four years and will mature in 2024. In total, 60 per cent of the interest-rate risk was hedged with interest-rate derivatives on the balance-sheet date.

Derivatives are classified as Level 2 assets in the fair value hierarchy. The change in fair value of the interest-rate cap and interest-rate swap was recognised in other comprehensive income. Ambea uses standard bank pricing models for the valuation of purchased interest-rate caps and interest-rate swaps. The valuation is based on the bank's standard pricing model and methodology. The valuation is based on the bank's average price.

## Note 7 Pledged assets and contingent liabilities

SEK million	2021 30 Sep	2020 30 Sep	2020 31 Dec
Leased assets	124	77	115
Chattel mortgages	0	1	1
<b>Total pledged assets</b>	<b>124</b>	<b>78</b>	<b>116</b>

\* For distribution by line in profit or loss, see [ambea.com/investor-relations/reports-and-presentations](https://ambea.com/investor-relations/reports-and-presentations)

## NOTE 8 Reconciliation of financial statements

SEK million	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	RTM	2020 Jan-Dec
<b>Growth/Acquired growth</b>						
Net sales growth (%)	7	-4	2	1	2	0
Of which acquired growth (%)	4	2	2	5	2	4
Of which currency effect (%)	0	-3	0	-2	-3	-3
Of which organic growth (%)	3	-3	0	-2	3	-1
<b>Operating margin (EBIT)</b>						
Net sales	2,912	2,732	8,490	8,319	11,254	11,083
Operating profit (EBIT)	316	264	560	543	734	717
Operating margin, EBIT (%)	10.9	9.7	6.6	6.5	6.5	6.5
<b>EBITA and adjusted EBITA</b>						
Operating profit (EBIT)	316	264	560	543	734	717
Amortisation and impairment of intangible assets	28	27	82	85	109	112
<b>EBITA</b>	<b>344</b>	<b>291</b>	<b>642</b>	<b>628</b>	<b>843</b>	<b>829</b>
Items affecting comparability	-	27	-	50	-	50
<b>Adjusted EBITA</b>	<b>344</b>	<b>319</b>	<b>642</b>	<b>679</b>	<b>843</b>	<b>879</b>
Net sales	2,912	2,732	8,490	8,319	11,254	11,083
EBITA margin (%)	11.8	10.7	7.6	7.6	7.5	7.5
Adjusted EBITA margin (%)	11.8	11.7	7.6	8.2	7.5	7.9
<b>EBITDA and adjusted EBITDA</b>						
Operating profit (EBIT)	316	264	560	543	734	717
Depreciation, amortisation and impairment of assets	262	229	742	668	970	896
<b>EBITDA</b>	<b>578</b>	<b>494</b>	<b>1,302</b>	<b>1,211</b>	<b>1,704</b>	<b>1,613</b>
Items affecting comparability	-	27	-	50	-	50
<b>Adjusted EBITDA</b>	<b>578</b>	<b>521</b>	<b>1,302</b>	<b>1,262</b>	<b>1,704</b>	<b>1,663</b>
<b>EBITDA and adjusted EBITDA excluding IFRS 16</b>						
Operating profit (EBIT)	316	264	560	543	734	717
Depreciation, amortisation and impairment of assets	262	229	742	668	970	896
Additional: Rental payments	-238	-209	-697	-591	-904	-798
Additional: Capital gain/loss from terminated agreements	-	-3	-	-3	-	-3
<b>Net effect of IFRS 16 on EBITDA</b>	<b>-238</b>	<b>-212</b>	<b>-697</b>	<b>-594</b>	<b>-904</b>	<b>-802</b>
<b>EBITDA excluding effect of IFRS 16</b>	<b>340</b>	<b>281</b>	<b>605</b>	<b>617</b>	<b>800</b>	<b>811</b>
Items affecting comparability	-	27	-	50	-	50
<b>Adjusted EBITDA excluding IFRS 16</b>	<b>340</b>	<b>309</b>	<b>605</b>	<b>668</b>	<b>800</b>	<b>861</b>
<b>EBITA and adjusted EBITA excluding IFRS 16</b>						
Operating profit (EBIT)	316	264	560	543	734	717
Amortisation and impairment of intangible assets	28	27	82	85	109	112
<b>EBITA</b>	<b>344</b>	<b>291</b>	<b>642</b>	<b>628</b>	<b>843</b>	<b>829</b>
Less, amortisation IFRS 16	202	178	570	508	744	682
Additional: Rental payments	-238	-209	-697	-591	-904	-798
Additional: Capital gain/loss from terminated agreements	-	-3	-	-3	-	-3
<b>Net effect of IFRS 16 on EBITA</b>	<b>-36</b>	<b>-34</b>	<b>-127</b>	<b>-87</b>	<b>-160</b>	<b>-120</b>
<b>EBITA excluding effect of IFRS 16</b>	<b>308</b>	<b>257</b>	<b>515</b>	<b>541</b>	<b>683</b>	<b>709</b>
Items affecting comparability	-	27	-	50	-	50
<b>Adjusted EBITA excluding IFRS 16</b>	<b>308</b>	<b>284</b>	<b>515</b>	<b>591</b>	<b>683</b>	<b>759</b>
EBITA margin, excluding IFRS 16	10.6	9.4	6.1	6.5	6.1	6.4
Adjusted EBITA margin, excluding IFRS 16	10.6	10.4	6.1	7.1	6.1	6.9

## NOTE 8 Reconciliation of financial statements – continued

SEK million	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	RTM	2020 Jan-Dec
<b>Operating cash flow</b>						
Adjusted EBITDA	578	521	1,302	1,262	1,704	1,663
Adjustment for non-cash items	17	4	3	13	3	13
Cash flow from investing activities excl. acquisition and divestment of subsidiaries	-24	-25	-47	-94	-74	-122
Adjustment for cash flow from investing activities related to increased capacity/growth	1	7	14	49	25	60
Change in working capital	-272	-138	-207	-80	-24	103
<b>Operating cash flow</b>	<b>300</b>	<b>369</b>	<b>1,065</b>	<b>1,150</b>	<b>1,632</b>	<b>1,717</b>
<b>Cash conversion (%)</b>						
Operating cash flow	300	369	1,065	1,150	1,632	1,717
Adjusted EBITDA	578	521	1,302	1,262	1,704	1,663
<b>Cash conversion (%)</b>	<b>52.1</b>	<b>70.8</b>	<b>81.8</b>	<b>91.1</b>	<b>95.8</b>	<b>103.2</b>
<b>Items affecting comparability</b>						
<i>Reversal of restructuring and acquisition-related costs</i>						
– of which costs included in the line item of other external costs	0	23	0	30	3	32
– of which costs included in the line item of personnel costs	0	5	0	21	-3	18
– of which costs included in the line item of depreciation, amortisation and impairment	0	0	0	0	0	0
<b>Total restructuring and acquisition-related costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>
<b>Total items affecting comparability</b>	<b>0</b>	<b>27</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>50</b>

SEK million	2021 30 Sep	2020 30 Sep	2020 31 Dec
<b>Net debt, Net debt/Adjusted EBITDA, RTM</b>			
Non-current interest-bearing liabilities	7,346	6,371	5,933
Current interest-bearing liabilities	2,448	2,269	2,468
Less: cash and cash equivalents	-77	-52	-25
<b>Net debt</b>	<b>9,717</b>	<b>8,588</b>	<b>8,375</b>
Adjusted EBITDA RTM	1,704	1,601	1,663
<b>Net debt/Adjusted EBITDA, RTM (times)</b>	<b>5.7</b>	<b>5.4</b>	<b>5.0</b>
<b>Net debt, Net debt/Adjusted EBITDA, RTM excl. effect of IFRS 16</b>			
Non-current interest-bearing liabilities	7,346	6,371	5,933
Less: non-current lease liabilities pertaining to properties recognised on the lease liability line	-6,174	-5,035	-5,080
Current interest-bearing liabilities	2,448	2,269	2,468
Less: current lease liabilities pertaining to properties recognised on the lease liability line	-679	-607	-623
Less: cash and cash equivalents	-77	-52	-25
<b>Net debt excluding effect of IFRS 16</b>	<b>2,864</b>	<b>2,947</b>	<b>2,672</b>
Adjusted EBITDA RTM	800	825	861
<b>Net debt/Adjusted EBITDA, RTM (times)</b>	<b>3.6</b>	<b>3.6</b>	<b>3.1</b>