

Albert has entered into an agreement to acquire ARPU Management (Film och Skola) which adds approximately MSEK 48 in ARR

eEducation Albert AB (publ) ("Albert"), has entered into an agreement to acquire all shares in the Swedish education film company ARPU Management AB ("Film och Skola" or the "Company") from its current owners for a purchase price of MSEK 75 (which shall include the Film och Skola Group's equity of approximately MSEK 5.6 as of 31 December 2022) (the "Purchase Price"). Of the Purchase Price, MSEK 65 shall be paid in cash and MSEK 10 shall be paid in the form of newly issued shares in Albert ("Consideration Shares"). The completion of the acquisition is expected to take place in January 2023. The cash part of the Purchase Price is intended to be financed through own cash and a new issue of shares of approximately MSEK 70 and is directed to Swedish and international institutional investors ("Directed Issue"). The Directed Issue is intended to be carried out as an accelerated bookbuilding procedure that is expected to begin today. More detailed information about the Directed Issue will be available in a separately published press release.

Film och Skola offers educational films, documentaries and feature films to students of all ages through its streaming site, which is frequently used in schools throughout Sweden. The Company owns all shares in Swedish Film AB, which in turn owns all shares in Norwegian Film AB.

"Through the acquisition of Film och Skola and other products and services in the Company we broaden our offering. The Company is well managed, profitable and has an attractive cash flow profile and we look forward to, together with the remaining management team, continuing to offer high-quality educational products on the Swedish school market. The Company's strong relationships with schools together with the high-quality products which already exists in Albert and which, together with other acquisitions, are added to the Albert Group, will create an enormously strong product offering in the Swedish and Norwegian school markets. We look forward to continuing to develop, grow and refine Film och Skola together with our other offerings.", says Arta Mandegari, CEO and co-founder, Albert.

Background and acquisition motives

Founded in 1947, headquartered in Stockholm, Film och Skola offers educational films, documentaries and feature films to Swedish schools through its streaming site. Film och Skola is the leading distributor in Sweden within institutional film rights and has strong partnerships with major Nordic and international film companies. Furthermore, the Company's solutions reach about 65 percent of Sweden's compulsory school students. The Company has about 15 employees.

The acquisition of Film och Skola enables the sale of other products within Albert's Nordic B2B[1] offering through Film och Skola's sales organization. Furthermore, by leveraging Albert's complementary offering, experience and brand in the B2C[2] segment, there is an opportunity to launch Film och Skola within B2C. In the long term, Film och Skola could also be launched in English-speaking countries.

“With its strong position in Sweden and a high degree of renewables in the company’s customer agreements, Film och Skola has shown that they are not only exceptionally good at acquiring new customers, but also at maintaining these over a very long period of time. In the longer term, we look forward to working with other B2B companies in the Group to contribute to Film och Skola’s growth in more markets as well. The acquisition of Film och Skola also enables sales of other products within Albert’s Nordic B2B offering through Film och Skola’s sales organization. By leveraging Albert’s complementary offering, experience and brand in the B2C segment, we also see opportunities to launch Film och Skola within Albert’s B2C offering”, says Salman Eskandari, deputy CEO and co-founder, Albert.

Financial impact (unaudited figures)

On a pro forma basis, the acquisition of Film och Skola contributes to ARR[3] by approximately MSEK 48, net sales by approximately MSEK 47, and operating profit (EBITA) by approximately MSEK 8 during the twelve-month period ended 30 September 2022. Film och Skola’s operations have historically been characterized by a seasonal pattern as a result of campaigns that take place during certain parts of the year, where the fourth quarter has been a particular driver of operating profit (EBITA) with contributions of almost 50 percent.

Purchase Price

The Purchase Price for all shares in Film och Skola amounts to MSEK 75 (which shall include equity of approximately MSEK 5.6 as of 31 December 2022). Of the Purchase Price, MSEK 65 shall be paid in cash, which is intended to be financed through the Directed Issue as well as own cash, and MSEK 10 shall be paid in the form of newly issued shares in Albert (Consideration Shares).

The Board of Directors intends to issue the new shares on the basis of the issue authorisation from the Extraordinary General Meeting to be held in the beginning of January 2023 (convening notice will be published in a separate press release). The subscription price for the Consideration Shares shall be the same price per share as in the Directed Issue.

Shareholders holding approximately 50 percent of the shares and the votes in Albert have committed to vote in favour of both the Directed Issue and the issue authorization at the Extraordinary General Meeting.

Terms of the acquisition and the Consideration Shares

The completion of the acquisition is expected to take place in January 2023 and is conditional on Albert receiving proceeds to finance the purchase price through the Directed Issue.

All Consideration Shares issued as part of the Purchase Price are subject to lock-up restrictions for 18 months from closing.

Accelerated bookbuilding procedure and terms of the Directed Issue

The completion of the acquisition is expected to take place during January 2023 and is conditional on Albert receiving proceeds to finance the Purchase Price through the Directed Issue. Albert has engaged Skandinaviska Enskilda Banken AB (publ) (“SEB”) to investigate the conditions for carrying out the Directed Issue of new shares of approximately MSEK 70, which will be subject to the subsequent approval of the Extraordinary General Meeting. The price of any new shares issued in the Directed Issue will be determined through an accelerated bookbuilding procedure managed by SEB. Further information about the Directed Issue and the accelerated bookbuilding procedure, which is expected to commence today, will be published through a separate press release.

For further information, please contact:

Arta Mandegari, CEO and founder

Phone: +46 (0) 723 09 64 94

Email: arta@hejalbert.se

Salman Eskandari, deputy CEO and founder

Phone: +46 (0) 707 27 93 75

Email: salman@hejalbert.se

Martin Dahlgren, Head of Finance

Phone: +46 (0) 739 09 26 31

Email: martin@hejalbert.se

This is information that eEducation Albert AB (publ) 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, on 19 December 2022 at 17:57CET.

About Albert

Founded in 2015, Albert is an app-based learning platform for children in the 1-16 age range. Albert offers digital education services on a subscription basis.

The services are provided for a fixed monthly fee through apps, which are made available on the Apple App Store and Google Play. Based on Albert's own research, Albert is a leading player in the B2C segment in the Nordic region regarding digital education services with in-depth teaching content. Since Albert was founded, Albert has helped over 300,000 families with their children's education. The Group has about 70 employees, who together form an innovative group of people with diversified backgrounds whose common goal is to help more children develop their skills in a way that suits them. The Group is headquartered in Gothenburg, Sweden. Read more here: www.hejalbert.se.

Albert's share is listed on Nasdaq First North Growth Market. Alberts certified adviser is Erik Penser Bank.

Important information

This announcement is not and does not form a part of any offer for selling, or a request to submit an offer to buy or acquire, shares or other securities of Albert.

Copies of this announcement are not being made and may not be distributed or sent into the United States, Australia, Hong Kong, Japan, Canada, New Zealand, or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and accordingly may not be exercised, offered, sold, resold, delivered or otherwise transferred, directly or indirectly, in or into the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the requirements of the Securities Act and in compliance with any applicable securities legislation in any state or other jurisdiction of the United States. Albert do not intend to register any offering in the United States or to conduct a public offering of securities in the United States.

This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. Albert has not authorized any offer to the public of shares or other securities in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed Issue.

Forward-looking statements

Matters discussed in this announcement may constitute forward-looking statements. Forward looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "deems", "intends", "estimate", "will", "may", "continue", "should" and similar expressions. This applies in particular to statements relating to future results, financial position, cash flow, plans and expectations of Albert's operations and management, future growth and profitability, general economic and regulatory environment and other factors affecting Albert, many of which are based on further assumptions, such as no changes in existing political, legal, fiscal, market or economic conditions or applicable law (including but not limited to accounting principles, accounting methods and tax policies), which may or may not be of importance to Albert's results or its ability to operate. Although Albert believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward looking statements.

Potential investors should therefore not attach undue confidence to the forward-looking information herein.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date and could be subject to change without notice. Neither Albert nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

[1] Refers to sales to municipalities and schools.

[2] Refers to sales to consumers (usually students or their parents).

[3] Subscription-based net sales of recurring nature.

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Attachments

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