

Albert completes the acquisition of Kids MBA SAS (Holy Owly)

eEducation Albert AB (publ) ("Albert" or "the Company") has today on January 20, 2023, completed the acquisition of all shares in Kids MBA SAS

On December 19, 2022, Albert announced that the Company entered into an agreement for all shares in the French EdTech company Kids MBA SAS ("**Holy Owly**") from its current owner. The initial purchase price amounted to approximately SEK 25 million, from which deductions would be made for leakage and shareholder loans, whereby the final purchase price amounts to SEK 9 million ("**Purchase Price**"). The purchase price is paid in the form of 482,750 newly issued shares in Albert ("**Compensation Shares**"). The subscription price for the Consideration Shares amounts to SEK 18.70643 per share.

Holy Owly offers an application that enables language learning for children aged 3–12.

"Holy Owly has made a strong impression on us. We are incredibly impressed with their product for language learning for children aged 3-12, which in a good way complements our offer with Albert Junior, which is adapted for the same customer segment. With its strong position in the French market and numerous awards from Apple, including "one of the 5 most promising apps of 2022", we look forward to both consolidate and strengthen the position in France while complementing the Junior platform with a curriculum-based product for children learning new languages. Holy Owly is a strategic acquisition that gives Albert access to a well-known and popular brand with strong French market position and a documented good and complementary product. Through this acquisition, we are building an important foundation for creating a premium learning platform for families with younger children in the French market", says Arta Mandegari, CEO and co-founder, Albert.

Founded in 2015, headquartered in Lille, France, Holy Owly has developed an EdTech application that allows children to learn English and Spanish through interactive games. Holy Owly's application has more than 200,000 downloads and is available to children ages 3-12. Holy Owly has about 10 employees.

The acquisition of Holy Owly gives Albert cross-selling opportunities in the B2C segment by complementing the Junior platform with a curriculum-based product for children learning new languages and creating a premium platform for families with younger children. Furthermore, Albert will be able to leverage Holy Owly's complementary customer acquisition model consisting largely of organic traffic via App Store / Google Play converted to subscribers (the majority of whom are annual subscribers). Cost synergies are expected to be realized in marketing and technology.

"Something that has impressed us extra much is Holy Owly's complementary strategy for customer acquisition, with a high proportion of sales of annual subscriptions, where customer acquisition is built on flows directly via Apple and Google and around organic traffic. This means that we see strong complements to Albert's existing customer acquisition strategy in the B2C segment. We also expect cost synergies in marketing and technology. Holy Owly gives us another brand and another market to optimize customer acquisition around. It is fully in line with our ambition to become the leading player in children's education in Europe.", says Salman Eskandari, deputy CEO and co-founder, Albert.

Purchase price and new share issue

The purchase price for all shares in Holy Owly amounts to SEK 9 million, which has increased for leakage and shareholder loans. The purchase price has been paid by payment to the shareholders of Kids MBA SAS (the "Sellers") of 482,750 newly issued shares in Albert, through a non-cash issue at the time of entry, corresponding to EUR 821,018, or the equivalent of approximately SEK 9,030,540. The subscription price for the Consideration Shares amounts to SEK 18.70643 per share. The price corresponds to the volume-weighted average price for the Albert share, calculated for the seven (7) trading days before the day of the conclusion of the share transfer agreement and seven (7) trading days after the conclusion of the share transfer agreement. The subscription price has been calculated using the EUR/SEK exchange rate of 10.9992 based on the same date as above.

Through the new share issue, Albert's share capital increases by SEK 24,137.55 to SEK 1,144,430.55. The number of shares and votes in Albert will after the new issue amount to 22,888,610.

Additional purchase price

An additional purchase price of approximately SEK 15 million may be paid after the annual general meeting for Albert has approved the consolidated accounts for the financial year 2024 and on the condition that the organic growth in consolidated annual net sales for all companies in the group as of January 31, 2023 reaches a total of 70 percent between the financial years 2022–2024. Any additional purchase price must be paid in cash.

The information was submitted, through the care of the contact persons below, for publication on January 20, 2023, at 09.00 CET.

For additional information, please contact:

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About eEducation Albert AB (publ)

Albert is the children's digital teacher, who since the start in 2016 has helped over 300,000 families with homework via mobile devices. Albert's apps are aimed at younger (1-9 years) and older children (10-16 years) and include subjects such as Mathematics, Geography, Code and Reading & Writing. Albert was founded in 2016 by two friends in Gothenburg with a clear goal - to democratize knowledge through technology - and that is what drives us even today. Albert is listed on the Nasdaq First North Growth Market with the short name (ticker) ALBERT. The company's certified adviser is Erik Penser Bank, certifiedadviser@penser.se, +46 (0) 8463 80 00

Read more at investors.hejalbert.se

Attachments

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