

eEducation Albert AB announces Profitability Programme to reach positive EBITDA 2025

In a strategic move to speed up the journey to profitability, and position the company for long-term success, the Board of Directors of eEducation Albert AB has made the decision to launch a comprehensive profitability programme. The profitability programme will be executed during the first and second quarters of 2024. The first effects will be seen in the second quarter of 2024, with more significant effects in the third and fourth quarter.

When fully implemented, the profitability programme is expected to yield a positive EBITDA for the full year of 2025 and take the company to positive cash flow with the available cash. On a rolling twelve-month basis, operating costs are expected to decrease by 14 MSEK net, with the majority of the savings coming from staff reductions of approximately 15%. One-time costs for the profitability programme are estimated to be 3 MSEK and will be incurred in the first quarter of 2024. The profitability programme encompasses four key pillars:

- **Focus more on B2B:** Recognising the potential in sales to the education sector (B2B), and the importance of predictable revenue streams in the current macroeconomic climate, Albert will intensify its emphasis on B2B while reducing its focus on B2C (households).
- **Capture the full potential of existing products and markets:** The majority of sales currently stem from strong flagship products in our core markets (the Nordics, the UK, the US, and France). The focus will be to maximise the potential of existing products within existing markets.
- **Reorganise for efficiency and synergies:** To enhance efficiency and capture synergies, Albert will accelerate the integration of acquired companies in order to become a more united company. The restructuring is expected to result in a staff reduction of 25-30 employees and consultants, primarily affecting B2C operations in Sweden.
- **General cost reductions:** Initiatives aimed at optimising operational costs will be implemented as part of broader cost reduction measures.

As part of this strategic evolution, founders Arta Mandegari and Salman Eskandari have decided to step down from their operational roles, having successfully laid the foundation for Albert's current standing. The founders will remain shareholders and continue to serve as strong ambassadors for the company. The management team will continue to be led by Jonas Mårtensson, who was appointed CEO in September 2023.

"Eight years ago, driven by a vision for personalised learning, we embarked on a journey that, to date, has positively impacted millions of children. We express profound gratitude to our investors, colleagues, and customers who played pivotal roles in our success. Together, we've built a flourishing EdTech company, positively shaping countless young lives. Witnessing education's transformative power reinforces our mission's importance. We are confident in the continued success of Albert, enabling even more children to access a custom learning experience.", say Arta Mandegari and Salman Eskandari, co-founders.

"I first met Arta and Salman in 2016. Since then, they've built a leading Nordic EdTech company while helping millions of children across Europe to improve their school results. It has been an honour to work with them on their entrepreneurial journey", says Peter Grytterihielm, Chairman of the Board. This strategic realignment underscores Albert's commitment to achieving sustained profitability while maintaining its core mission of transforming education through innovative and engaging learning experiences.

For additional information, please contact:

Jonas Mårtensson, CEO
Mobile: +46 (0) 729 70 70 84
Email: jonas@hejalbert.se

For additional information, please contact:

Katarina Strivall, CFO
Mobile: +46 (0) 706 840074
Email: katarina.strivall@hejalbert.se

About eEducation Albert AB (publ)

The Albert Group develops and sells edtech products for schools and consumers. The company was founded in 2015 with the goal of democratizing education and providing every child the opportunity to reach their full potential. The product portfolio includes educational apps, educational videos, and physical learning products under the brands Albert, Jaramba, Holy Owly, Film & Skola, Strawbees, and Sumdog. Since the products were launched, they have helped more than ten million children make learning engaging and personalized. The company is headquartered in Gothenburg, Sweden, and operates actively in several countries in Europe, the USA, and Asia. Albert is listed on Nasdaq First North Growth Market with the ticker symbol ALBERT. The company's certified adviser is Carnegie Investment Bank AB (publ), +46 (0) 73 856 42 65, certifiedadviser@carnegie.se.

Read more at investors.hejalbert.se

This information is information that eEducation Albert is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-01-31 14:00 CET.

Attachments

eEducation Albert AB announces Profitability Programme to reach positive EBITDA 2025