YA Holding AB (publ)

Investor presentation Q3 2016

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Participants

CEO
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CFO
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Inflow of asylum seekers low, but increase in decision speed will lead to more job seekers

Delayed effect on market:
- Inflow lower than before the asylum wave
- Average handling time 361 days, 124 days longer than in January
- # of decisions continues to increase to >10,000 per month
- # of granted permits stays high. 61% (6,000) in September, and increasing
- >50% granted on average
- 138,000 asylum seekers in system, 115,000 with no asylum decision

Source: The Swedish Migration Board, Migrationsverket
Unemployment down, but increases among those born outside of Europe

Unemployment

Number of people

Continued need for matching and training:

• 76,000 vacant positions, +27% in 12 months
• # of unemployed who got a job in Sep: 40,000 (-5.4%)
• Youth unemployment 61,000 (11.7%), lowest since 2008
  ➢ Primarily youth w/out secondary education
• Unemployed born out of Europe up 16,000 to 155,000
• 52,000 unemployed in "Establishing mission" (+10,000)

Source: The Swedish Public Employment Service, Arbetsförmedlingen
Same market share in labour training as 12 months ago despite close-down of warehouse and transport courses

Labour training participants

Volume growth

- Participants in labour education down 12 %
- YA’s participants down by 14%.
- > ½ of turnover effect from close-down of warehouse and transport counteracted by increasing participation in existing courses:
  - machine operator/excavator
  - real estate
  - industry

Source: The Swedish Public Employment Service, Arbetsförmedlingen
Profit & loss Q3 2016

- Revenues were SEK 67.7 million (77.1) in the quarter.
- The average number of students in AUB has been 1125 (1171) for the period.
- A decline in truck and bus education compared to prior year.
- EBITDA amounted to SEK 2.0 million (7.8)
- Decreased revenue due to terminated business has generated a lower result during the quarter.
## Normalized EBITDA

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</tr>
</thead>
<tbody>
<tr>
<td>Reported EBITDA</td>
<td>13.2</td>
<td>10.0</td>
<td>7.8</td>
<td>9.2</td>
<td>21.0</td>
<td>10.0</td>
<td>2.0</td>
</tr>
<tr>
<td>Non recurring cost</td>
<td>+1.6</td>
<td></td>
<td>+2.1</td>
<td></td>
<td>+3.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normalized EBITDA</td>
<td>14.8</td>
<td>10.0</td>
<td>7.8</td>
<td>11.3</td>
<td>21.0</td>
<td>13.0</td>
<td>2.0</td>
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</table>
Cash balance amounted to SEK 18.5 million (9.8) at the end of the quarter, bank overdraft facility (SEK 30 million) not used.

Cash flow amounted to SEK -10.3 million (0.1).

Cash flow from operating activities amounted to SEK -9.8 million (-0.4).

Change in Working capital was SEK -3.3 million (1.0).

Net debt amounted to SEK 378.2 million (403.2).
### Cash flow Q3 2016

<table>
<thead>
<tr>
<th>(SEK millions)</th>
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<tbody>
<tr>
<td>EBITDA</td>
<td>2,0</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-3,3</td>
</tr>
<tr>
<td>Cash flow before interest and taxes</td>
<td>-1,3</td>
</tr>
<tr>
<td>Interest paid</td>
<td>-8,0</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>-0,6</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>-9,9</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>1,4</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>-1,8</td>
</tr>
<tr>
<td>Cash flow for the period</td>
<td>-10,3</td>
</tr>
</tbody>
</table>
## Key Ratios (Covenants)

<table>
<thead>
<tr>
<th>Ratio Description</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leverage (Net debt/EBITDA)</td>
<td>8.0x</td>
<td>&lt;3.0x</td>
</tr>
<tr>
<td>Interest coverage (EBITDA/Net finance charges)</td>
<td>1.8x</td>
<td>&gt;2.5x</td>
</tr>
</tbody>
</table>
After the truck and bus tender, a combined cost reduction and growth plan has been executed.

New educations H2 2016:
- Construction
- Vehicle mechanics
- Chef and restaurant worker
- Professional cleaner

New customers H2 2016:
- Municipalities
- Industrial corporates
- Penitentiary education
- Vaasa, Finland

Legal appeal:
- Supreme Court
- Decision Dec-Feb
- If new tender, earliest start in September

Profitable growth program
- Losses of turn-over and regain plan:

* Estimate based on historic win-ratio and expected number of bidders. Restaurant education decision in Q4 included under the assumption that volumes will be as today
Thank You!