



YA Holding AB (publ) Investor presentation Q3 2018

Jan Larsson CEO

Mikael Vesterlund CFO

November 30, 2018

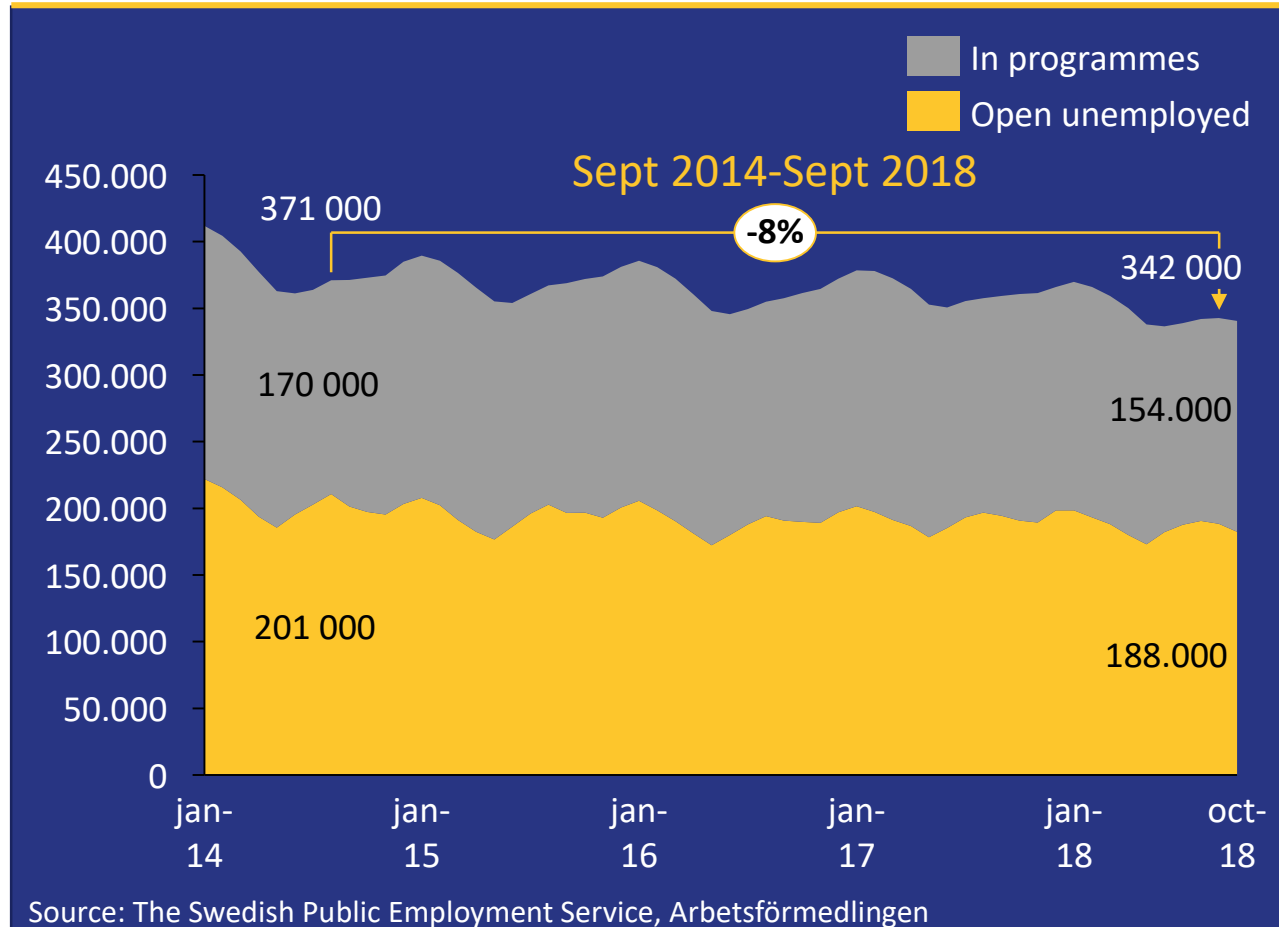
Market situation



Still more than 300 000 unemployed – and continued largelack of skills on labour market

Unemployment Sweden 2014-2018

January 2014-Oct 2018

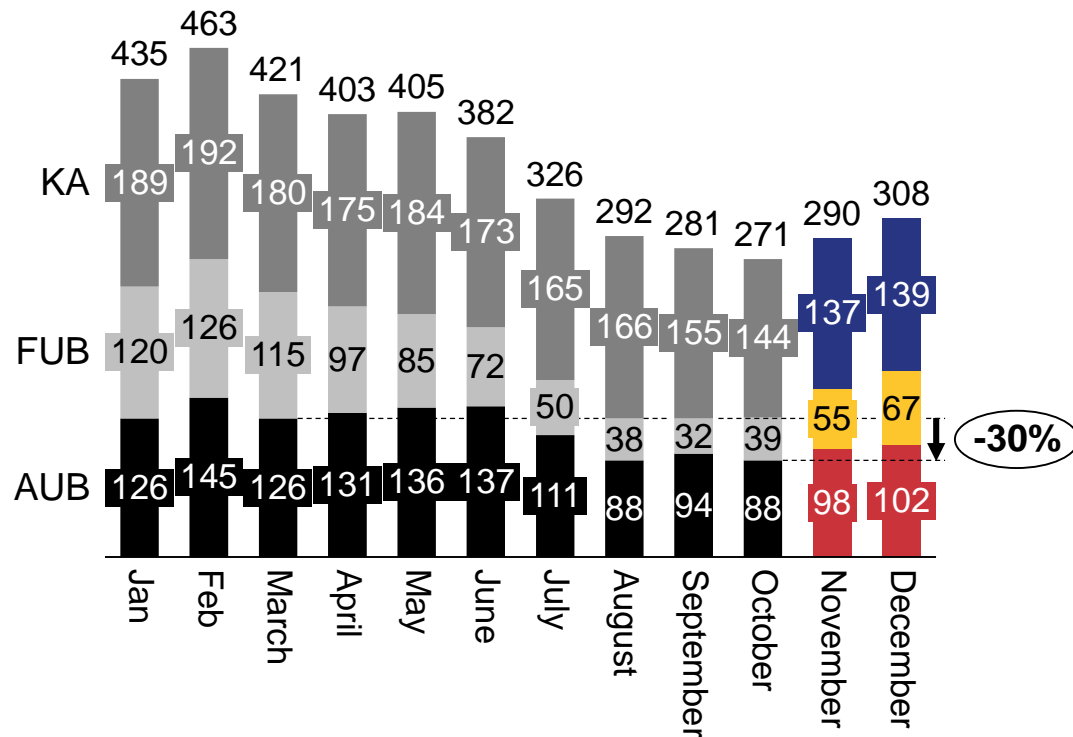


Continued need for competence to immigrants in September

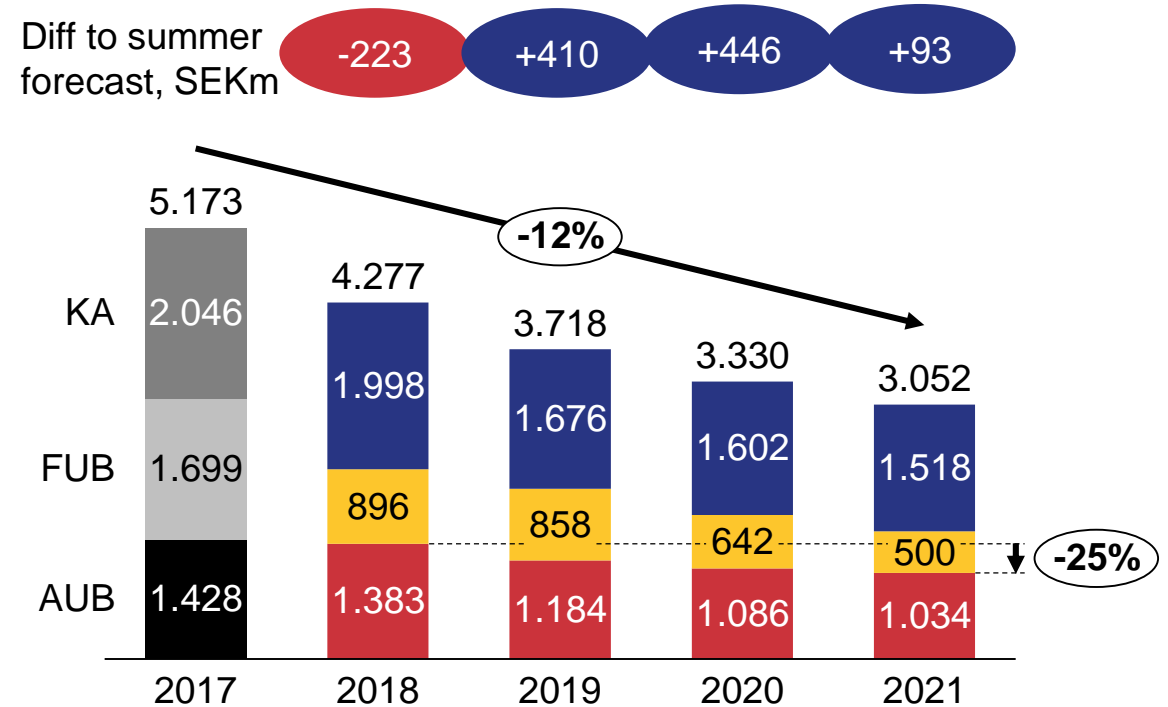
- **Slowly reduced unemployment.** In September, 343' (6.9%) were unemployed, which is 17' fewer than 2017. 154' were in employment programmes.
- **New announced open positions** above 100.000 since 2016 – more than double average 1992-2015
- **Improving situation for youth.** Unemployment down below 10% for youth (18-24 years)
- **Lower unemployment among foreigners.** 164' born outside of Europe (6')
- **Full employment for Swedes.** Unemployment among Sweden borns down to 3.6% in September (-0.3)
- **7 regions below 6%.** Gotland lowest. Stockholm, Norrbotten and 4 more <6%.

The employment service reduced spend on activities more than anticipated in 2018 but increased forecasts for 2019 and 2020

Spend in 2018, per month

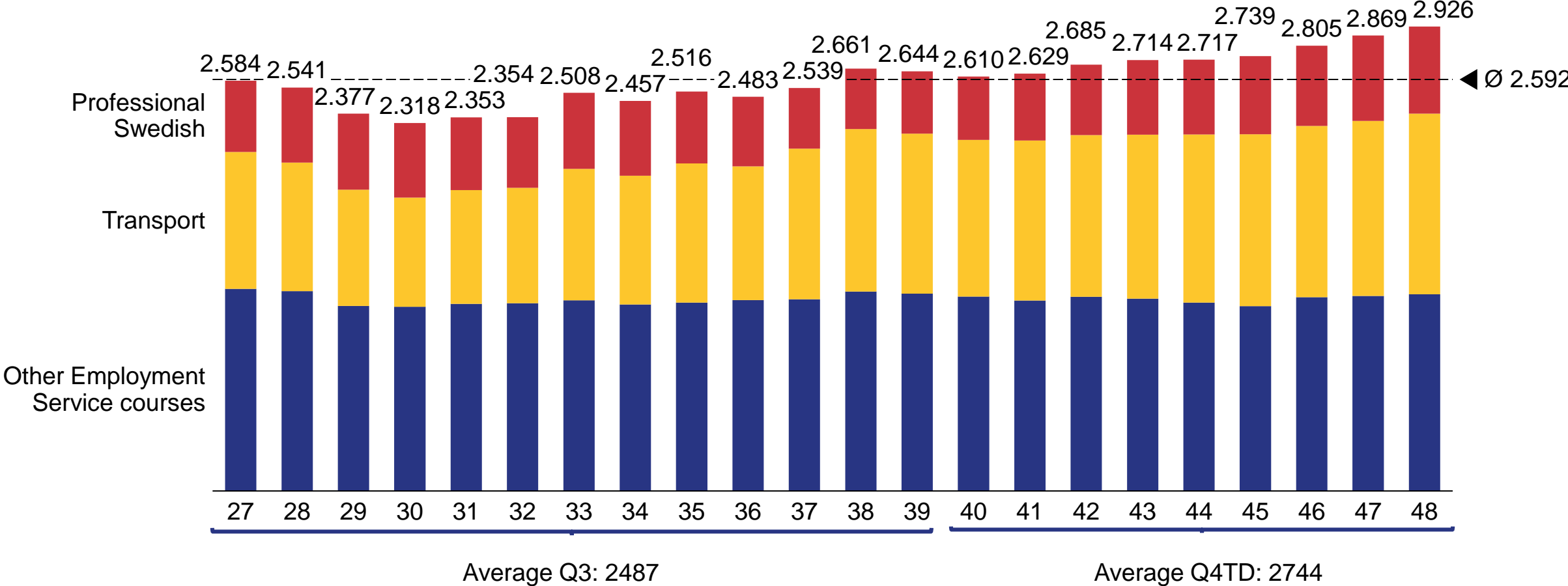


Forecasts, 2018 to 2021

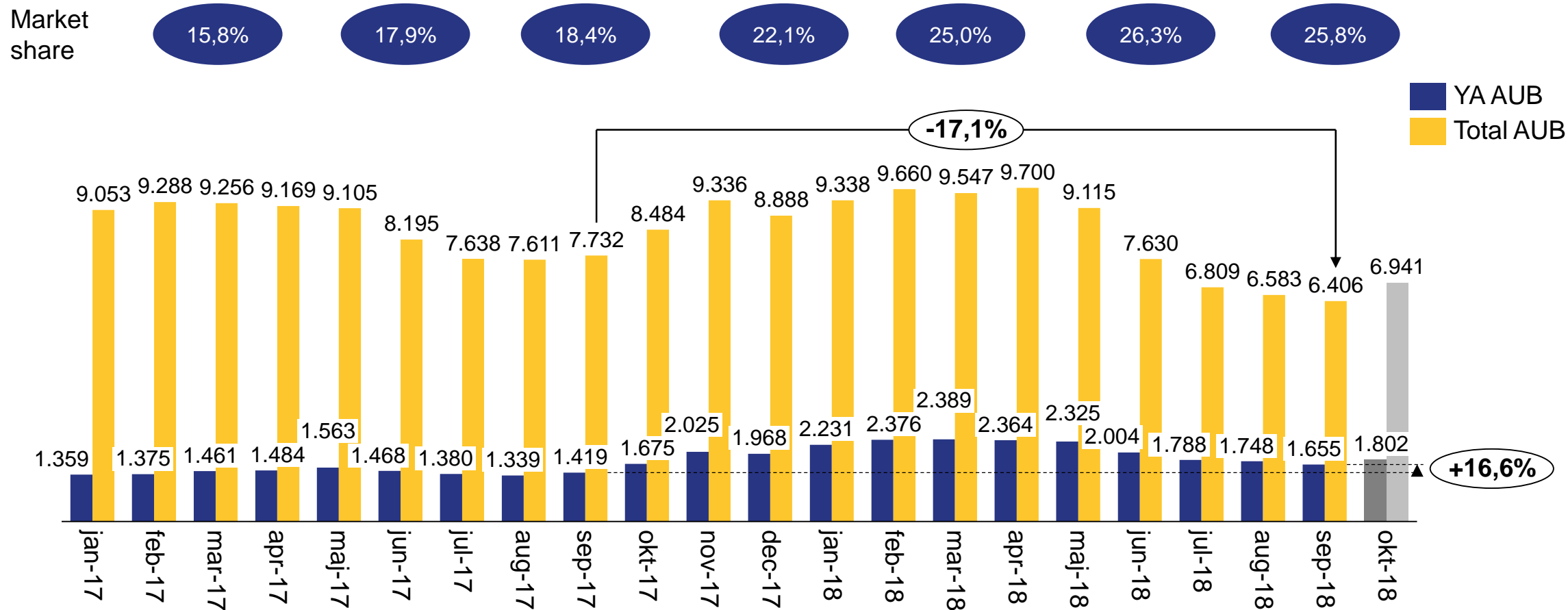


Although slowly, YA's volumes in Employment education continue to increase

Number of participants
per week in Q3 and YTD Q4



YA has increased its market share by 10 percentage points since last year

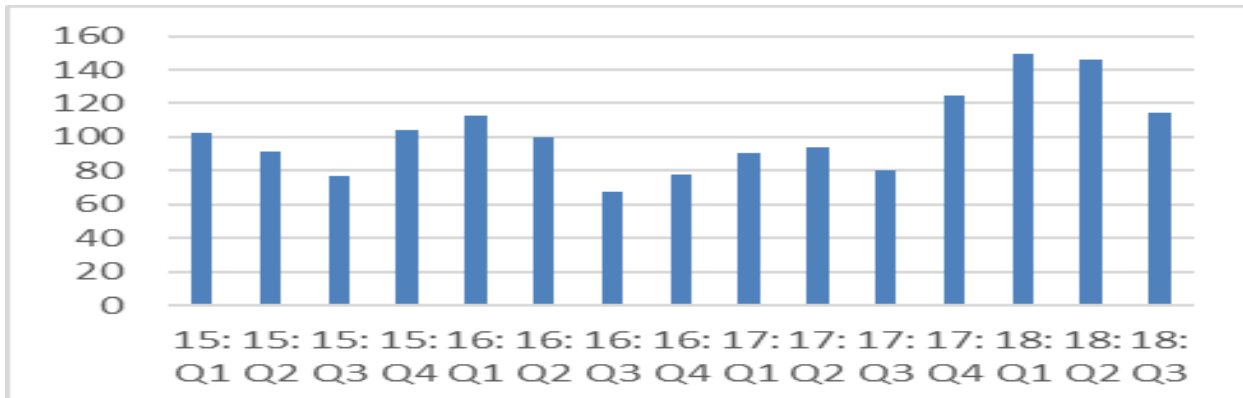


Financial information

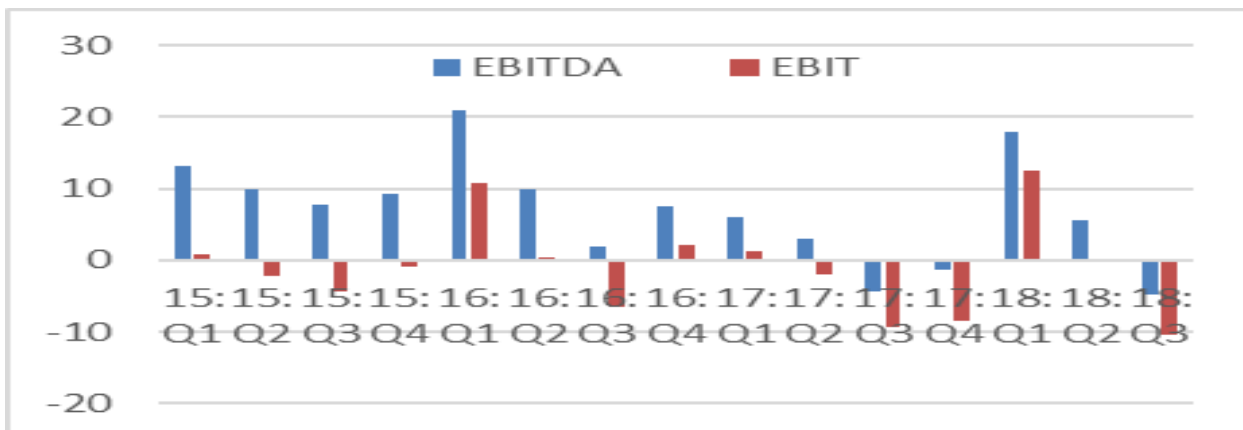


Profit & loss Q3 2018

Turn-over, per quarter, SEK million



Profit, per quarter, SEK million



- ▶ Revenues were SEK 114.1 million (80.3) in the quarter.
- ▶ The average number of students in AUB has been 2281 (1475) for the period.
- ▶ EBITDA amounted to SEK -4.7 million (-4.0)
- ▶ EBITDA margin -4.2% (-5.5%) and EBIT-margin -9.2% (-11.8%)

Balance sheet and cash flow

- ▶ Cash balance amounted to SEK 1.9 million (5.0) at the end of the quarter.
- ▶ Cash flow amounted to SEK -3.0 million (-7.6).
- ▶ Cash flow from operating activities amounted to SEK -11.8 million (-15.9).
- ▶ Change in Working capital was SEK 3.0 million (23.6).
- ▶ Net debt amounted to SEK 401.2 million (393.1).

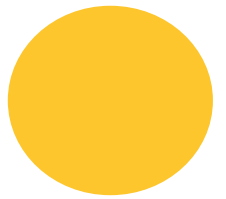
Cashflow Q3

	Q3
EBITDA	-4,7
Change in working capital	1,2
Cash flow before interest and taxes	-3,5
Interest paid	-7,4
Income tax paid	-0,8
Cash flow from operating activities	-11,7
Cash flow from investing activities	1,9
Cash flow from financing activities	6,8
Cash flow for the period	-3,0

Delivery

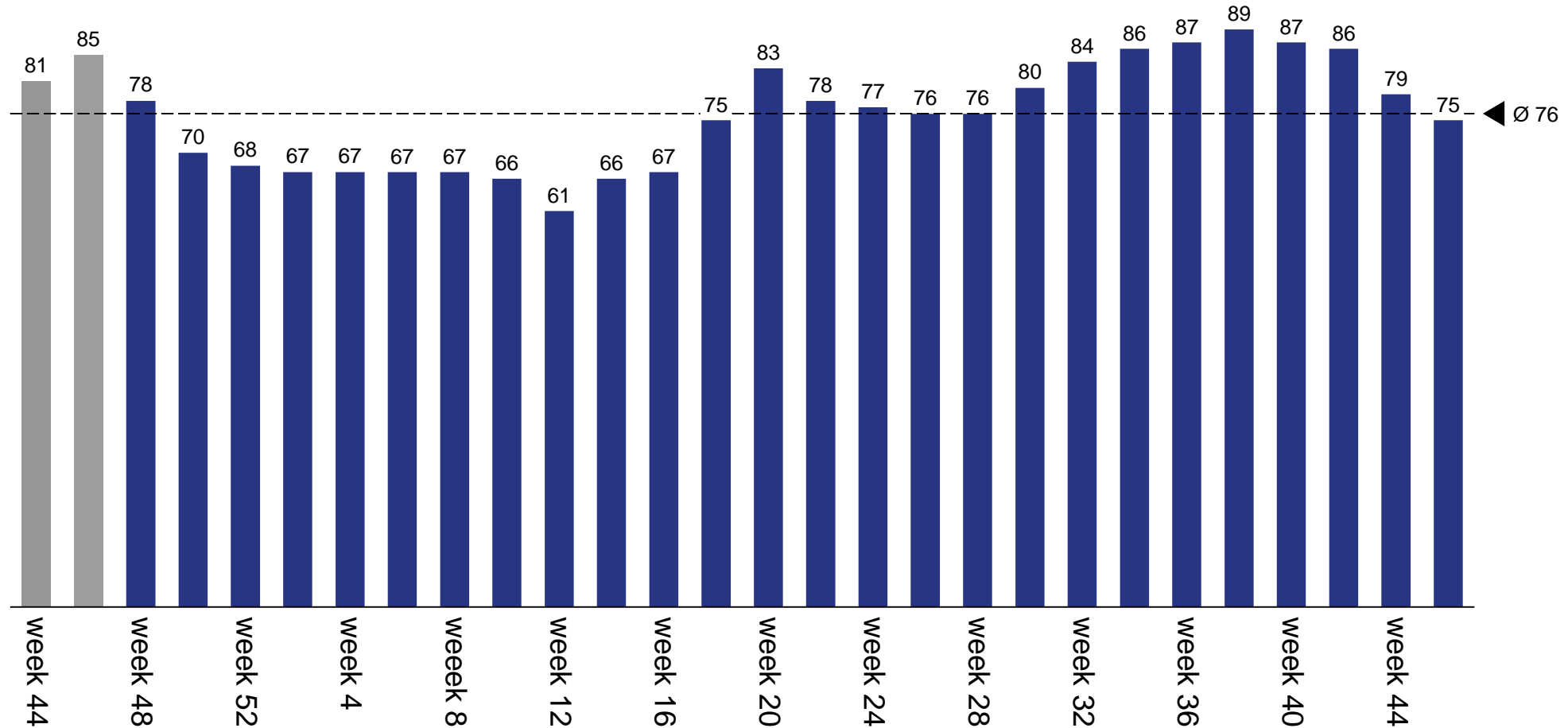


High share of participants employed after course



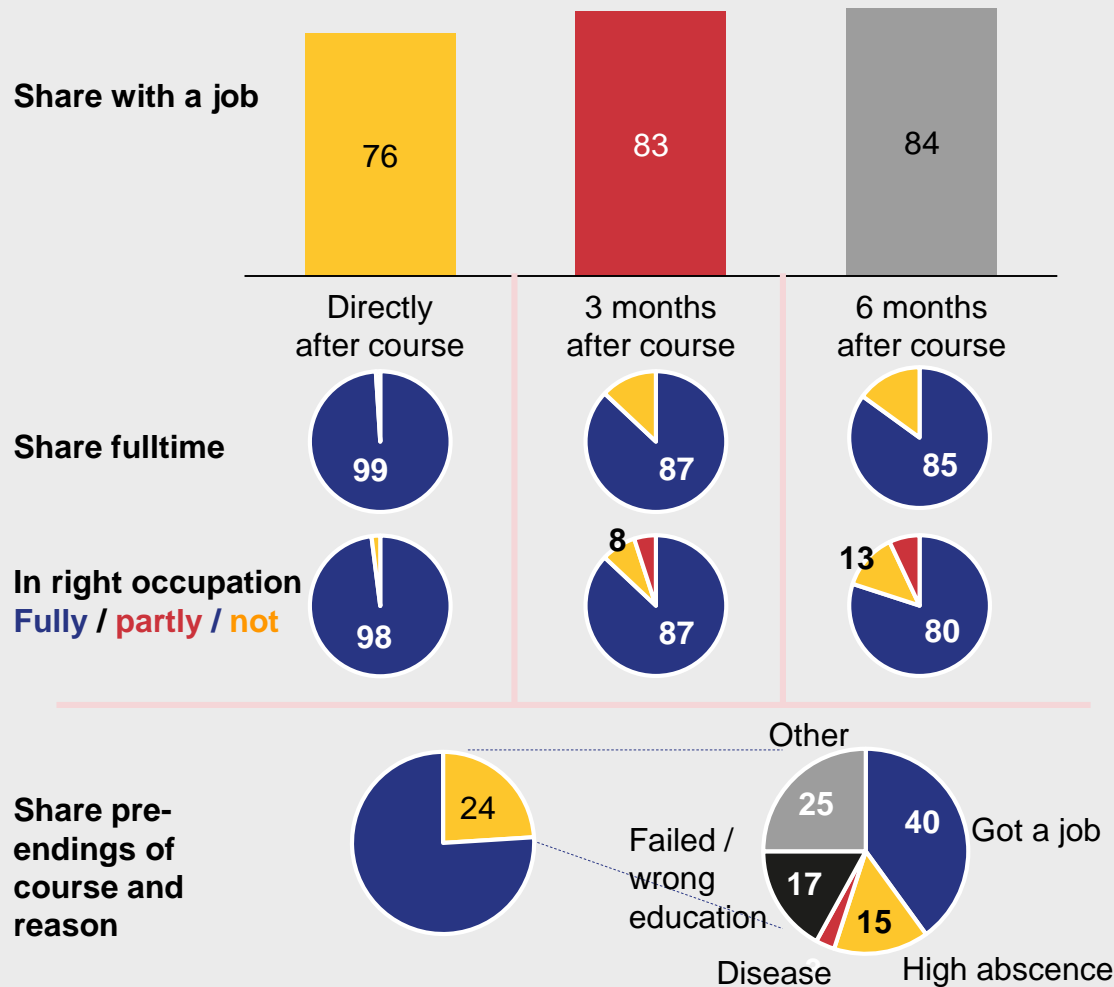
Share of participants in work

Three months after education end, average last 8 weeks, based on participants' answers



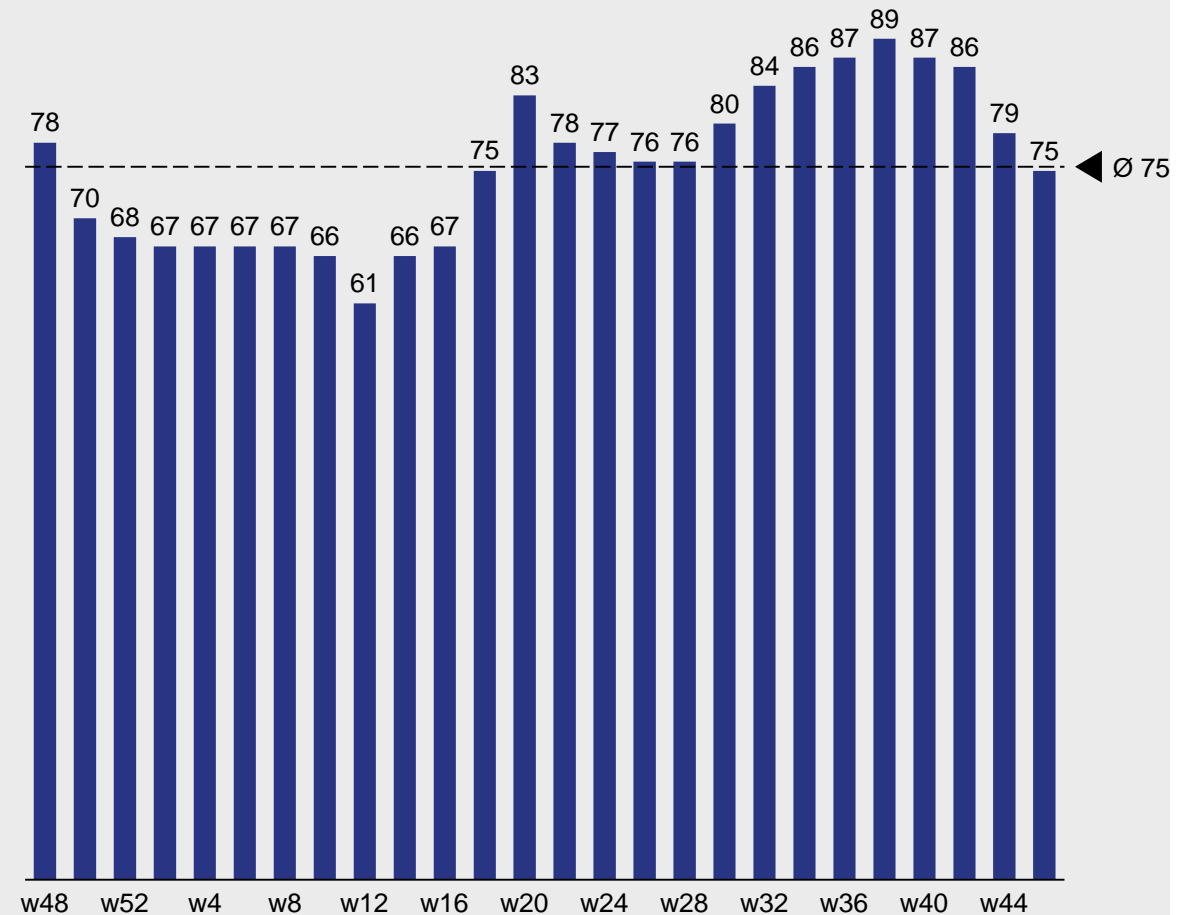
Continued high share of participants employed 3 months after education in September

Share employed
All YA: Average last four months*



Development one year back

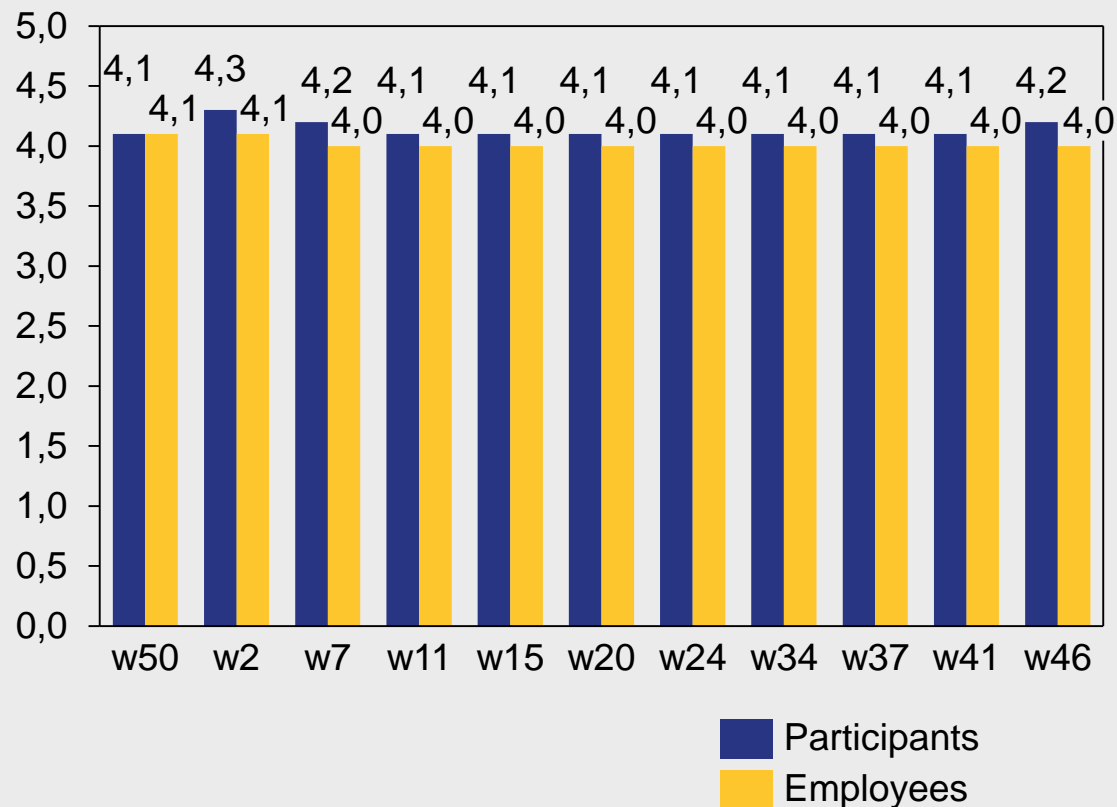
Share with a job 3 months after education end
- Average last 8 weeks



YA maintain stable and high satisfaction among participants and employees

Satisfaction survey

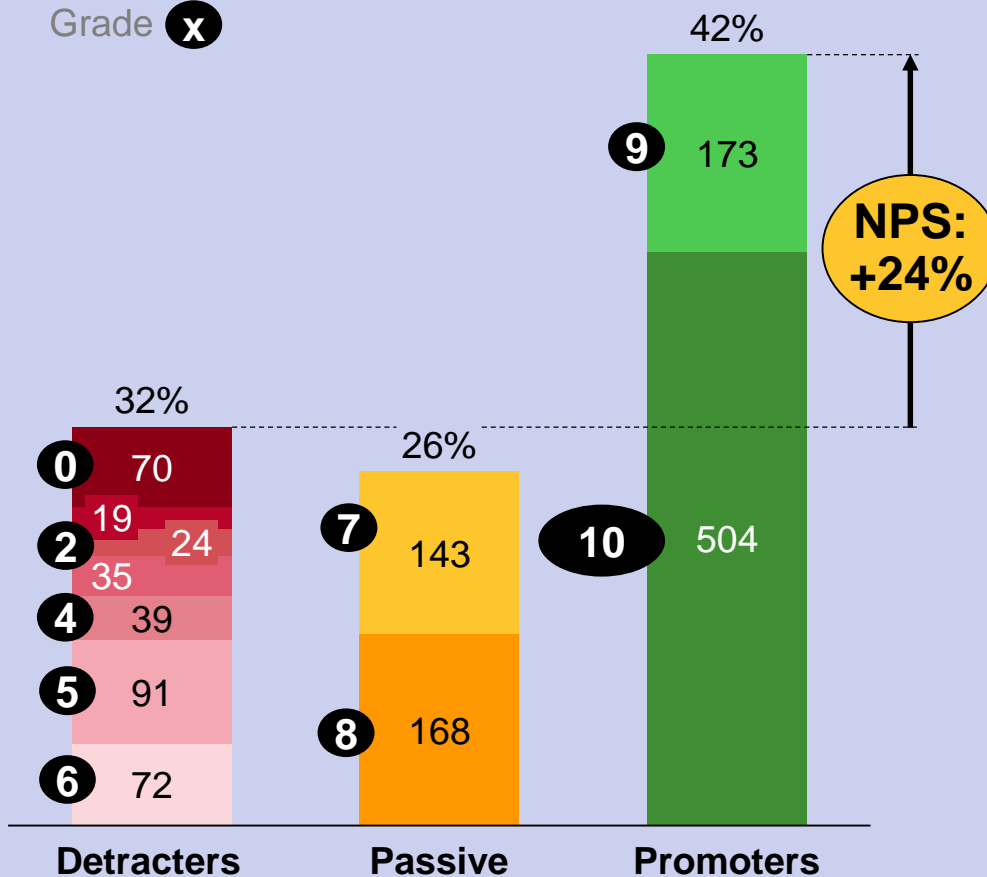
Average of five (participants) and eight (employees) questions (grade 0-5)



Positive NPS – loyalty index week 34

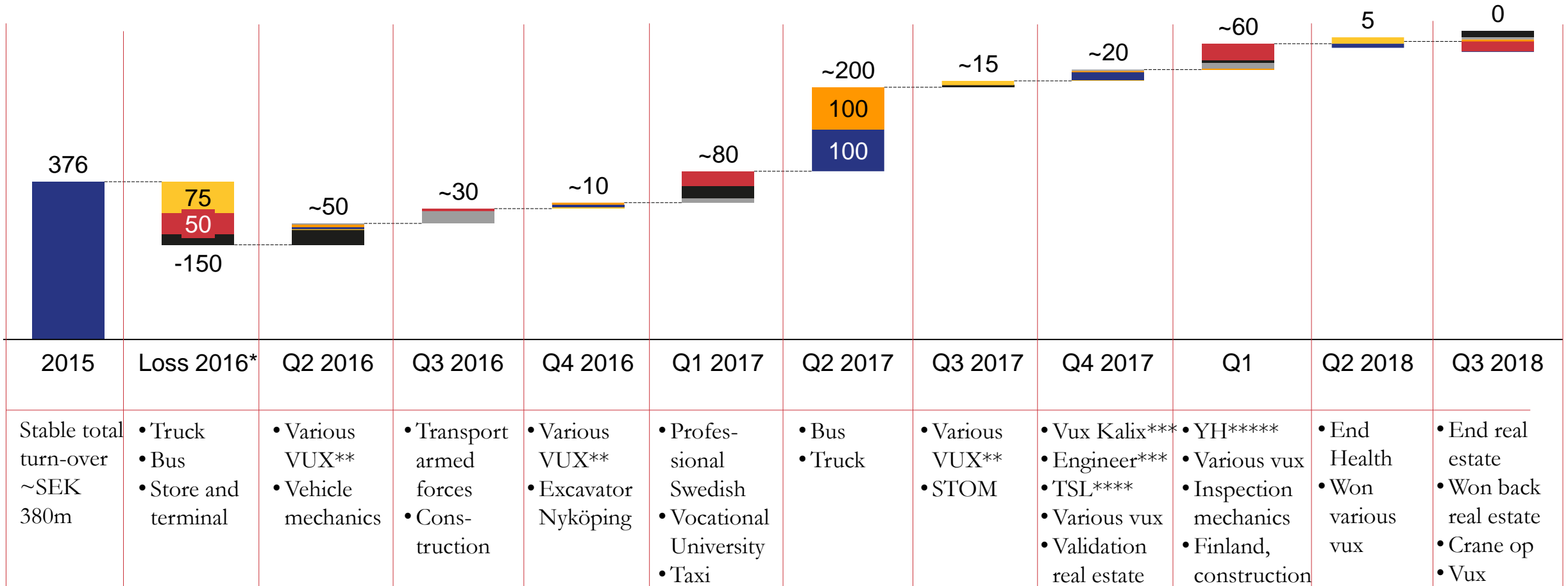
"How likely is it that you would recommend YA?"

Grade **x**



The growth strategy in 2016 has towards less growth and more profitability

Turn-over and contract value change 2015-18



*Actual results 2016: Turn-over: SEK358m, EBITDA SEK44m, 11%

**VUX: Abbreviation for Vocational high school education

*** Re-won contracts, net effect probably small, if any

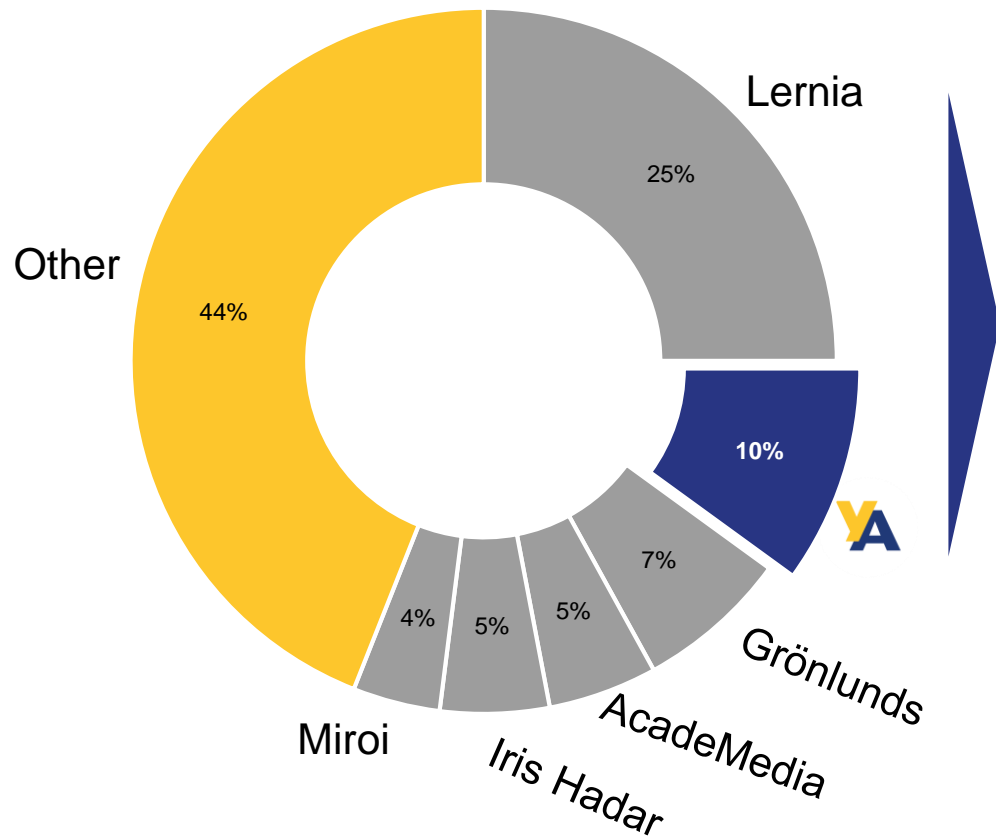
**** Will contribute only marginally in 2018 due to economic upturn

***** Vocational university, full effect 2019

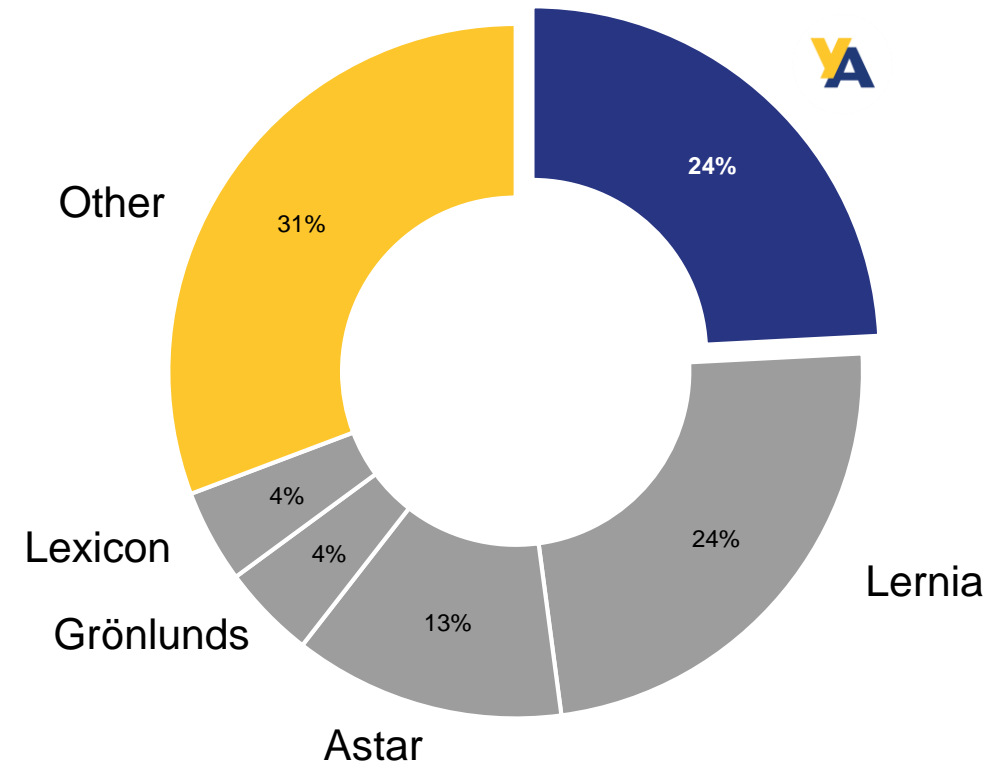
On a consolidating market, YrkesAkademin has become the largest Swedish provider of Employment education (AUB)

Market shares in AUB has more than doubled since 2014

Market share 2014



Market share LTM



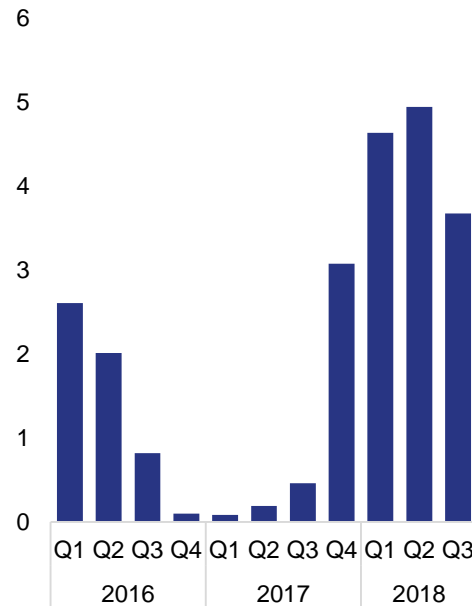
Still, profitability is subdued because of start-up costs and lower market volumes

Temporarily lost contracts...

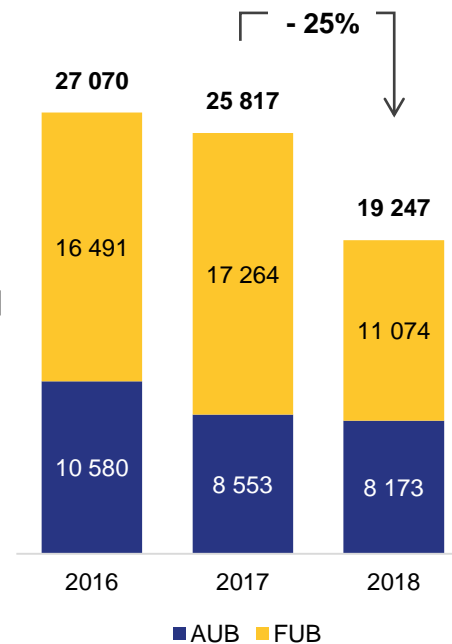
...and a declining market...

...resulted in deteriorating profitability despite top line growth

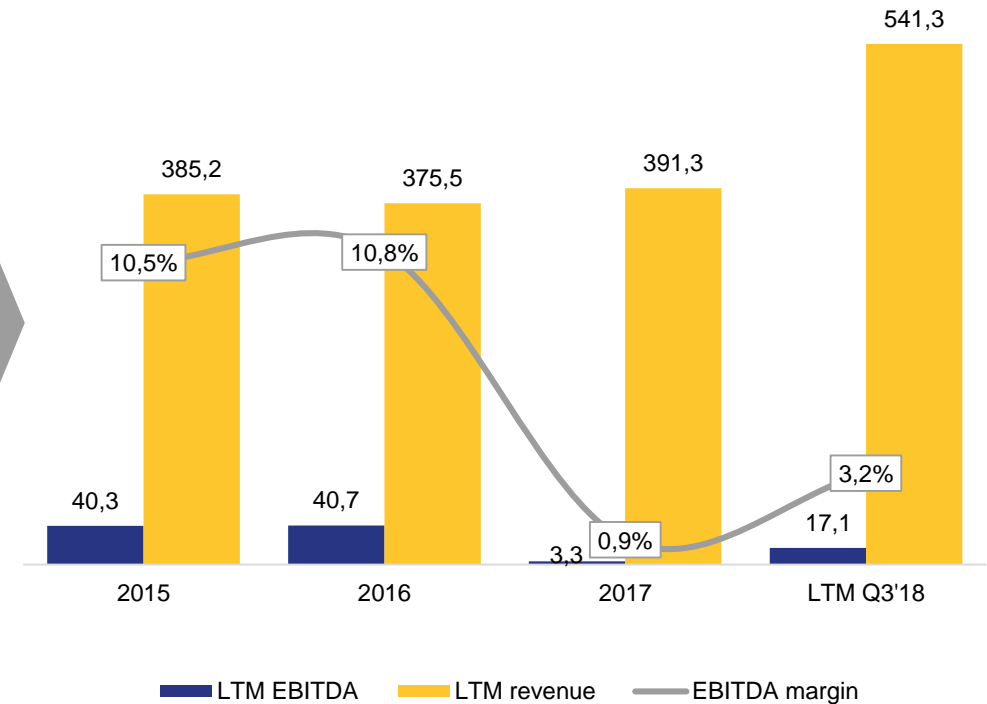
Monthly avg. participants in transport education (thousand)



Avg. number of participant in the market



SEKm

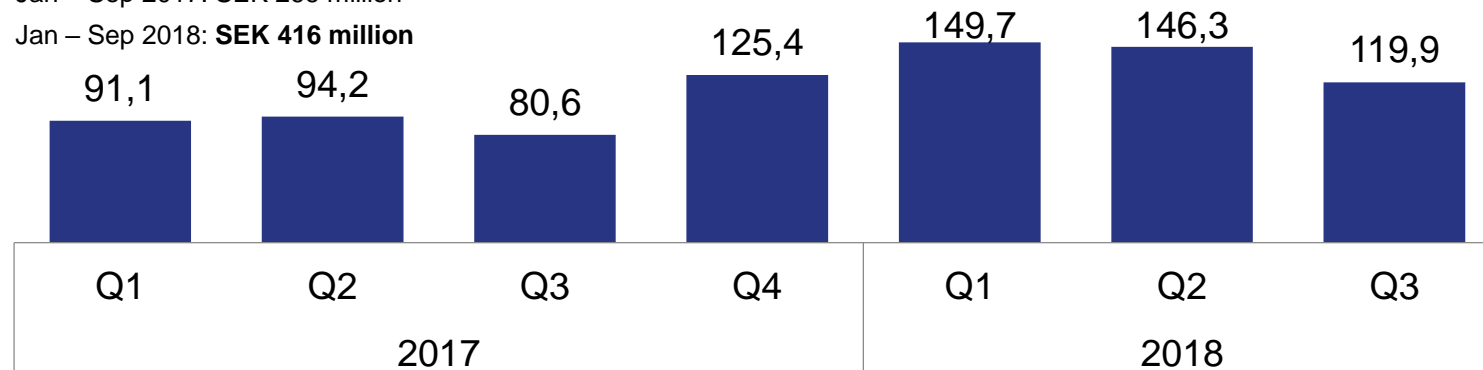


Profitability is better in 2018 than 2017, but more needs to be done

Quarterly revenue development, Q1 2017 – Q3 2018, SEKm

Jan – Sep 2017: SEK 266 million

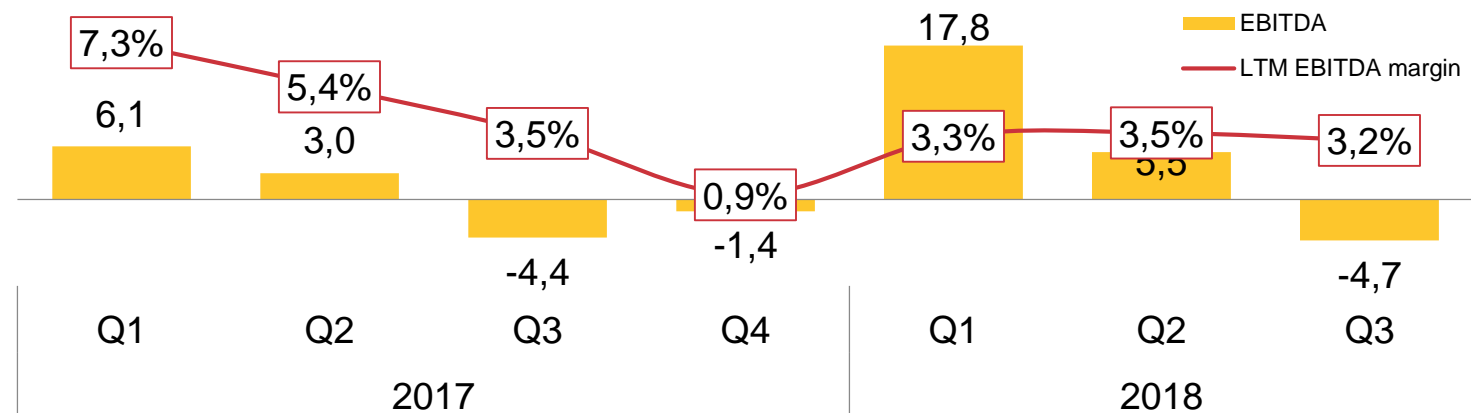
Jan – Sep 2018: **SEK 416 million**



Quarterly EBITDA development, Q1 2017 – Q3 2018, SEKm

Jan – Sep 2017: SEK 4.7 million

Jan – Sep 2018: **SEK 18.5 million**



Profitability ambition in 2019

Staff reduction: SEK 15-20m

Additional profitability levers:

General cost efficiency

Volume efficiency

- Fill YH and vux
- More stable AUB volumes

Volume growth

- Corporate sales
- Finland
- YH
- Vux

Bond refinancing:

- Pareto Securities has been engaged as financial adviser to explore available options.
- More information regarding the process will be announced when available.



Thank you!

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**Yrkes
Akademin**

Vi hjälper dig att lyckas!