

INTERIM REPORT

1 JANUARY – 30 SEPTEMBER 2021



CONTINUED HIGH GROWTH AND LAUNCH OF NEW PRODUCT

INTERIM REPORT 1 JANUARY – 30 SEPTEMBER 2021 1 JULY – 30 SEPTEMBER 2021

- Annual recurring revenue (ARR) amounted to 81.0 (46.7) MSEK, an increase of 73 percent compared to the third quarter of 2020, of which all relates to organic growth.
- Net sales amounted to SEK 17,520 (9,523) thousand, an increase of 84 percent compared to the third quarter of 2020, of which all relates to organic growth.
- EBITA amounted to SEK -17,915 (-3,378) thousand. Nonrecurring items affected EBITA with SEK 1.9 million.
- Profit before tax for the period amounted to SEK -18,004 (-3,416) thousand.
- Profit after tax for the period amounted to SEK -18,004 (-3,416) thousand.
- Earnings per share amounted to SEK -1.48* (-87.81), before and after dilution.
- Cash flow from operating activities amounted to SEK -11,759 (1,731) thousand.
- Net cash (-) / debt (+) at the end of the period amounted to SEK -29,247 (-8,230) thousand.

1 JANUARY – 30 SEPTEMBER 2021

- Annual recurring revenue (ARR) amounted to 81.0 (46.7) MSEK, an increase of 73 percent compared to the third quarter of 2020, of which all relates to organic growth.
- Net sales amounted to SEK 44,028 (15,445) thousand, an increase of 185 percent compared to the same period in 2020, of which all related to organic growth.
- EBITA amounted to SEK -40,411 (-17,984) thousand. Nonrecurring items affected EBITA with SEK 1.9 million.
- Profit before tax for the period amounted to SEK -40,642 (-18,148) thousand.
- Profit after tax for the period amounted to SEK -40,642 (-18,148) thousand.
- Earnings per share amounted to SEK -3.34* (-465.99), before and after dilution.
- Cash flow from operating activities amounted to SEK -33,555 (-5,981) thousand.
- Net cash (-) / debt (+) at the end of the period amounted to SEK -29,247 (-8,230) thousand.

*Earnings per share have been calculated for 2021 with the share split (250:1) registered on 25 August 2021

SIGNIFICANT EVENTS DURING THE THIRD QUARTER 2021

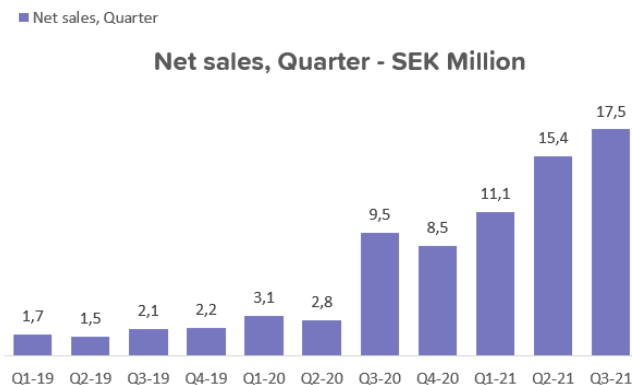
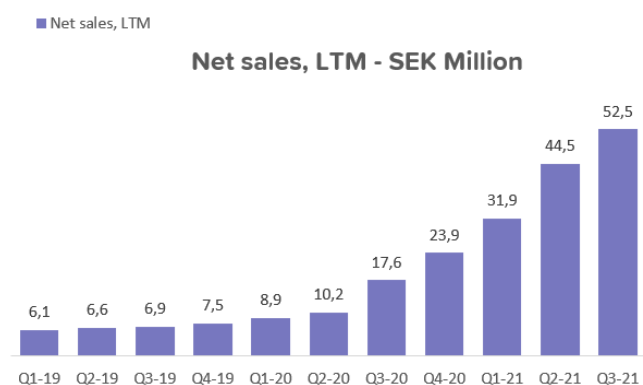
- In July, Albert Code was launched on the Swedish market with the goal of teaching children to program.
- In July 2021, Albert Standard was launched as a new subscription plan. This enables a user to use all of Albert's products for a monthly payment of SEK 139.
- In August, the shares regulated in connection with the warrants during June 2021 were registered, which resulted in 406 new shares and an increase in the share capital by SEK 2 thousand.
- During August, a capitalization issue was carried out without issuing new shares, which resulted in the share capital increasing by SEK 365 thousand. Albert also increased the company's shares by dividing each share into a ratio of 250: 1, whereby the number of shares increased from 48,729 to 12,182,250.
- In September, the intention to list Albert on the Nasdaq First North Growth Market was announced. The offer was heavily oversubscribed, and the company added more than 6,500 new shareholders. The first trading day took place on 1 October.

KEY FIGURES IN FOCUS

SEK Thousand	Jul-Sep		Jan-Sep		Jan-Dec	Rolling 12 months
	2021	2020	2021	2020	2020	
Net sales	17,520	9,523	44,028	15,445	23,907	52,490
Percentage change compared to comparison period	84%		185%			198%
EBITA	-17,915	-3,378	-40,411	-17,984	-26,153	-48,579
Percentage change compared to comparison period	-430%		-54%			-115%
EBITA margin (%)	-	-	-	-	-	-
Profit before tax for the period	-18,004	-3,416	-40,642	-18,148	-26,381	-48,875
Percentage change compared to comparison period	-427%		-124%			-118%
Profit after tax for the period	-18,004	-3,416	-40,642	-18,148	-26,381	-48,875
Earnings per share (SEK)*	-1.48	-87.81	-3.34	-465.99	-677.40	-4.01
Cash flow from operating activities	-11,759	1,731	-33,555	-5,981	-11,907	-39,481
Cash flow for the period	-13,180	103	-38,293	-10,583	47,821	20,111

*Refers to both before and after dilution when the amount is negative

Operational key figures	30-Sep	2020	31-Dec	Rolling 12 months
	2021		2020	
Paying subscribers (thousands)	66.8	49.7	37.1	66.8
ARPPU (SEK)	101.0	84.7	84.5	101.0
ARR (MSEK)	81.0	46.7	37.6	81.0

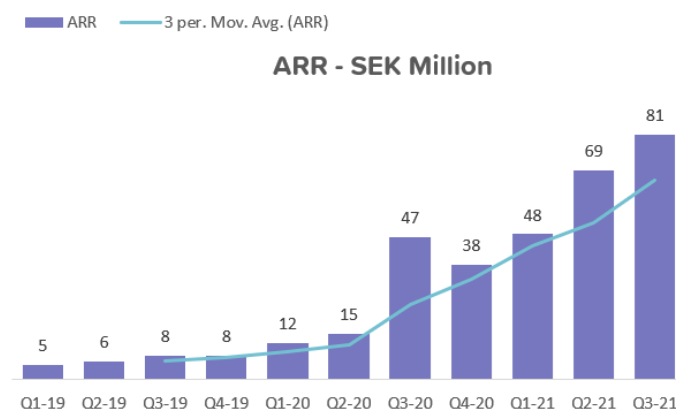


FOUNDER'S COMMENT

This is Albert's first interim report as a listed company, and it therefore feels extra fun to be able to present a quarter with continued growth and several strategic advances.

Net sales amounted to SEK 17.5 million, corresponding to an increase of 84 percent compared with the third quarter last year. At the same time, annual recurring income (ARR) amounted to SEK 81.0 million, corresponding to an increase of 73 percent. It should be noted that the comparative figures are tougher than earlier this year. During the second quarter of 2020, we launched a campaign with a longer trial period where all new users became paying subscribers during the third quarter. Against this background, we are particularly pleased with the growth in the period and pace with our financial targets according to plan.

In addition to more subscribers, an increase in the average revenue per paying user (ARPPU) is also behind the growth. The development is driven by our newer subscription types Albert Standard and Albert Plus, which give the user access to all products. It is clear that our customers increasingly prefer these subscriptions and that the perceived value will be higher than when they only pay for one product.



We currently prioritize growth over profitability, which means increased marketing costs in all markets and consequently negative EBITA. In the third quarter of last year, we converted to profitability during the final phase of the capital raising, which is reflected in the comparison between the quarters. But given the underlying profitability of each new customer, we then chose to focus again on growth during the fourth quarter of 2020. We think this flexibility in the business model is a strength and when we judge that we are large enough, we will be able to achieve margins in accordance with our financial targets.

In July, we launched the new Albert Code app, which teaches basic principles in programming - an area that we believe will become increasingly important in all children's education in the future. Earlier this year, we also launched the reading and writing app Albert ABC and the geography app Albert Geo. The initial feedback on all newly launched products has been positive and we continue to develop content and functionality. A strengthened offer and a broadening of our product portfolio is important to us and the promise we give parents and children to offer fun and individualized learning according to the current curriculum.

After the end of the quarter, after a successful evaluation period, we launched Albert widely in the UK. It is an exciting market where we see great opportunities to grow over time. In general, it can be stated that there is no dominant European player in our niche and that competition in each market is fragmented. This means good conditions for Albert's continued growth in Europe and we are constantly evaluating new potential markets.

Finally, we are proud of the interest that Albert met in connection with the listing on the Nasdaq First North Growth Market and it is with great enthusiasm that we have now begun the next phase in the company's development. With the help of the issue capital, we will invest in growth where both continued innovation and acquisitions are part of the strategy going forward - always with a clear focus on democratizing knowledge through technology. We would like to take this opportunity to thank all our colleagues for a fantastic job up to where we are now, and welcome all new shareholders on the journey ahead!

The founder's,

Arta Mandegari & Salman Eskandari



eEducation Albert – FINANCIAL TARGETS

The following financial targets have been adopted by Albert's Board:

- Albert targets to grow net sales on average by more than 50 percent per year in the medium term, of which organic growth will constitute the majority, and to achieve net sales exceeding SEK 500 million for the full year 2025
- Albert targets an EBITA margin of 40 percent in the long term



FINANCIAL OVERVIEW

THIRD QUARTER

GENERAL

During the period, Albert continued its expansion in both Sweden and Europe in accordance with its growth strategy. Albert has increased net sales by 84 percent during the quarter July - September 2021 compared to the comparison period 2020. In addition, Albert has continued the internal development work of products with the launch of the Albert Code, which will teach children basic principles in programming, during the beginning of the quarter.

NET SALES & RESULT

Net sales during the quarter amounted to SEK 17,520 (9,523) thousand, which is an increase of 84 percent. The launch in new markets such as Norway and Poland in the autumn of 2020 and Denmark in the first quarter of 2021 has contributed to a reduction in dependence on Sweden and now amounts to a share of 58 (100) percent in the third quarter. Some increase, SEK 538 thousand, of net sales during the quarter has also been driven by a change in the estimate and assessment regarding sales via the Apple App Store and Google Play, see Note 2 for further information on this handling.

The increase in net sales is driven by growth in the number of paying subscribers and average revenue per paying user (ARPPU). ARPPU has increased between the periods, when Albert Plus was launched, which amounts to SEK 169 / month, and Albert Standard, which amounts to SEK 139 / month. Albert Plus enables up to 4 users and access to all products, while Albert Standard gives 1 user access to all products.

The adjusted gross margin amounted to 91 (99) percent. The company's direct sales costs refer to

platform fees, royalties, licenses, and fees for payment management.

EBITA for the quarter decreased to SEK -17,915 (-3,378) thousand and is due to the investment in growth that the company has made and which has meant that marketing costs have increased during the year compared to the third quarter of 2020. During the third quarter of 2020, the company switched to profitability in a shorter period and reduced marketing costs, thus improving EBITA during the period. During the period, the company was also charged with costs of SEK 1.9 million attributable to listing of the company's shares on the Nasdaq First North Growth Market.

The EBITA margin remains negative and has been affected by marketing activities during the period in accordance with the financial targets for organic growth.

Profit for the period amounted to SEK -18,004 (-3,416) thousand. Earnings per share before and after dilution amounted to SEK -1.48 (-87.71).

CASH FLOW & WORKING CAPITAL

Cash flow from operating activities amounted to SEK -11,759 (1,731) thousand. Cash flow decreased during the period due to a lower operating profit. This is because Albert focuses on continued organic growth in accordance with the financial goals.

Working capital as of September 30 amounted to SEK -3,812 (498) thousand, an improvement mainly due to increased accounts payable and accrued expenses. This is made possible due to the company's financial structure where compensation from customers is received in advance while suppliers and other costs are paid in arrears. Cash and cash equivalents at the end of the period amounted to SEK 30,209 (10,098) thousand.

JANUARY - SEPTEMBER

GENERAL

Albert has increased net sales by 185 percent during the period January - September 2021 compared to January - September 2020. Albert has continued the internal development work of products with the launch of Albert ABC in early April, Albert Geo in June and Albert Code, which will teach children basics principles in programming, in early July.

NET SALES & RESULT

Albert's net sales during the period January - September amounted to SEK 44,028 (15,445) thousand, which is an increase of 185 percent. Sweden accounts for 62 (97) percent of net sales. Some increase, SEK 1,241 thousand of net sales during the period has been driven by a change in the estimate and assessment regarding sales via the Apple App Store and Google Play, see Note 2 for further information on this handling.

The increase in net sales is driven by growth in the number of paying subscribers and average revenue per paying user (ARPPU). Part of the increase in paying subscribers is attributable to the campaigns that Albert had active in the spring of 2020, where all additional subscribers used Albert's products for free and became paying subscribers during the following quarter. ARPPU has increased between the periods after the launch of Albert Plus and Albert Standard.

The adjusted gross margin amounted to 91 (97) percent. The company's direct sales costs refer to platform fees, royalties, licenses and fees for payment management.

EBITA for the period decreased to SEK -40,411 (-17,984) thousand. EBITA has deteriorated during the year as Albert focuses on continued growth, which has increased marketing costs during the period compared to 2020. This is to increase the number of subscribers, which is expected to have an effect during the year. The EBITA margin remains negative but has improved as a result of the company's economies of scale in operations, where personnel costs do not increase to the same extent as net sales and the fact that marketing costs have led to increased net sales. During the period, the company was also charged with costs of SEK 1.9 million attributable to listing of the company's shares on the Nasdaq First North Growth Market.

Profit for the period amounted to SEK -40,642 (-18,148) thousand. Earnings per share before and after dilution amounted to SEK -3.34 (-465.99).

CASH FLOW & WORKING CAPITAL

Cash flow from operating activities amounted to SEK -33,555 thousand (-5,981). Cash flow decreased during the period due to poorer operating profit due to Albert's focus on organic growth. Working capital as of September 30 amounted to SEK -3,812 (498) thousand. This has improved mainly due to increased accounts payable and accrued costs. This is made possible due to the company's financial structure where compensation from customers is received in advance while suppliers and other costs are paid in arrears. Cash and cash equivalents at the end of the period amounted to SEK 30,209 (10,098) thousand.

OTHER INFORMATION

SIGNIFICANT EVENTS DURING THE THIRD QUARTER OF 2021

In July 2021, the Albert Code was launched to enable Albert users to learn the basics of programming.

In July 2021, Albert Standard was launched as now the subscription plan. This enables a user to use all of Albert's products for a monthly cost of SEK 139.

In August, the shares that were regulated in connection with the warrants during June 2021 were registered, which resulted in 406 new shares and an increase in the share capital by SEK 2 thousand.

During August, a bonus issue was carried out without the issue of new shares, which resulted in the share capital increasing by SEK 365 thousand. Albert also increased the company's shares by dividing each share into a ratio of 250: 1, whereby the number of shares increased from 48,729 to 12,182,250.

In September, Albert announced his intention to list the company's shares on the Nasdaq First North Growth Market and also published the prospectus prior to the listing. See Note 7 for other information regarding the listing that occurred after the end of the period.

INVESTMENTS

During the period, Albert invested SEK 1,210 (1,418) thousand in self developed intangible assets, which refers to the development of new products and the launch of new functions in current products. The investment refers to the capitalization of development expenses for development, such as

personnel costs for employees in product and technology development and the purchase of consultants.

FINANCING

Albert has outstanding debts to credit institutions totaling SEK 962 (1,868) thousand. The equity / assets ratio amounts to 68 (68) percent as of September 30, 2021, and the net debt amounted to SEK - 29,247 (-8,230) thousand.

SIGNIFICANT RISKS AND UNCERTAINTIES

eEducation Albert AB (publ) is, like all other companies, exposed to risks in its operations. These risks include; The company operates in a competitive market, the company's continued ability to acquire new subscribers and the retention of existing, ability to tie in external partners. The company's board and management work continuously with risk management to minimize its effects. No additional risks were identified during the quarter.

TRANSACTIONS WITH RELATED PARTIES

Purchasing of marketing costs took place during the financial year from Schibsted, including Group companies that are deemed to be related parties, considering board representation and ownership. The transactions are part of eEducation Albert AB (publ)'s normal operations and took place on market terms. Total purchases during the period amounted to SEK 3,357 thousand.

OTHER INFORMATION

Upcoming reporting dates

Year-end report	24 February 2022
Interim Report, January – March	2 May 2022
Interim Report, January – June	18 July 2022

Certification

The Board of Directors and the CEO assure that the interim report provides a fair overview of the company's operations, position and results and describes significant risks and uncertainties that the company faces.

Signatures of the report

Gothenburg, 2 November 2021

Jacob Møller
Chairman

Richard Sandenskog
Board Member

Eva Nilsagård
Board Member

Helene Broms
Board Member

Paul Meyer
Board Member

Arta Mandegari
CEO

For further information, please contact:
Martin Dahlgren, Head of Finance
+46 73-909 26 31, martin@hejalbert.se

This information is such information that eEducation Albert is required to publish in accordance with the EU Market Abuse Regulation. The information was submitted, through the care of the above contact person, for publication on November 2, 2021, at 08.00.

Review

This interim report has not subject to review by the Company's auditors.

Parent Company income statement

SEK Thousands	Note	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Net sales	8	17,520	9,523	44,028	15,445	23,907
Capitalized work for own account	3	1,210	1,418	4,734	3,918	5,509
Other income		9	145	91	219	243
		18,739	11,085	48,853	19,582	29,659
Operating expenses						
Raw material and consumables		-1,397	-357	-4,298	-1,288	-2,225
Other external expenses		-30,106	-8,908	-68,737	-24,096	-36,531
Personnel expenses		-3,913	-3,434	-12,873	-8,154	-11,701
Depreciation, amortization and impairment of tangible and intangible assets	3	-1,237	-1,765	-3,356	-4,028	-5,354
Other operating expenses		–	–	–	–	–
Operating profit/loss		-17,915	-3,378	-40,411	-17,984	-26,153
Result from financial items						
Income from shares in group companies		–	–	25	–	-25
Interest costs and similar profit and loss items		-89	-38	-256	-164	-203
Result after financial items		-18,004	-3,416	-40,642	-18,148	-26,381
Tax on profit/loss for the period		–	–	–	–	–
Profit/loss for the period		-18,004	-3,416	-40,642	-18,148	-26,381
Earnings per share						
– before and after dilution (SEK)*		-1.48	-87.71	-3.34	-465.99	-677.40
Number of shares outstanding at the end of the reporting period		12,182,250	38,945	12,182,250	38,945	38,945
Average number of shares outstanding		12,131,500	38,945	12,114,850	38,945	38,945

*Refers to both before and after dilution when the amount is negative.

Parent Company balance sheet

SEK Thousands	Note	30 Sep 2021	30 Sep 2020	31 Dec 2020
ASSETS				
Fixed assets				
<i>Intangible assets</i>				
Capitalized development costs and similar work	3	6,505	4,558	4,886
Concessions, patents, license, brands as well as similar rights	3	42	208	167
		6,547	4,766	5,053
<i>Tangible fixed assets</i>				
Equipment, tools, and installations		150	268	265
		150	268	265
<i>Financial assets</i>				
Shares in group companies		88	88	88
Other non-current receivables		257	125	125
		345	213	213
Total fixed assets		7,042	5,247	5,531
Current assets				
Accounts receivables		5,033	83	11
Other receivables		1,397	16	2,359
Prepaid costs and accrued income		864	2,346	397
		7,294	2,445	2,767
Cash and bank deposits				
Cash and bank deposits		30,209	10,098	68,502
		30,209	10,098	68,502
Total current assets		37,503	12,543	71,269
TOTAL ASSETS		44,545	17,790	76,800

<i>SEK Thousands</i>	Note	30 Sep 2021	30 Sep 2020	31 Dec 2020
EQUITY AND LIABILITIES				
EQUITY				
<i>Restricted equity</i>				
Share capital		609	195	195
Fund for development costs		6,505	4,558	4,886
		7,114	4,753	5,081
<i>Non-restricted equity</i>				
Share premium reserve		148,266	81,363	147,584
Retained earnings		-84,532	-55,838	-56,166
Profit/loss for the period		-40,642	-18,148	-26,381
		23,092	7,377	65,036
Total equity		30,206	12,130	70,117
Non-current liabilities				
Other liabilities		58	1,028	817
Liabilities to group companies		20	20	20
		288	1,258	837
Current liabilities				
Accounts payable		5,631	661	446
Current tax liabilities		244	64	84
Other liabilities		2,911	2,603	2,846
Accrued expenses and deferred income		5,476	1,285	2,470
		14,261	4,613	5,846
TOTAL EQUITY AND LIABILITIES		44,545	17,790	76,800

Parent Company statement of changes in equity

	Restricted equity		Non-restricted equity		
	Share capital	Fund for development cost	Share premium reserve	Retained earnings incl. result	Total equity
SEK Thousands					
Opening equity 2020-01-01	195	4,429	81,363	-55,709	30,278
Effect of retroactive application					–
Adjusted equity 2020-01-01	195	4,429	81,363	-55,709	30,278
Result for the period				-18,148	-18,148
Changes directly against equity					
Translation difference					–
	–	–	–	–	–
Transactions with owners					
Dividend					–
Rights issue					–
Shareholder contribution					–
	–	–	–	–	–
Transfer between items in equity					
Fund for development costs		129		-129	–
	–	129	–	-129	–
Closing equity 2020-09-30	195	4,558	81,363	-73,986	12,130

<i>SEK Thousands</i>	Restricted equity		Non-restricted equity		Share capital
	Share capital	Fund for development cost	Share premium reserve	<i>SEK Thousands</i>	
Opening equity 2021-01-01	195	4,886	147,584	-82,548	70,117
Effect of retroactive application					–
Adjusted equity 2021-01-01	195	4,886	147,584	-82,548	70,117
Result for the period				-40,642	-40 642
<i>Changes directly against equity</i>					
Translation difference					–
<i>Transactions with owners</i>					–
Regulation of options			731		731
Rights issue	47		-47		–
Exercise of options	2		-2		–
Capitalization issue	365			-365	–
	414	–	682	-365	731
<i>Transfer between items in equity</i>					
Fund for development costs		1,619		-1,619	–
	–	1,619	–	-1,619	–
Closing equity 2021-09-30	609	6,505	148,266	-125,174	30,206

The number of shares outstanding as of the balance sheet date amounts to 12,182,250.

Parent Company cash flow statement

SEK Thousands	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Operating activities					
Operating profit/loss	-17,915	-3,378	-40,411	-17,984	-26,153
Adjustments for non-cash flow items	1,237	1,765	3,356	4,028	5,354
Interest paid	-88	-38	-255	-164	-203
Tax paid	112	28	160	64	84
Cash flow from operating activities before changes to working capital	-16,654	-1,623	-37,150	-14,057	-20,917
<i>Cash flow from changes in working capital</i>					
Decrease (+)/increase(-) in accounts receivable	-831	0	-5,022	-15	57
Decrease (+)/increase(-) in receivables	-133	2,062	363	7,519	7,125
Increase(+)/decrease (-) in accounts payable	2,985	-286	5,185	112	-104
Increase(+)/decrease (-) in current liabilities	2,874	1,578	3,070	460	1,932
Cash flow from operating activities	-11,759	1,731	-33,555	-5,981	-11,907
Investing activities					
Acquisition of tangible fixed assets	–	–	–	-117	-181
Acquisition of capitalised costs for development work and similar work	-1,210	-1,418	-4,734	-3,918	-5,509
Acquisition of Group companies	–	–	–	–	–
Sales of shares in Group companies	–	–	25	–	-25
Cash flow from investing activities	-1,210	-1,418	-4,709	-4,035	-5,715
Financing activities					
Redeemed warrants	–	–	731	–	–
New share issues for the year	–	–	–	–	66,220
Amortization of non-current loans	-210	-210	-760	-567	-777
Cash flow from financial activities	-210	-210	-29	-567	65,443
Cash flow for the year	-13,180	103	-38,293	-10,583	47,821
Cash and bank deposits at beginning of the year	43,389	9,996	68,502	20,681	20,681
Exchange rate difference in cash and bank deposits	–	–	–	–	–
Cash and bank deposits at end of the year	30,209	10,098	30,209	10,098	68,502

Notes

Note 1 Accounting principles

This interim report has been prepared in accordance with the Annual Accounts Act (1995:1554) and the accounting principles set out in BFNAR 2012: 1 Annual Report and Consolidated Accounts (K3). The same accounting principles and calculation bases have been applied as in the most recent annual report. All amounts are, unless otherwise stated, rounded to the nearest thousand.

eEducation Albert AB is the parent company, but with the support of ÅRL ch. Section 3 does not prepare any consolidated accounts. The subsidiary eEducation Albert Invest AB is a company without operations.

Note 2 Estimates and assessments

Preparing the interim report requires management to make assessments and estimates and to make assumptions that affect the application of the accounting principles and the reported amounts of assets, liabilities, income, and expenses. The actual outcome may differ from these estimates and judgments. In addition to what is described below, the critical assessments and sources of uncertainty in estimates are the same as in the most recent annual report.

During the nine months ended September 30, 2021, management has made new estimates regarding:

- In 2021, the company's management made a new assessment regarding the identified end customer linked to the sales that take place via the Appstore and GooglePlay. The end customer is now assessed regarding the end user of the product. This changed assessment has resulted in Albert now reporting net sales excluding paid platform fees and this is instead reported as an expense. In 2021, sales via Apple and Google have increased in scope, with detailed analysis of transaction flows and reconciliation of industry practices. In connection with this, a new assessment was made that the users of the products should be considered Albert's end customers.

The effect of this changed assessment has resulted in increased net sales of SEK 1,241 thousand and an additional cost of SEK 1,241 thousand for January – September 2021. The change has no effect on Albert's gross profit but has a negative effect on gross margin as net sales increase, but gross profit is unchanged. The changed assessment also resulted in payments from the platforms being reported as accounts receivable instead of previously reported as other current receivables. No adjustment has been made regarding the comparative figures.

Sales via Apple and Google have in previous years been limited in their scope, so that the changed assessment and its accounts are not considered to have a significant impact on the company's historical financial reports of change retroactively. The change would also not have had any effect on earnings as the reporting of platform fees affects net sales and direct sales costs by the same amount, leaving gross profit unchanged.

- As the business continues to focus on growth, a negative tax result is reported. This has resulted in loss carryforwards in the business. Considering the uncertainty about the future, the company's management has not chosen to value these as a deferred tax asset. As of September 30, 2021, Albert had a total loss deduction of SEK 116,340 thousand.

Note 3 Intangible and tangible fixed assets

Acquisitions and divestments

During the quarter, Albert capitalized work for his own account regarding capitalized expenses for development work. These development works relate to the development of the company's products such as Albert, Albert Junior, Albert ABC, Albert Geo and Albert Code. In total, these investments in the third quarter of 2021 amounted to SEK 1,210 (1,418) thousand.

Impairment and reversal of impairment

No impairments have taken place during the period.

Note 4 Equity

As of September 30, 2021, the registered share capital comprised 12,182,250 ordinary shares (38,945) with a quota value of SEK 0.05 (5).

Note 5 Share-based payments

As of the end of September 30, 2021, the company has a qualified employee stock option program consisting of a maximum of 1,473 option rights entitling to a maximum of 368,250 shares, whereby the share capital can increase by a maximum of SEK 18,215.5. The Company has entered into agreements with the respective participants for all options, whereby in the event of a call for exercise of the participant, the Board of Directors of the Company shall convene a general meeting where decisions on the issue of the corresponding number of shares shall be considered.

The qualified employee stock options are exercised for a period of three (3) years from the date of allotment and can thereafter be exercised by the option holder to subscribe for shares no later than one year thereafter. The last possible call date occurs in 2024. The exercise price for each share covered by the qualified employee stock options amounts to SEK 10.27.

Note 6 Pledged collateral

Albert has provided collateral in the form of corporate mortgages for loans to the credit institution. As collateral, these pledged assets amounted to SEK 4,000 (4,000) thousand as of September 30, 2021.

Note 7 Events following the balance sheet date

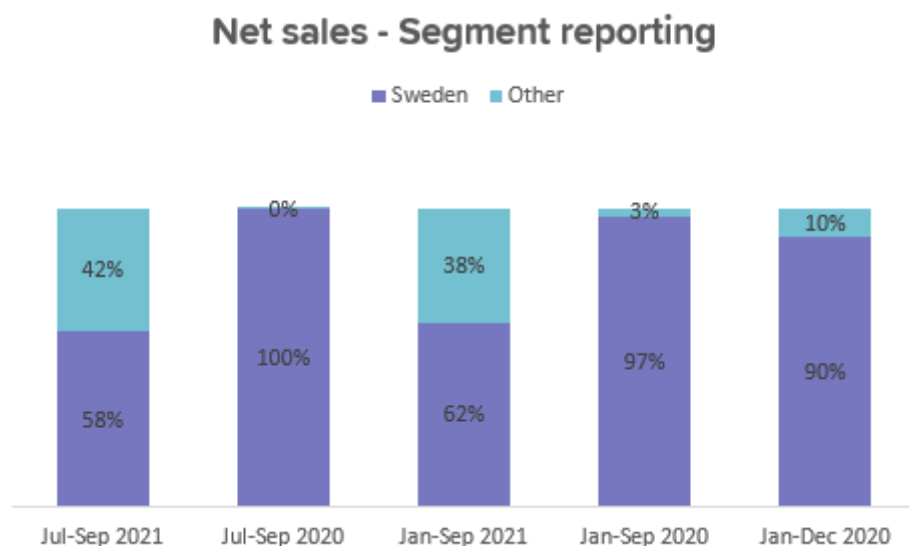
After the end of the interim period, trading in eEducation Albert AB's (publ) shares on the Nasdaq First North Growth Market began.

Note 8 Segment reporting

Albert's CEO, as the highest executive decision-maker, monitors and analyzes results and financial position for the company as a whole and by geographic market. The company's operating segments are therefore distributed as in Sweden and other countries.

The following operating segments have been identified:

- Segment: Sweden, all net sales to Sweden as a market
- Segment: Other, all net sales that do not take place in Sweden as a market



	Jul-Sep		Jan-Sep		Jan-Dec	Rolling 12 months
SEK Thousands	2021	2020	2021	2020	2020	
Geographic market						
Sweden	10,242	9,482	27,078	14,990	21,560	33,648
Other	7,278	40	16,950	455	2,347	18,842
Total	17,520	9,523	44,028	15,445	23,907	52,490

Key figures - definitions

Financial key figures	Definition	Motivation for users
Net sales, LTM	Refers to net sales for the last 12 months	Clarify the company's net sales for the last 12 months
Net income growth	Change in net sales compared with the same period last year	Clarify the company's growth in net sales compared with the same period last year
Organic net sales growth	Organic growth refers to sales growth from existing operations adjusted for effects from acquisitions and divestments. An acquisition or sale is only included in the calculation of organic growth as it is included with an equal number of months in the current period and the corresponding period last year. Otherwise, it is included in the calculation for acquired growth.	Clarify the company's growth in net sales compared with the same period last year, excluding any acquisitions during the periods for increased comparison over time
Adjusted gross profit	Net sales less direct sales costs, which are defined as platform fees, royalties, licenses and payment handling fees	Clarify the Company's contribution, which is to cover fixed and variable costs in the business
Adjusted gross margin	Adjusted gross profit as part of net sales	Clarify how much of the Company's net sales remains to cover fixed and variable costs
EBITA	Earnings before interest, tax and amortisation and write-downs of acquisition-related assets	Measure the result from operating activities independent of amortisation and write-down of acquisition-related assets
EBITA margin	EBITA as part of net sales	Clarifies the company's profitability generated by operating activities. Facilitates comparison of profitability between different companies and industries
EBIT margin	EBIT as part of net sales	Shows how large a share of sales remains after all operating expenses and which can be used for other purposes
Net cash (-)/ liability (+)	Interest-bearing liabilities minus interest-bearing receivables and cash and cash equivalents	Shows the Company's total indebtedness

Financial key figures	Definition	Motivation for users
<i>Working capital</i>	<i>Current assets excluding cash and cash equivalents less trade payables and accrued expenses as well as prepaid income</i>	<i>Clarifies how much capital is needed to finance the day-to-day operations</i>
<i>Equity ratio</i>	<i>Equity as part of total assets</i>	<i>Clarifies the Company's capital structure and hence the company's financial strength</i>
<i>Earnings per share before dilution</i>	<i>Profit after tax for the period attributable to the Parent Company's shareholders divided by the weighted average number of outstanding ordinary shares during the period</i>	<i>Clarifies shareholders' earnings per share before dilution</i>
<i>Earnings per share after dilution</i>	<i>Profit after tax for the period attributable to the Parent Company's shareholders divided by the weighted average number of outstanding ordinary shares adjusted for the effects of all potential ordinary shares that give rise to a dilution effect during the period</i>	<i>Clarifies shareholders' earnings per share after dilution</i>

Operational key figures	Definition	Motivation for users
<i>Number of subscribers</i>	<i>Refers to the company's paying subscribers at the end of the period</i>	<i>Clarify the company's total paying user base at the end of the period</i>
<i>ARPPU (SEK)</i>	<i>Average monthly net sales per paying subscriber during the period</i>	<i>Clarifies the company's average net sales per paying subscriber during the period</i>
<i>ARR (MSEK)</i>	<i>Annual recurring income in MSEK. Calculated via ARPPU multiplied by the number of subscribers multiplied by 12</i>	<i>Clarify the company's recurring income on an annual basis in MSEK.</i>

eEducation Albert in brief

Albert was founded in 2015 and is an app-based education platform for children in the age range 3-16 years. The company offers digital education services on a subscription basis.

The services are provided for a fixed monthly fee through apps, which are available on the Apple App Store and Google Play. Based on the Company's own surveys, the Company is a leading player in the B2C segment in the Nordic region regarding digital education services with in-depth learning content. Since the Company was founded, Albert has helped over 275,000 families with their children's education.

The company has about 40 employees who together form an innovative group of people with a diversified background whose common goal is to help more children develop their skills in a way that suits them. The company is headquartered in Gothenburg.

