2024

Annual Report 2024

KEYSTONE
EDUCATION GROUP

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FY24 AT A GLANCE

70,000
enrollments directly managed by Keystone

USD 88.1m
revenue

8.4%
revenue growth

1,215
student-athletes sent to US colleges by Keystone Sports

200,000
students found a study program via Keystone sites

100m
students visited Keystone websites

850+
employees worldwide

5,500
partner institutions

We are Keystone Education Group

Vision

To help everyone in the world find the right education.

Our Mission

To help students and learners make one of the most important decisions of their lifetimes, namely, which higher education program or course to attend.

To help higher education institutions recruit the best fit students for their programs, improving the student journey for all.

Our Values

Commitment: *Deliver with dedication*
We are fully committed to our mission of connecting institutions, students, and families. Through unwavering focus and dedication, we ensure that our work reflects the highest standards of excellence and reliability, driving long-term success for everyone we serve.

Creativity: *Craft innovative solutions*
We create outstanding impact with a team of exceptional people. We go the extra mile to deliver; driven to exceed expectations every step of the way.

Courage: *Face challenges head-on*
We are dedicated and collaborative with an entrepreneurial spirit. We focus every day on understanding schools' and students' needs to respond flexibly to changing market demands.

Collaboration: *Connect as a team*
Together, we are stronger. Our collaborative approach fosters a supportive environment, driving us toward shared success and ensuring we achieve our common vision as Keystone.

About Keystone Education Group

At Keystone, our mission is to help students find the right education, whether they are seeking higher education, wanting to expand their knowledge through a course, or upskilling as a professional.

For education institutions, we offer an end-to-end solution across the entire student recruitment value chain, providing tech-powered student marketing and recruitment services.

Our services are designed to focus on serving the complete student journey, from initial research through our student websites to enrollment and beyond. We aim to ensure a seamless experience that connects institutions with the right students and learners.

Additionally, through our Keystone Sports service, we assist top international student-athletes in securing admissions to universities and scholarship opportunities in the US & Canada.

With over 5500 partner institutions worldwide in more than 100 countries, we are a trusted partner in the education industry. We aim to help institutions reach, engage, and recruit prospective students on a large scale without compromising on providing a quality student experience.

Headquartered in Oslo, Norway, we have grown to over 850 full-time employees with offices worldwide, including in the UK, Sweden, Finland, Spain, Indonesia, and Germany.

Student Marketing – Search & Discovery

Over 100 million students used Keystone websites in 2024 as part of their study search, whether going abroad or looking for options in their home country. Influencing how students discover these opportunities is an essential part of building awareness and connection between students and educational institutions.

We deliver top results on all major search engines worldwide, helping institutions to increase their online presence through our destination sites, such as Educations.com. These sites help them to be visible to students searching in their native language, delivering top results in 29 languages across all major search engines.

Studddy, the market leader in domestic recruitment in Germany and Austria, underwent a major technological relaunch to enhance user experience for prospective students. As part of a strategic consolidation effort, Studddy is transitioning towards a unified platform within the Keystone ecosystem. The integration of 32 portals is already underway and continuing into 2025.

Not only do we support educational institutions in being more visible to prospective students, but Keystone's range of bespoke student marketing solutions also help generate brand awareness, traffic, and leads for our partners. Products such as social media campaigns, email marketing, and student fairs provide extra opportunities for student awareness and engagement.

Supporting access to education is also an important part of our work. In 2024, we proudly awarded Keystone scholarships to seven exceptional students selected from an impressive pool of 13 000 applicants. Additionally, we fostered strong relationships with 20 student organizations worldwide, further strengthening our commitment to supporting students in finding their perfect higher education institution.

Student Engagement & Enrollment Services

Supplementing our student search and discovery services, we offer a full range of end-to-end student engagement and enrollment services.

For our partner institutions that need help guiding students further down the recruitment funnel, we offer a range of services, including Keystone Apply, our dedicated lead nurturing and support service. With Apply, we help universities qualify and nurture their student leads from initial interest to completed applications.

We also offer a full suite of student engagement and enrollment solutions powered by UniQuest. This includes our **Admission Services** which facilitate quicker turnaround times and increased application-to-offer stage conversions for admissions teams, in addition to offering trained admissions experts to upscale resources as required. Institutions aiming to increase their enrollment can benefit from UniQuest's **Offer Conversion Services,** which focus on converting offer holders into enrolled students.

Additionally, our **Retention Services** enable institutions to deliver essential support services once students are on campus. This includes identifying early indicators that affect student progression and facilitating timely interventions.

After a hugely successful 2023, we significantly expanded our reach and impact by engaging 2.4 million students in 2024. Our omnichannel one-to-one communications included over 13 million outbound marketing emails, and we hosted over 140 insights sessions to share our knowledge and best practices.

In 2024, we also expanded our international presence - establishing a new entity in India, we strengthened existing partnerships and support to prospective students through two new student scholarships as well as a scholarship for professional training and mentorship for female leaders in higher education, we increased the robustness of our information security through the attainment of Cyber Essentials plus certification, and extended our product offering through the launch of our **Admissions Locum Services**.

We incorporated cutting-edge machine learning and AI across the student journey to enhance personalized experiences, reduce manual effort in back-end administrative tasks, and target human intervention where it creates the most value for our university partners and students seeking their higher education.

In addition, we also completed 28 successful implementations, earned Real Living Wage Accreditation, and achieved carbon-neutral status by offsetting our total emissions. These milestones reflect our ongoing commitment to growth, innovation, and sustainability in the education sector.

Keystone Study Abroad

Our **Keystone Study Abroad division**, incorporating global education consultants Blueberry, SONOR (Study Outside Norway), and Asia Exchange, provides significant added value for students wanting to study abroad and universities wanting to improve their international student recruitment.

Our agents help students through the entire recruitment journey, all the way from esearch to enrollment, to find their first-choice education in destinations such as Australia, the US, the UK, Europe, and Asia. In 2024, over 2 300 students enrolled abroad through us.

For athletes wanting to pursue higher education, Keystone Sports helps student-athletes find opportunities abroad at universities where they can combine their passion for sports with education. In 2024, Keystone Sports agents helped place over 1 200 athletes from across Europe to various destinations in the US, securing scholarships in key sports such as soccer, tennis, golf, swimming, and track and field. Working in partnership with head coaches and admission offices across North America, Keystone Sports helps source, scout, and nurture the top sports talent to enroll and compete in college sports teams while helping students achieve their dreams.

The acquisition of Europe's largest study abroad provider, Asia Exchange, in April 2024 has enabled us to significantly expand our presence in France, Germany, and the Nordic regions, to name a few. Over 1 100 students were recruited and enrolled abroad through us in 2024. Driving additional growth with a unique business model, this acquisition will allow us to offer many more attractive destinations at our student recruitment agencies.

Furthermore, by acquiring Edunation, a company based in Finland and Hong Kong that specializes in recruiting students from Southeast Asia to Finnish and European universities, we are taking our first step into the world's most sizable, dynamic, and attractive student recruitment region. With nearly 900 students enrolled in 2024 and a strong growth path ahead, this marks a new chapter for Keystone.

At Keystone, we are an essential part of helping students pursue the right educational path for their needs, acting as the bridge that connects prospective students and higher education institutions.

To learn more visit keg.com

A message from our CEO

Dear Shareholders,

Keystone Education Group has continued to grow and invest throughout 2024 and has never been better positioned to help students find the right education and schools filling their classrooms.

In the last year, we have added two new companies to Keystone: **Asia Exchange**, which helps students primarily from Europe study in Asian destinations, and **Edunation**, which helps Asian students study in Finland. During the coming year, we will expand the reach of these two companies with recruitment and placement in new countries.

AI and technology in the student journey

Keystone is embracing AI as an opportunity to further strengthen our global leading position. With over 20 years' of experience adapting to new technologies and leading technical innovation in the industry, we are enthusiastic about the possibilities AI brings.

Keystone is moving towards utilizing AI in every aspect of our business to develop better services for schools and students. Initiatives we are researching and putting into production include AI student counselors, AI agentic solutions supporting the application process, enriched content for students to help with selection, matchmaking based on student personalization and propensity models based on proprietary data predicting enrollment and graduation success rates for students. Keystone has unrivaled datasets based on 100+ million student users per year for the last decade, coupled with detailed enrollment data from the hundreds of thousands of direct enrollments we have facilitated, enabling us to build unique AI and machine learning models.

We have also expanded our engineering team to make progress on these initiatives. In the last three years, we have more than doubled our product development and engineering expertise throughout Keystone.

While we have continued with our strategy, the education sector experienced a turbulent year in 2024. Policy restrictions in the UK, Canada, and Australia, along with an election year in the United States, have all significantly impacted international education as these are the main destinations for international students.

Despite these challenges, the demand for education remains stronger than ever, with an increasing number of students seeking education opportunities both domestically and internationally.

As 2025 begins, it's exciting to see a wave of positive developments across the sector. Students are exploring new countries and driving record enrollments in Germany, France, the Nordics, Japan, New Zealand, and many more. We've also seen a return of students to the UK with our university partners seeing strong growth in early 2025 enrollments. In addition, there has been a significant increase in student search with a Q4 2024 year-on-year increase in student information requests and applications by over 20%, showing demand is rising quickly. As search volumes rise, we know this is an early indicator for significant growth in enrollments over the coming 1-2 years.

Highlights from Keystone in 2024:

- We helped over **100 million students** across our search platforms in 2024
- **70 000+ direct enrollments** managed by Keystone Enrollment Services
- **200 000+ students** found a program to enroll through Keystone's search platforms
- Our team expanded to **850 people** worldwide
- Helped over **5 500 schools globally** to recruit students in 2024
- Directly enrolled students at >1 000 different US universities, and **>50 000 students** across UK institutions
- Secured over **1 billion NOK worth of scholarships** for over 1 000 student-athletes

Outlook ahead in 2025

We have delivered another year of profitable growth and we now have 22 consecutive years with organic profitable growth. The group revenue grew by 7 million USD and we have continued to win market share in our key markets. Our strategy will continue to focus on organic growth and strategic acquisitions while maintaining our high R&D spending to drive change and improvement in the industry using technology.

Thank you to all my wonderful colleagues at Keystone, to all our institution partners for trusting us as your recruitment partner, and a big thank you to all the students who let us be part of their journey to find the right education.

Fredrik Högemark
Chief Executive Officer

Harnessing technology to connect every student with their ideal education opportunity

In 2024, Keystone Education Group advanced its mission to connect every student with their ideal education opportunity by placing our proprietary technology and data at the core of our strategy. As a trusted partner to over 5 500 institutions globally and host to more than 100 million annual student visitors across our platforms, Keystone occupies a unique position within the student recruitment ecosystem.

This year, we have enhanced our technological advantage by integrating machine learning and generative AI into our products, transforming the connections between students and institutions. We launched intelligent chatbots and Agentic AI to support students at the top of the recruitment funnel—providing timely, accurate, and personalized answers to their questions across thousands of institutions. These tools now play an essential role in guiding students toward relevant programs and institutions, increasing engagement and conversion.

Our extensive historical and behavioral data, ranging from digital touchpoints to enrollment outcomes, provides us with a proprietary advantage that is hard to replicate. Through assets such as UniQuest and our recruitment agencies, we uniquely understand where students actually enroll and why. In 2024, we applied advanced machine learning models to this data to predict offer holder conversion and recommend targeted actions to improve outcomes. This helped our university partners increase enrollment yield and allowed us to support more students through one of the most important decisions of their lives.

Crucially, our data and student traffic are not only vast but exclusive. Unlike publicly available information, the insights we generate from student journeys are proprietary and increasingly valuable in a market facing rapid change from Generative AI. While large language models provide general knowledge, they lack the contextual and behavioral data at the heart of our matchmaking engine. Rather than being replaced by AI, Keystone is enhanced by it—driving record-high conversion rates and opening new channels to high-intent students.

As we look ahead, Keystone's position as a data-rich, student-focused technology company ensures we remain at the forefront of a sector undergoing digital transformation. Our investments in AI, unique data assets, and strong institutional relationships allow us to deliver more precise, scalable, and equitable student recruitment outcomes—helping every student find their path forward.

We also launched the Supervisor Search feature on our FindAPhD website, which utilizes AI to help students find and compare active research supervisors. This feature is an essential tool for postgraduate research and unique in the market.

Showcasing expertise in higher education

Our commitment to client value led to the launch of our publications in 2024. Led by our data & insights team in collaboration with corporate marketing, the first edition launched as a quarterly report offering valuable global student data and trends for the higher education community.

By leveraging the scale of Keystone's network of student websites, we are providing a valuable resource to the wider higher education community, enabling access to enriched data and insight collected from a diverse and global student audience. Every month, we are polling thousands of prospective students, gathering insights on their study intentions, what they're considering, and their next steps.

Entering its fifth year, the 'State of Student Recruitment' survey was launched at the 2024 NAFSA annual conference in New Orleans.

Containing insights from a global survey of over 27 000 students, the report was met with great reception from within the higher ed community. Since it's publication it has been released into a variety of additional formats across webinars, data breakdown reports, webinars, podcast and speaking sessions at international conferences such as ICAM, APAIE and CCID. To date, it has been downloaded over 3 000 times, with countless more attendees at sessions and webinars.

2024 Highlights

Main highlights:

- We increased our enrollments in all key destinations except the UK, where a 20% drop in international enrollments challenged the market. Despite the challenging market conditions, we won a significant market share and onboarded 10 new UK universities as partners in our enrollment services division.
- Continued investments in joint state-of-the-art technology and AI platforms, with more than USD 11 million in product and engineering spending in 2024.
- Total revenue growth in 2024 was 8.4% with 16.5% adj. EBITDA margin
- M&A: Two new companies joined Keystone (Edunation & Asia Exchange). These companies contributed USD 7 million in combined revenues in 2024 and helped enroll over 2 000 students last year.

Subsequent events:

- Successful bond issue of EUR 100 million to further fuel ongoing expansion and growth

Key Figures

Profit and loss	Reported 2024	Proforma 2024	Reported 2023	Proforma 2023
Revenues	88.1	90.1	81.3	90.4
Gross profit	73.7	75.0	70.0	76.2
Gross margin	84%	83%	86%	84%
EBITDA	10.7	15.0	14.7	19.8
EBITDA adj. (excl non-recurring items)	14.5	15.0	16.5	19.8
EBITDA %	17%	17%	20%	22%

Other key figures	2024	2023
Net cash from operating activities	8.3	10.2
Net cash used in investing activities	(22.3)	(21.5)
Net cash financing activities	11.9	14.4
Total assets	204.0	205.6

Proforma reconciliation

2024	Reported	Adj.	Proforma
Revenue	88.1	2.0	90.1
Gross profit	73.7	1.2	75.0
EBITDA	14.5	0.5	15.0

2023	Reported	Adj.	Proforma
Revenue	81,3	9.1	90.4
Gross profit	70.0	6.3	76.2
EBITDA	16.5	3.3	19.8

Proforma means that all acquired entities are reflected in profit and loss with 12 months both in 2023 and 2024, regardless of when they were acquired.

Our commitment to sustainability

At Keystone we believe everyone has the right to an education.

Keystone's vision is to help everyone in the world to find the right education. Our passion for education, and excitement at seeing the effect that it has on people's lives, drives us. We have found that education for young people plants a seed for lifelong learning that prepares them to continuously explore and find their passions in life.

Fostering a sustainable future for all

Being in a low carbon industry, with cloud-based solutions for our customers and users, we are proud to have a low environmental footprint. Nonetheless, we also see it as our responsibility to do everything in our power to leave as small a footprint as possible on the planet we will leave behind for coming generations.

In 2015, the UN, and its member countries adopted the 2030 Agenda for Sustainable Development including its 17 Sustainable Development Goals, SDG. The SDGs are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.

We in the Keystone family are passionate about the environment and what we leave for future generations. We believe that we, in our professional role, can and will contribute to a better world. We will perform with our best intentions to our best ability.

Reducing our environmental impact

Electricity and Energy

Our goal is to only use green electricity at each office throughout the group.

This includes that Keystone as a group are making sure our landlords are providing us with environmentally friendly electricity from renewable sources. We are using energy saving lights wherever possible and make sure that the office lights turn off when the offices are unoccupied in the evenings.

Waste

Keystone encourages its employees to work in cloud-based environments and not to print documents if they are not really needed.

Keystone encourages all its suppliers to send all invoices and information by email instead of by regular mail.

All employees and guests visiting a Keystone office should be encouraged and provided with the option to always use recycle bins for any waste.

Transportation

When we travel, Keystone encourages its employees to take the most environmentally friendly option in relation to time consumption. Keystone aims to lessen the need for transportation with the use of good IT equipment that enables for online meetings and conferences.

Education for all

In line with our vision and the products we offer that connect students with education; our aim is to influence the world to become more educated.

Charity projects

At Keystone, we believe that everyone has the right to an education.

For families living in some of the world's poorest regions, education offers the greatest hope for their children to build a brighter future. Knowledge breaks down prejudice—across sex, gender, and religion—and serves as the foundation of democracy.

That's why we do our best to take positive action and make education accessible to more people.

In 2024, we donated to the following charitable organizations:

Right To Play: Protect, Educate, and Empower Children

Right To Play harnesses one of the most powerful and fundamental forces in every child's life: the power of play. Their programs protect, educate, and empower children to attend school, graduate, and build a better future.

Room to Read: World Change Starts with Educated Children

Room to Read is working toward a world free from illiteracy and gender inequality. They pursue this mission by helping children in historically low-income communities develop strong literacy skills and a lifelong habit of reading.

Gender Equality

We expect that all Keystone employees always treat everyone with kindness and respect, regardless of gender, age, race, sexuality, or other diversity.

The Group has more than 20 nationalities and 52% of its employees are female. Maintaining diversity and equality is one of our strengths and continues to be a focus in our hiring process.

Work environment

As an employer we have zero tolerance towards all forms of discrimination, harassment, sexual harassment, or degrading treatment. Our Anti-Harassment policy aims to protect everyone at Keystone from unwanted behaviors and provides guidelines to report incidents.
We offer fair pay, both considering market standards and the individual opportunity to influence salary increases on a yearly basis.
We promote health activities throughout the business to enable our employees to have a healthy life outside of work. Our growth plan empowers us to offer more jobs in the markets we are operating in.

Corporate Governance

Sustainable economic growth

Through our year-on-year sustainable organic growth, in connection to growth through acquisitions, we enable more jobs for more people and at the same time enable more people throughout the world to reach their potential through our products.

End modern slavery

Modern slavery, including forced labor, human trafficking and debt bondage, is a violation of human rights and international labor standards. We strive to ensure that our supply chain is slavery free using the Modern Slavery Act as a framework.

Protection of whistleblowers

The purpose of Keystone Education Group's Whistleblowing Policy is to encourage and provide protection to employees, partners, customers and other external stakeholders who report illegal or unethical behavior within the organization. To do this, we employ MyVoice Digital as an independent, secure, and anonymous channel to raise any concerns within the organization.

Management Team

FREDRIK HÖGEMARK
Chief Executive Officer

Fredrik is one of the company's founders and has been active in the group since its inception.

Prior experience from SEB Corporate Finance. Fredrik has a Bachelor in business and economics and a Master's in Accounting & Financial Management from Stockholm School of Economics. Fredrik's mission is to develop and deliver services which help students in their journey to find the right education and to develop innovative solutions for the education industry.

JULIAN SKEELS
Chief Product & Technology Officer

Prior to Keystone, Julian was Senior Vice President of Product Growth at DAZN, the world's largest fastest-growing sports streaming service and leader of Product Management, Engineering and Data Science teams at Amazon Prime Video for 5 years.

Julian has over 20 years of demonstrated career success with extensive case histories of leading Product Management organizations within embryonic start-ups through to market leaders such as Microsoft, Apple and Amazon.

Julian has a BSc in Computer Science from University of Hertfordshire.

KENNETH HANSSEN
Chief Financial Officer

With over 15 years of financial services experience, Kenneth joined Keystone in August 2022, becoming CFO of the Company in July 2023.

Kenneth has previous senior experience within financial roles, including Group Finance Director at Magseis Fairfield, and Manager at EY. He also has a masters degree in Audit and Accounting from the Norwegian School of Economics.

LIZA ANDERSIN
Chief Human & Resources Officer

With a background of working within the HR field for over 10 years combined with solid experience of media production within Employer Branding, Liza has developed a proactive HR approach that is close to the business.

Liza has a Bachelor's in psychology from Stockholm University and has also studied Organization and Management at Swinburne University of Technology in Melbourne.

Management Team

RACHEL FLETCHER

Managing Director, Enrollment Services

Rachel has 20 years' experience partnering with higher education institutions to optimise student engagement and conversion operations in the UK, US and Australia. She co-founded UniQuest to build a flexible service that could adapt to the rapidly changing needs of education institutions and students.

Rachel has always had a passion for international education and has studied and gained degrees in five different countries.

SABA DAVENPORT

Chief Marketing Officer

With over 15 years of experience working in higher education and across the telecommunications industry, Saba has extensive experience in sales and marketing.

Saba has a Master of Management from Burgundy School of Business and a Bachelor of Public Management from the Institute of Public Management and Territorial Governance (France).

LEIF ELIASSON

Managing Director, Search & Discovery

Leif joined Keystone in April 2025 as Managing Director Search&Discovery. The last 25 years Leif has a background operating in managerial positions, mainly as CEO within industries such as Telecom, Digital Marketing, Insurance and Fintech.

Leif has experience from managing digital transformations, geographical expansions, business development, M&A working for companies like Tele2, Kinnevik, Tradedoubler, Metro, Tryg.

He also holds a Master of Science in Mechanical Engineering from Lund Institute of Technology.

Board of Directors

KEITH FRANSSON
Chairman of the Board

Keith has over 25 years of CEO, owner and management consultant experience, all of which he shares with Stella Capital companies and investors.

Keith is Chairman at Mandaley (Soft Goat and By Malina) and has held multiple board seats at key Nordic brands including Original, ILT Inläsningstjänst and Polhus.

KARIN KANS
Board Member

Karin is a Principal at Verdane. She has previous experience from M&A and debt advisory from Access Partners as well as management consulting from EY and PwC.

Karin focuses primarily on existing holdings and new investments in companies with a digital angle or business model in the software and e-commerce sectors.

Karin graduated from the Stockholm School of Economics with a B.Sc. in Business and Economics, and an M.Sc. in Finance.

THORSTEIN BERG
Board Member

Thorstein is a serial entrepreneur, and “founding father” of Keystone and House of Control. He has, or contributed to, establishment, scaling and IPO or Exit of multiple companies.

Thorstein heads the Berg family office. He chairs, or is member of several boards. Thorstein is passionate about sales, topline growth and strong corporate culture. Thorstein has strong positivism and ability to move companies forward.
Thorstein has an MSc in Business and Economics from University of Fribourg.

JOSTEIN VIK
Board Member

Jostein is Partner and co-founder of Viking Venture.
He is passionate about technology and his expertise in business strategy and commercialization has time after time driven results for fast-growing software scale-ups.

Jostein has over 20 years of experience from the software industry. He has lived and worked in Sweden and the US.

Before joining Viking, Jostein worked with business development and M&A at Carlsberg Breweries, Lilleborg, Orkla Media and Orkla ASA.
Jostein has an MSc in Business from the Norwegian Business School.

FREDERIK SØDERLINDH
Board Member

Fredrik is a founder of Educations Media Group, the former company which merged with Keystone Academic Solutions to form Keystone Education Group in 2021. EMG was founded in 2001 based on his own need to find the right education.

He served as the CEO for 20 years until the merger of KAS and EMG in 2021.

EMG experienced 20 consecutive years of bootstrapped and profitable growth. Before the merger, EMG had a turnover of USD 25 million and 200 employees.

Today, Fredrik uses his experience, network and passion for the industry as the head of M&A for Keystone. Fredrik is today the largest individual shareholder of Keystone.

Board of Directors' Report

More than 100 million unique prospective students trust Keystone every year to help them make one of the most important decisions of their lifetimes, their education.

At Keystone, we help students find the right education to pursue their dreams, whether they are seeking higher education, wanting to expand their knowledge through a course, or upskilling as a professional.

For education institutions, we offer an end-to-end solution across the entire student recruitment value chain, providing tech-powered student marketing and recruitment services to over 5 500 institutions in more than 100 countries. We aim to help institutions reach, engage, recruit, and enroll students at scale without compromising on providing a quality student experience.

Headquartered in Oslo, Norway, and backed by leading Nordic venture firms Viking Venture and Verdane, Keystone has an international staff of more than 850 people spread across 15 countries, including the UK, Spain, Sweden, and Germany.

Operational review

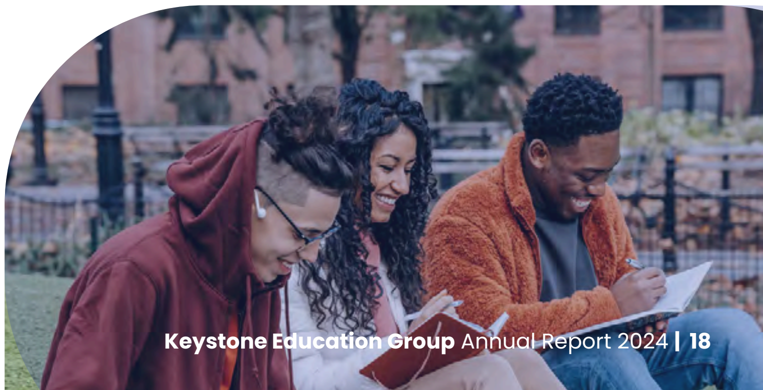
In 2024, Keystone Education Group continued to grow and invest in a tough market affected by policy restrictions in the UK, Canada, and Australia, along with an election year in the United States, which all have significantly impacted international education as these are the main destinations for international students. While we continued with our strategy, we strengthened our position as the global leader in digital student recruitment.

Despite these challenges, the demand for education remains stronger than ever, with an increasing number of students seeking education opportunities both domestically and internationally.

Through our continued commitment to investing in the future, Keystone Education Group has never been better positioned to help students find the right education and schools to fill their classrooms.

In 2024, we acquired two new companies, Asia Exchange and Edunation, which was a landmark moment in the history of Keystone, opening the door for millions of students to study opportunities in Asia, Europe, and Latin America. Asia Exchange has helped 10 000 students from 115 different countries to study at universities in unique destinations such as South Korea, Bali, Indonesia, Thailand, Malaysia, Costa Rica, and Mexico.

Edunation focuses on expanding global access to Finnish education. It cooperates with Finnish universities and colleges to provide degree programs, top-ups, language training, and pathways for more than 1 000 students every year. During the coming year, we will expand the reach of these two companies with recruitment and placement in new countries.



Technology update

At Keystone Education Group, technology is not just a support function but foundational to our mission of connecting every student with the right education opportunity. In an industry still characterized by fragmented, manual processes and limited digitization, our vision is clear: to deliver seamless, data-driven experiences that enable students to discover, apply, and enroll in the programs that best align with their life and career goals.

While digital transformation has reshaped retail, transport, and entertainment sectors, global student recruitment remains behind. Today's students live in a world of instant comparison, personalization, and feedback—yet their education journey often involves outdated systems, unclear guidance, and long response times. At Keystone, we are closing this gap. We are building a fully digital student journey that is fast, intuitive, personalized, and deeply informed by data while giving institutions the tools to adapt, compete, and succeed in this evolving landscape.

Strategic focus areas in 2024

In 2024, we focused our technology investments across three strategic pillars:

1. Creating indispensable digital destinations

We have continued to develop high-performing websites and apps—such as educations.com—that help millions of students make better-informed decisions about their future. These platforms are built on modern, scalable architecture using AWS, Vercel, Sanity.io, Salesforce, and Kevel. This stack allows us to operate a globally distributed, multilingual digital estate from a single, central platform, achieving industry-leading performance, reach, and operational efficiency.

2. Expanding and enriching our first-party data

Our platforms attract over 100 million annual visits, giving us deep insights into student behavior. Through data collected across our owned assets—including our enrollment services businesses like UniQuest— we have built one of the industry's most comprehensive proprietary data sets. In 2024, we enhanced our data collection and processing capabilities to increase this data's volume, accuracy, and value, creating more precise student-institution matching and allowing for greater personalization.

3. Consolidating our technology estate

2024 marked a turning point in unifying our technology platforms. We began significant efforts to rationalize our infrastructure, reduce duplication, and prepare for a single Keystone platform that will serve the entire higher education discovery and application journey. This consolidation enables faster product development, reduced operating costs, and a more unified customer experience.

AI-powered innovation

Generative AI and machine learning played a transformative role in 2024. We deployed large language models to summarise complex program data, enabling students to compare options more easily and understand whether a program aligns with their academic and career goals. AI enhanced our content quality and accessibility across our websites, making destinations like Educations.com even more indispensable to the modern student.

In our Application and Enrollment business, we deepened our use of predictive modeling. Built using AWS technology, our proprietary propensity models help universities understand which offer-holders are most likely to enroll—and what actions can increase that likelihood. These models are now integrated into our application and enrollment platform and used at scale to increase conversion and reduce cost for our recruitment costs for our institutional partners.

We also expanded our use of AI assistants and chatbots, enabling real-time support for students across thousands of institutional profiles. These tools answer high-funnel questions and guide students through the discovery and decision-making process, improving engagement and increasing the quality of leads passed on to our customers.

Preparing for 2025 and Beyond

In 2025, we will accelerate our investment across all three pillars.

New monetization models will give institutions more flexible ways to reach high-intent students, including performance-based pricing options that align more directly with their recruitment outcomes.

Improved analytics and insights will empower institutions to optimize campaigns with real-time feedback, helping them respond quickly to shifting student behavior and market dynamics.

Greater personalization will help students navigate their journey with more relevant recommendations, including connections between programs, graduate outcomes, destinations, and career paths. By linking structured data on student success and post-study employment, we aim to guide to the right future.

On the infrastructure side, we will significantly advance the consolidation of our higher education discovery platforms into a single, scalable architecture, with the goal to complete this during 2026. In our Enrollment Services business, we will finalize our platform unification, allowing us to develop and deploy new features across all clients faster while significantly reducing per-customer operational costs.

Strengthening Our Team

To support this technological evolution, we have strengthened our internal capabilities. In 2024, we welcomed experienced leaders from globally recognized consumer and technology brands. These individuals bring deep expertise in Product-Led SEO, performance marketing, and platform scalability—helping us accelerate product delivery while enhancing student and customer experience.

A Platform Built for the Full Student Journey

At Keystone, we believe that enrolling in a program is not an endpoint but a step toward broader life goals—whether that means a new career, a different country, or improved opportunities. Our role is to help students understand that journey, confidently navigate their options, and make decisions with clarity.

With a platform rooted in proprietary data, industry-leading technology, and an expanding set of AI capabilities, we are well-positioned to lead the transformation of the student recruitment industry—making the process faster, more intelligent, and more effective for everyone involved.

R&D activities

At Keystone Education Group, technology is foundational to our mission of connecting every student with the right education opportunity. In an industry still characterized by fragmented, manual processes and limited digitization, our vision is clear: to deliver seamless, data-driven experiences that enable students to discover, apply, and enroll in the programs that best align with their life and career goals.

While digital transformation has reshaped retail, transport, and entertainment sectors, global student recruitment remains behind. Today's students live in a world of instant comparison, personalization, and feedback—yet their education journey often involves outdated systems, unclear guidance, and long response times. At Keystone, we are closing this gap. We are building a fully digital student journey that is fast, intuitive, personalized, and deeply informed by data while giving institutions the tools to adapt, compete, and succeed in this evolving landscape.

People and work environment

At Keystone, we empower each individual to unlock their greatest potential. Together, we are creating an environment that encourages creativity and new paths to success.

As of 31 December 2024, the Group had a total of 851 Full-Time Equivalents (FTEs), which included 651 employees and 200 contractors. This compares to 809 FTEs on 31 December 2023. The increase is driven by FTEs added from the acquisition of Edunation and Asia Exchange.

The Group works actively to ensure diversity and equal opportunities. As a result, our workforce consists of talented employees of around 20 different nationalities. We are proud to say that we no longer feel 'international'—it has become an integral part of who we are.

We are also proud of our gender distribution. 52% of our employees are females, 44% of all management, and 40% of the executive management team are women. As these numbers illustrate, the group focuses on diversity and equality in its hiring process. In 2024, the group's sick leave was 1.81%, compared to 1.79% in 2023.

The Company's HR department works systematically to reduce sick leave through preventive working environment measures, close follow-ups, and dialogue with employees on absence. In 2024, no incidents or injuries directly relating to work conducted at the Group's premises were reported. No occupational injuries were reported to the Norwegian Labor Inspection Authority in 2024.

As an employer, we have zero tolerance for all forms of discrimination, harassment, sexual harassment, or degrading treatment. Our Anti-Harassment policy aims to protect everyone at Keystone from unwanted behavior and provide guidelines for reporting incidents.

In 2022, we launched a whistle-blowing tool for external and internal stakeholders to raise concerns about Keystone Education Group's Whistle-Blowing policy. The purpose of Keystone Education Group's Whistle-Blowing Policy is to encourage and protect employees, partners, customers, and other external stakeholders who report illegal or unethical behavior within the organization.

Financial Review

These consolidated financial statements comprise Keystone Education Group AS (referred to as the "Company" or "parent") and its subsidiaries (referred to as "the Group").

The consolidated financial statements for the Group are presented in United States Dollars (USD). Unless otherwise stated, all financial information has been rounded to the nearest thousand, and figures in brackets represent figures for 2023.

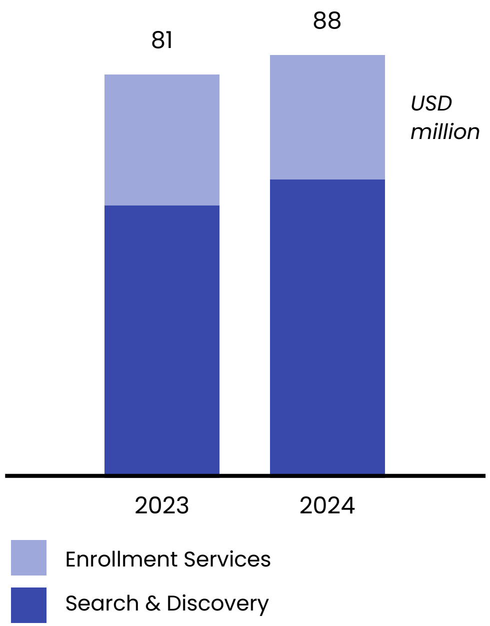
Please note that the consolidated financial statements are prepared on the basis of IFRS and do not reflect proforma adjustments for acquisitions done during the year. Please refer to the Key Figures section for the reconciliation of proforma effects on the 2023 and 2024 profit & loss.

Revenue

The Group's revenue for 2024 amounted to USD 88.1 million, compared to USD 81.3 million in 2023. The organic underlying growth in revenues was 1%, while IFRS non-proforma growth was 8%.

68 (69) percent of Group revenue was from Search and discovery, while 32 (31) percent was from Enrollment Services.

Revenue mix



Operational Cost

Operating expenses (excluding depreciation and amortization, business combinations, and restructuring costs) amounted to USD 73.6 million in 2024, compared to USD 64.8 million in 2023. This is an increase of 13% compared to an increase in revenues of 8%. USD 3.6 million of the cost increase is coming from entities acquired in 2024 and USD 1.5 million is coming from entities acquired in 2023 (reflected 12 months in 2024 but 9 months in 2023). Adjusted for this, the cost increase from 2023 to 2024 was USD 6.6 million or 10.5%. The increase is mainly related to the acquisition of Edunation and Asia Exchange, inflation, and salary adjustments.

Around 70% of the SG&A cost base in the Keystone Education group is FTE-related (60% including the cost of services). Business combinations and restructuring costs amounted to USD 3.8 million in 2024 and USD 1.8 million in 2023. In 2024, these mainly consisted of refinancing costs and costs from business combinations.

EBITDA

The Group reported adjusted EBITDA (excluding non-recurring items) of USD 14.5 million for 2024, compared to USD 16.5 million in 2023. The adjusted EBITDA margin was 17% in 2024 compared to 20% in 2023. The main reason for the drop in EBITDA margin was the 20% drop in international enrollments in the UK in 2024 due to the policy restrictions. The group has approximately 25% of revenues in the UK. This was a temporary negative market impact, and we have seen a return of students to the UK, with our university partners seeing good growth for 2025 enrollments, which is encouraging.

Including business combinations and restructuring costs, the EBITDA for 2024 was USD 10.7 million (margin of 12%) compared to USD 14.7 million in 2023 (margin of 18%).

Depreciation, amortization, and impairment

Depreciation and amortization totaled USD 8.8 million compared to USD 8.5 million last year. This reflects that the Group acquired several companies in 2024 and 2023, resulting in higher amortization of intangible assets.

No impairment was recognized in 2024 or 2023.

Operating results EBIT

The operating result (EBIT) for 2024 showed a profit of USD 1.9 million, compared to a profit of USD 6.2 million in 2023. The reduced result is mainly due to business combinations and restructuring costs, and the negative impact from the policy restrictions we saw in the UK (see comments above on EBITDA).

Net financial items

Total finance income amounted to USD 0.3 million in 2024 (2.2).
Total finance costs were USD 10.0 million (11.3), comprising both interest on debt and interest on financial leases under IFRS 16. In addition, the total cost related to interest and change in fair value on earnout liabilities (contingent) was USD 2.0 million (3.8).

Total interest expenses increased from USD 5.8 million in 2023 to USD 8.6 million in 2024. This is due to higher interest rates in 2024, and also new loans of USD 20.8 million to finance acquisitions and earnouts.

USD 2.0 million (3.8) of the finance costs in 2024 is due to changes in the valuation of contingent liabilities which relates to earn-outs and the performance of acquired entities.

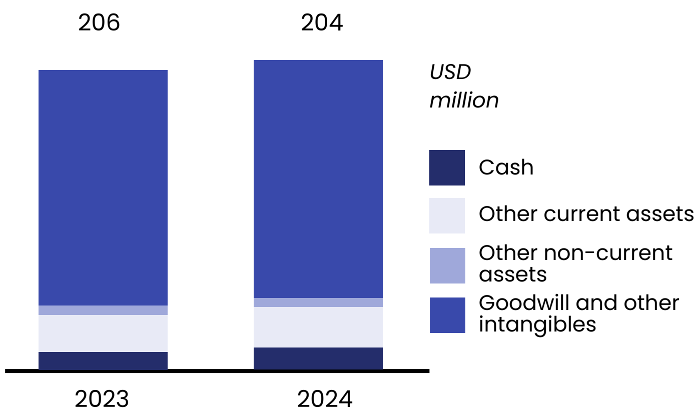
As several of these companies overperformed in 2024 (and 2023), an increase in the earn-out liability of USD 2.0 million (3.8) was recognized in 2024. Net finance costs were hence USD 11.7 million in 2024 (12.8).

Profit/loss

The net loss before tax was USD 9.8 million in 2024, compared to USD 6.6 million in 2023.

Income tax expense amounted to USD 1.7 million (1.4), and net loss after tax was USD 11.5 million (8.0). The increase in income taxes is driven by increased profits in certain jurisdictions.

Assets



The Group's total assets were USD 204.0 million at the end of 2024, compared to USD 205.6 million at the end of 2023.

Goodwill and other intangible assets amounted to USD 165.1 million, versus USD 163.4 million at the end of 2023. The changes are mainly due to additions of USD 15.1 million (23.3) from M&A, R&D capitalization of USD 3.8 million (3.1), translation differences of negative USD 9.8 million (positive 4.4), and amortization of USD 7.5 million (6.8).

During the year, the company performed impairment tests, and no impairments were found to be required.

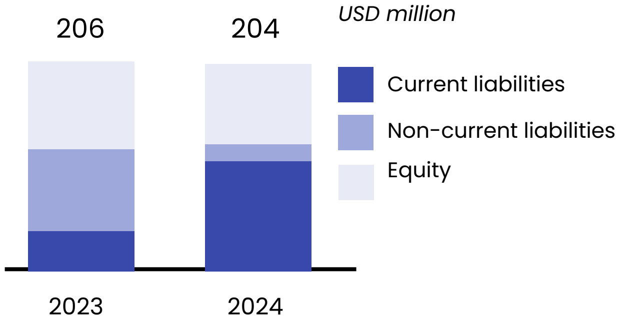
Total non-current assets amounted to USD 171.3 million, compared to USD 169.7 million at the end of 2023.

Cash and cash equivalents amounted to USD 12.2 million at the end of 2024 compared to USD 15.5 million at year-end 2023.

Total current assets amounted to USD 32.8 million at the end of the year, compared to USD 35.9 million at the end of 2023.

Equity and liabilities

The operating result (EBIT) for 2024 showed a profit of USD 1.9 million, compared to a profit of USD 6.2 million in 2023. The reduced result is mainly due to business combinations and restructuring costs and the negative impact of the policy restrictions we saw in the UK (see comments above on EBITDA).



The Group's equity amounted to USD 78.4 million at the end of 2024, down from USD 86.1 million at the end of 2023. This is mainly due to the loss in 2024 and foreign exchange differences in the translation of foreign operations (subsidiaries have a different functional currency than USD). This is a result of the revaluation of non-current assets, such as goodwill, due to changes in foreign exchange rates and is not reflective of the underlying performance of the businesses. The equity ratio is 38 percent, compared to 42 percent at the end of 2023.

At the end of 2024, non-current liabilities amounted to USD 17.3 million, compared to USD 79.7 million at the end of 2023.

The non-current liabilities comprised interest-bearing liabilities of USD 0 million (55.2), lease liabilities of USD 3.7 million (3.8), contingent liabilities (earn-outs) of USD 0 million (5.1), and deferred tax liability of USD 9.7 million (10.9). Interest-bearing liabilities of USD 70.6 million have been reclassified to current liabilities as the loan matures in December 2026, less than 12 months from the balance sheet date. The debt was refinanced in January 2025 at significantly better terms through a 4-year senior secured bond issue of EUR 100 million.

Current liabilities increased to USD 108.4 million from USD 39.8 million at the end of 2023, with trade payables decreasing to USD 2.7 million from USD 2.9 million at year-end 2023. Other current liabilities increased to USD 105.7 million from USD 36.9 million at the end of 2023, with current portion of contingent liabilities (earn-outs) at USD 4.9 million (11.6), deferred revenue at USD 18.2 million (15.7), current portion of lease abilities at USD 0.7 million (0.8), current tax payable at USD 2.4 million (0.8), current portion of interest bearing liabilities at USD 70.6 million (0) and other current liabilities at USD 8.8 million (8.0). The latter comprises salary-related accruals and other operational accruals.

Cash flow and investments

The Group had a positive operating cash flow of USD 8.3 million in 2024, compared to USD 10.2 million in 2023. The variance between the operating cash flow of USD 8.3 million and EBITDA of USD 10.7 million in 2024 is mainly explained by negative working capital movements of USD 0.5 million and paid income taxes of USD 2.0. The net working capital at year-end was impacted by increased activity levels.

Cash outflow from investing activities amounted to USD 22.3 million for 2024, compared to USD 21.5 million in 2023.

Investing activities mainly relate to the acquisition of companies.

Cash outflow from investing activities amounted to USD 22.3 million for 2024, compared to USD 21.5 million in 2023. Investing activities mainly relate to the acquisition of companies.

Capital expenditures (excluding company acquisitions) accounted for USD 3.8 million (3.1) of the cash outflows from investing activities and mainly related to capitalized research and development.

The net cash flow from financing activities was an inflow of USD 11.9 million, compared to a cash inflow of USD 14.4 million in the same period last year. Cash inflow from loan proceeds was USD 20.8 million in 2024 and 15.9 million in 2023. Interest payments amounted to USD 8.2 million in 2024 and 5.7 million in 2023. The increase is driven by higher debt and higher interest rates.

Funding

The company's cash position was USD 12.2 million at the end of 2024, compared to USD 15.5 million at the end of 2023.

In January 2025, Keystone Education Group refinanced its debt at significantly better terms through a 4-year senior secured bond issue of EUR 100 million.

This new funding will enable Keystone to continue investing in its platforms – driving growth and innovation in the education sector. This new financial backing enables us to better support students and schools, allowing us to double down on improving the student experience, enhancing matchmaking, and advancing AI-driven student guidance. Additionally, we will continue our acquisition strategy, expanding our portfolio and bringing even more value to students and our customers worldwide. The bond issue attracted significant interest from a broad range of high-quality Nordic and international institutional investors.

Given the current activity level and financial forecasts, the company will have sufficient liquidity through 2025, and there are no maintenance covenants in the bond loan. The financial forecast is subject to certain risk factors.

Parent company

Keystone Education Group AS is the parent company of the Keystone Education Group. In 2024, Keystone Education Group AS reported a loss after tax of USD 1.6 million, compared to a profit of USD 1.0 million in 2023.

At year-end 2024, Keystone Education Group AS had total assets of USD 99.3 million, compared to USD 104.0 million at the end of 2023.

Allocation of comprehensive profit

The Board of Directors proposes the following allocation of the reported comprehensive loss: USD 1.6 million transferred to other equity.

Accounting principles

The consolidated financial statement for 2024 has been prepared and presented in accordance with the IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the EU. The financial statements for the parent company have been prepared in accordance with the simplified application of IFRS and section 3-9 of the Norwegian Accounting Act.

Going concern

The Board views the Group as having a solid financial position. In accordance with Section 3-3a of the Norwegian Accounting Act, the Board is of the opinion that the going concern assumption is appropriate, and the accounts are prepared under this assumption.

Risk factors

Risk management in the Group is carried out by management and approved by the Board of Directors. Potential risks are evaluated on a regular basis, and management determines appropriate strategies for handling these risks within the Group under the approved policies.

Keystone Education Group is exposed to a variety of risk factors, including currency, interest rate, price, credit liquidity, and capital risk. Management evaluates these risks and related risk management processes on an ongoing basis.

Market risk

The Group is exposed to market risks related to the demand for its products and services and to its ability to maintain a competitive and attractive product offering. The Group manages the risk through continuous analysis of the users' interests and preferences, investments in products and services, and a continuous process of recruiting talent and developing the organization and leadership.

Foreign exchange risk

The majority of the financial risk that the Group is exposed to relates to currency risk. Both revenue and operating expenses are exposed to foreign exchange rate fluctuations. The Group undertakes business within various geographies and foreign currencies and is consequently exposed to fluctuations in exchange rates, particularly EUR, GBP, NOK, and SEK. Foreign exchange risk arises from transactions related to operations conducted, and financial assets and financial liabilities arising in foreign currencies. In 2024, 91% of the Group's revenues and 86% of operational expenses were in foreign currencies (other than USD). During 2024 and 2023, the Group did not use forward exchange contracts or any other class of derivatives to hedge its foreign exchange risk.

Credit risk

Credit risk relates to the risk of non-payment of trade receivables or other receivables, which may adversely impact financial results and liquidity.
The Group's exposure to credit risk is mainly related to external receivables. Credit risk is assessed for each specific customer. The Group's realized bad debt expenses in 2024 were 1% of the trade receivable at year-end. No single customer accounted for more than 10% of the Group's revenue during the financial year. Further, the Group conducts much of its business with universities and students, and it has not experienced significant credit-related losses during this or previous financial years. The carrying value of trade and other receivables represent the group's maximum exposure to credit risk at the balance sheet date. The Group has limited exposure in terms of credit risk related to loans and other receivables.

Liquidity risk

Liquidity risk is the risk that Keystone Education Group is not able to meet its payment obligations. The company is dependent on both access to long-term funding and timely payments of receivables from customers, and no assurance can be given with respect to the ability to secure new sources of funding in the event of a cash shortfall.

Generally, the Group's existing or future debt arrangements could limit the Group's liquidity and flexibility in obtaining additional financing in pursuing other business opportunities. If the Group's operating income is insufficient to service its current or future indebtedness, the Group will be forced to take action, such as reducing or delaying its business activities, acquisitions, investments, or capital expenditures, restructuring or refinancing its debt, or seeking additional equity capital. The Group may not be able to affect any of these remedies on satisfactory terms.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation, as well as having sufficient flexibility to invest in attractive investment opportunities. To ensure sufficient available cash at hand to meet expected cash outflows, the Group uses cash flow forecasts to monitor cash flow requirements. At the end of 2024, the Group had cash and cash equivalents of USD 12.2 million. In January 2025, Keystone Education Group refinanced its debt at significantly better terms through a 4-year senior secured bond issue of EUR 100 million. The Group also agreed with Nordea on a revolving credit facility of USD 15.0 million. Keystone Education Group has solid financing and the company's financial forecast shows sufficient liquidity through 2025. The liquidity forecast is subject to certain risk factors, such as project execution, timely collections from customers, or changes in phasing and scope of projects.

Report on corporate governance

The Group complies with the Norwegian Code of Practice for Corporate Governance on matters relating to the environment, social issues, the working environment, equality and non-discrimination, respect for human rights, and anti-corruption and bribery. Pending the recent "Omnibus" proposal by the European Commission regarding, inter alia, simplifying reporting measures under the Corporate Sustainability Reporting Directive(CSRD), the Group is monitoring the outcome of this, but is continuing to prepare for reporting
and audit under CSRD in 2025, if the Group would be subject to CSRD, by gathering and reviewing data, building sufficient internal control, and implementing efficient systems.

Environmental responsibility

The Group is not subject to licenses or impositions, and its activities do not have a negative, environmental impact. Please refer to an earlier section in this Annual eport to read about our commitment to sustainability. Report to read about our commitment to sustainability.

Transparency Act reporting

Keystone is working towards its third Transparency Act reporting, due in June 2025. The report will be available at **www.keg.com**.

The Director & Officers' Liability

The Directors & Officers' liability insurance covers pure financial loss resulting from a claim made against an insured person resulting from a wrongful act committed or allegedly committed in a position as a director or officer, member of the supervisory board or management board, or an employee acting in a managerial or supervisory capacity. The liability is personal.

Strategy and outlook

Keystone's vision is to help everyone in the world find the right education, and our strategy is focused on this. To achieve our vision, we need to help more students every year and grow into new markets to provide better guidance to students in these countries.

We will continuously expand both organically and through acquisitions to help students in more countries find the right education. We are also adding new services and products to enable us to further help the students in their journey from early interest in studying to actual enrollment.
To better help millions of students with the right guidance, we are investing in several AI-based solutions within student counseling and guidance, matchmaking, and content tools. We will continue to invest in and leverage new technologies to provide the best experience for students and schools.

In 2023 and 2024, several new companies joined Keystone. Studddy (former TAR Media group) joined in Q1 2023, enabling us to take the market-leading position in Search & Discovery in Germany & Austria. Future Elite in the United Kingdom and I-con Sport from Spain also joined Enrollment Services, further strengthening our position in these countries.

In Q1 2024, two new companies were acquired and became part of Keystone: Edunation and Asia Exchange, further strengthening our offering in Asia.

Keystone strategy will continue to be guided by the following principles:

- Deliver profitable growth
- Invest in technology to continuously improve our products and provide better services to students and schools
- Make acquisitions in new markets or new products/services to reach more students and provide better local enrollment services
- Combine Enrollment Services with Search & Discovery to create a seamless flow for the students
- Offer a valuable digital journey combined with personal guidance to help the student enroll at the right school and program
- Consolidate a streamlined product line that scales globally across our customers
- Lead the industry with dedication and passion guided by our vision and mission.

Keystone's ambition is to be the global industry leader within 3-5 years and grow significantly in size and reach, led both by organic and M&A driven growth. We will continue growing Keystone as a global brand and trustworthy partner and service provider for both students and schools.

Subsequent event

In January 2025, Keystone Education Group refinanced its debt at significantly better terms through a 4-year senior secured bond issue of EUR 100 million. The Group also agreed with Nordea on a revolving credit facility of USD 15.0 million.

Board of Directors and CEO of Keystone Education Group AS

Fornebu, 8 May 2025

Sign.

Keith Barry Fransson Chair of the Board of Directors	Carl Fredrik Gustav Søderlindh Director
Jostein Vik Director	Thorstein Berg Director
Karin Kans Director	Björn Fredrik Högemark CEO

Consolidated Financial Statements

Consolidated statement of comprehensive income

USD thousands	Note	2024	2023
Revenue			
Revenue from contracts with customers	5, 13	88 140	81 310
Operating expenses			
Cost of services	6	(14 412)	(11 319)
Personnel expenses	7	(45 954)	(42 547)
Depreciation and amortization expenses	14, 15, 16	(8 835)	(8 488)
Other operating expenses	8	(13 229)	(10 979)
Total operating expenses	12, 13	(82 429)	(73 333)
Operating profit ("EBIT"), excluding costs for business combinations and restructuring		5 710	7 977
Business combinations and restructuring costs	9	(3 834)	(1 802)
Operating profit ("EBIT")		1 876	6 175

USD thousands	Note	2024	2023
Finance income and costs			
Finance income	10	320	2 239
Finance cost	10	(10 015)	(11 263)
Interest, FX, and change in fair value of contingent consideration (earn-outs)	23	(1 972)	(3 756)
Net finance income/(costs)	10	(11 666)	(12 779)
Net profit/(loss) before income tax		(9 791)	(6 604)
Income tax expense	11	(1 658)	(1 425)
Net profit/(loss)		(11 449)	(8 029)
Other comprehensive income that may be reclassified to profit or loss on subsequent periods (net of tax)			
Exchange differences on translation of foreign operations		4	7 044
Total comprehensive income/loss		(11 445)	(985)
Net profit is attributable to:			
Owners of KEG AS		(11 458)	(8 020)
Non-controlling interests		10	(9)
Total comprehensive income for the period is attributable to:			
Owners of KEG AS		(11 454)	(976)
Non-controlling interests		10	(9)

Consolidated statement of financial position

USD thousands	Note	31-Dec 2024	31-Dec 2023
Non-current assets			
Intangible assets	16	165 047	163 437
Right of use assets	15	4 166	4 527
Property, plant, and equipment	14	631	828
Deferred tax assets	11	1 071	630
Other non-current assets	17	349	318
Total non-current assets		171 264	169 740
Current assets			
Cash and cash equivalents	13, 19	12 227	15 475
Trade receivables	13, 18, 19	12 110	12 333
Other current assets	13, 18, 19	8 425	8 074
Total current assets		32 762	35 882
Total assets		204 027	205 623

USD thousands	Note	31-Dec 2024	31-Dec 2023
Equity			
Equity attributable to owners of the company		78 366	86 093
Non-controlling interests		8	(20)
Total equity	24	78 374	86 073
Non-current liabilities			
Interest bearing liabilities	13,19, 20, 21	-	55 174
Lease liabilities	15, 19, 20, 21	3 662	3 830
Deferred tax liability	11	9 706	10 865
Other non-current liabilities	22	3 891	4 739
Non-current contingent consideration liabilities	19, 23	-	5 115
Total non-current liabilities		17 259	79 723
Current liabilities			
Trade payables and other payables	19, 20, 22	2 736	2 915
Deferred revenue	22	18 218	15 729
Taxes payable	11	2 439	776
Current portion of lease liabilities	15, 19, 20, 21	675	857
Current portion of interest-bearing liabilities	13,19, 20, 21	70 639	-
Other current liabilities	19, 20, 22	8 832	7 979
Current contingent consideration liabilities	19, 20, 23	4 854	11 571
Total current liabilities		108 394	39 826
Total liabilities		125 653	119 550
Total equity and liabilities		204 027	205 623

Board of Directors and CEO of Keystone Education Group AS

Fornebu, 8 May 2025

Sign.

Keith Barry Fransson Chair of the Board of Directors	Carl Fredrik Gustav Søderlindh Director
Jostein Vik Director	Thorstein Berg Director
Karin Cecilia Kans Director	Björn Fredrik Högemark CEO

Consolidated statement of changes in equity

For the year ended 31 December 2024

USD thousands	Number of shares outstanding (thousand)	Paid-in capital (par value)	Paid-in capital (share premium)	Other reserves	Reserve for own shares	Translation reserve	Other equity	Subtotal	Non-controlling interests	Total equity
Balance 1 January 2024	7 095	933	93 241	706	(715)	11 637	(19 709)	86 093	(20)	86 073
Comprehensive income/loss										
Profit/(loss)							(11 458)	(11 458)	10	(11 449)
Other comprehensive income/(loss) for the period		(2)	(449)	(3)	-	1 289	(832)	4	0	4
Total comprehensive income (loss) for the period	-	(2)	(449)	(3)	-	1 289	(12 290)	(11 455)	10	(11 445)
Contributions by and distributions to owners										
Issuance of ordinary shares related to business combinations	286	36	6 886	-	-	-	-	6 922		6 922
Issuance of ordinary shares related to incentive program	18	2	194	-	-	-	-	196		196
Share-based payment transactions	-	-	-	51	-	-	-	51	-	51
Total contributions by and distributions to owners	304	39	7 079	51	-	-	-	7 169	-	7 169
Other equity changes										
Translation of equity components		(88)	(9 351)	(58)	67	4 181	1 802	(3 447)		(3 447)
Other changes	-	-	-	-	-	(0)	(15)	(15)	39	24
Total other equity changes	-	(88)	(9 351)	(58)	67	4 181	1 786	(3 463)	39	(3 424)
Balance 31 December 2024	7 400	882	90 520	696	(648)	17 108	(30 213)	78 345	29	78 374

Face value of the shares

The face value of the shares is NOK 1.35, and there are outstanding 7 399 797 shares as of 31 December 2024. Please refer to note 24 for more information about the share capital and shareholder information.

Issuance of ordinary shares related to business combinations

During 2024 KEG issued 286 056 shares of which were used as part of the transaction for the acquisition of Asia Exchange and Edunation.

Issuance of ordinary shares related to incentive program

During 2024 KEG issued 18 252 shares of which USD 0.2 m was paid in cash as part of the options program for employees in the group.

Issuance of ordinary shares related to equity increase

During 2024 KEG issued no additional shares.

Other reserves

Other reserves consist of option costs recognized according to the equity settled method.

Reserve for treasury shares

The reserve for the Company's own shares comprises the face value cost and excess value of own shares held by the Company.

By end of 31 December 2024, the company had 76 035 treasury shares. KEG holds 32 641 treasury shares and holds an additional 43 394 shares in escrow for share transactions from the previous share issues related to equity increases.

Translation reserve

The translation reserve consists of all foreign currency differences arising from the translation of the financial statements of group companies with a functional currency that is not USD.

Other equity

Other equity consists of all other transactions, including but not limited to, total recognized.

For the year ended 31 December 2023

USD thousands	Number of shares outstanding (thousand)	Paid-in capital (par value)	Paid-in capital (share premium)	Other reserves	Reserve for own shares	Translation reserve	Other equity	Subtotal	Non-controlling interests	Total equity
Balance 1 January 2023	6 694	927	95 658	666	-	(5 300)	(12 352)	79 598	(11)	79 588
Comprehensive income/loss										
Profit/(loss)							(8 020)	(8 020)	(9)	(8 029)
Other comprehensive income/(loss) for the period		(349)	(10 174)	(21)	(13)	17 011	591	7 044	0	7 044
Total comprehensive income (loss) for the period	-	(349)	(10 174)	(21)	(13)	17 011	(7 429)	(976)	(9)	(985)
Contributions by and distributions to owners										
Issuance of ordinary shares related to business combinations	103	13	2 082	-	-	-	-	2 094	-	2 094
Issuance of ordinary shares related to incentive program	3	0	32	-	-	-	-	32	-	32
Issuance of ordinary shares related to equity increase	296	342	5 658	-	-	-	-	6 001	-	6 001
Treasury shares purchased		-	-	-	(701)	-	-	(701)	-	(701)
Share-based payment transactions		-	-	59	-	-	-	59	-	59
Total contributions by and distributions to owners	402	355	7 772	59	(701)	-	-	7 485	-	7 485
Other equity changes										
Other changes	-	0	(15)	2	-	(73)	72	(14)	-	(14)
Total other equity changes	-	0	(15)	2	-	(73)	72	(14)	-	(14)
Balance 31 December 2023	7 095	933	93 241	706	(715)	11 637	(19 709)	86 093	(20)	86 073

Consolidated statement of cash flow

USD thousands	Note	2024	2023
Cash flows from operating activities			
Net profit/(loss) before income tax		(9 791)	(6 604)
Income taxes paid	11	(2 023)	(3 278)
Adjustments for:			
Depreciation, amortisation and impairment expenses	14, 16	8 835	8 488
Finance income	10	(320)	(2 239)
Finance costs	10	11 987	15 019
Working capital changes:			
Changes in trade receivables, trade and other payables		131	(506)
Changes in other operating working capital		(552)	(667)
Net cash from operating activities		8 267	10 214
Cash flows from investment activities			
Acquisition of equipment	14	(205)	(385)
Capitalized Research & Development	16	(3 793)	(3 064)
Payment for acquisitions of subsidiaries, net of cash acquired 1)	16	(18 338)	(18 038)
Net cash from investment activities		(22 336)	(21 486)

USD thousands	Note	2024	2023
Cash flow from financing activities			
Purchase of treasury shares		-	(701)
Proceeds from issuance of shares - private placement	24	-	6 001
Proceeds from issuance of shares - incentive program	24	196	32
Net payments from new loans	21	20 767	15 848
Downpayments of interest-bearing liabilities	21	-	-
Interest paid	21	(8 186)	(5 724)
Principal payment of lease liabilities	15	(910)	(1 081)
Proceeds from minority shareholders		39	-
Net cash to/from financing activities		11 906	14 376
Net change in cash and cash equivalents		(2 162)	3 103
Currency effects on cash		(1 086)	(105)
Cash and cash equivalents at period start		15 475	12 477
Cash and cash equivalents at period end 2)		12 227	15 475

1) Cash paid upfront for M&As during the fiscal year composed of USD 7 105 thousand gross of cash acquired for new acquisitions (USD 5 059 thousand net), net working capital adjustments of USD 604 thousand, and earnout payments USD 12 676 thousand for prior acquisitions.

2) Of which USD 541 thousand (2023: USD 5 517 million) is restricted cash as of 31 December 2024.

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Notes to the consolidated financial statements

1. Company information

The Group delivers services to higher education institutions and prospective students to help the student connect and find the right education. Keystone Education Group ("KEG") consists of Keystone Education Group AS and its subsidiaries. Keystone Education Group AS is a limited liability company incorporated in Norway. The Company's registered office is at Rolfsbuktveien 4D, 1364 Fornebu, Norway. The consolidated financial statements of Keystone Education Group AS (referred to as the "Company" or the "Parent Company") incorporates the financial statements of the Company and its subsidiaries, collectively referred to as the "Group".

These consolidated financial statements were approved for issue by the Board of Directors on 8 May 2025. These consolidated financial statements have been presented in USD, and rounded to the nearest thousand, unless stated otherwise.

Minor rounding differences may exist due to the rounding to thousands for presentation purposes. The Group has changed the level of rounding with respect to the consolidated financial statements for the period ended 31 December 2021, as it was determined that the information provided with a lower level of rounding improves the understanding of the figures presented.

The following subsidiaries are included in the consolidated financial statements:

Company name	Country of incorporation	Ownership and voting share interest
Keystone Education Group AS	Norway	
Keystone Academic Solutions AS	Norway	100%
Find A Solutions Ltd	UK	100%
Find a University Ltd	UK	100%
Keystone Sports AS	Norway	100%
Keystone Sports GmbH	Germany	100%
Uni-Quest LTD	UK	100%
UniQuest, Inc	USA	100%
Athletes Global Management Sports, S.L.	Spain	100%
Keystone Education Group AB	Sweden	100%
EMG-Educations Media Group AB	Sweden	100%
Blueberry College & Universitet AB	Sweden	100%
Find Courses PRO AB	Sweden	100%
Keystone Group APS	Denmark	100%
Studentum AS	Norway	100%
Kursfinder GmbH	Germany	100%
Keystone Education Group OY	Finland	100%
The Alliance App	UK	68%
Future Elite Sports Ltd	UK	100%
Future Elite Players Ltd	UK	100%
Icon Sports SL	Spain	100%
TarGroup Media GmbH	Germany	100%
Edunation Oy	Finland	100%
Asia Exchange Oy	Finland	100%
Edunation HK Limited	Hong Kong	100%
Asiabroad Limited	Hong Kong	100%
UniQuest conversion services private limited	India	100%

2. Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the EU. The consolidated financial statements have been prepared on a historical cost basis except for contingent considerations measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The group has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, which are entities controlled by the Company.

The financial statements of the subsidiaries are prepared for the same reporting periods as the parent company and consistent accounting policies are applied. The results of subsidiaries acquired or disposed of during the year are included in the income statement from the date when control is obtained and until control ceases, respectively. Intercompany transactions, balances, revenues, expenses and unrealized Group internal gains or losses are eliminated on consolidation.

2.3 Foreign currency translation

The consolidated financial statements are presented in USD. As a result of rounding adjustments, the figures in one or more columns included in the financial statements may not add up to the total of that column.

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences are recognized in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate). Currency translation of equity components is translated at closing rates.

2.4 Employee benefits

The Group operates defined contribution plans for most of the group companies.

2.5 Financial Instruments

Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component, and which are measured at their transaction price.

The categorization of financial instruments (financial assets and liabilities) for measurement purposes is based on the nature and purpose of the financial instrument and is determined on initial recognition.

Financial assets

The Group's financial assets, which primarily consist of contract assets and other current receivables, are measured at amortized cost.

Impairment of financial assets and trade receivables

The Group always recognizes lifetime expected credit losses (ECL) for contract assets and trade receivables. The expected credit losses on these financial assets and trade receivables are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Financial liabilities

Trade and other payables include trade payables and other current and non-current financial liabilities. Borrowings (long-term and short-term) include loans from financial institutions and bank overdrafts. These liabilities are initially recognized in the statement of financial position at fair value (net of any transaction costs), and subsequently measured at amortized cost using the effective interest rate method.
The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. Any difference between the carrying amount of the financial liability derecognized, and the consideration paid and payable is recognized in profit or loss.

2.6 Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

2.7 Cash Flow statement

The Group presents the statement of cash flows using the indirect method. Cash inflows and outflows are shown separately for investing and financing activities, while operating activities include both cash and non-cash line items. Interest paid, and dividends distributed are reported as a part of financing activities. Value Added Tax and other similar taxes are regarded as collection of tax on behalf of authorities.

3. Adoption of new and revised International Financial Reporting Standards and Interpretations

3.1 Standards and Interpretations affecting amounts reported in the current period

All relevant new and revised IFRSs and IFRIC interpretations that are mandatory for periods commencing 1 January 2024 and earlier have been adopted for all periods presented in these consolidated financial statements. All new and revised IFRSs and IFRIC interpretations have had no material effect on the financial statements in 2024.

3.2 Standards and Interpretations in issue but not yet adopted

Certain new accounting standards, amendments, and interpretations are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the group. These standards, amendments, and interpretations are not expected to have a material impact on the entity in the current future of reporting periods and on foreseeable future transactions.

4. Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, including expectations of future events that are deemed to be reasonable under the current circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates, assumptions, and management judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Amortization of intangible assets (see note 16)

One of the Group's most significant accounting estimates is related to amortization of intangible assets assumed in business combinations. More information on intangible assets can be found in note 16.

Impairment (see note 16)

In accordance with IAS 36, the Group tests annually whether goodwill has suffered any impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill and intangible assets were tested for impairment at the end of 2024. The carrying amount of each cash generating unit was tested against the recoverable amount based on value in use and fair value. These tests suggested no impairment was required. See note 16 for further information on recoverable amounts.

Value in use, particularly when discounted cash flow methods are used, must in part be based on management's evaluations, including determining appropriate cash-generating units, determining the discount rate, estimates of future revenue and margins, and assumptions of the future market conditions. Discount rates have been sourced from a third-party expert.

Management compares the estimates of value in use with the market valuation for reasonableness. In addition, a retrospective analysis of actuals from prior years is performed to provide further input for the estimates that are made regarding future cash flows.

A sensitivity analysis for changes in key assumptions and whether they would lead to an impairment loss is included in note 16.

Contingent considerations (see note 16 and 23)

The Group has previously entered into earnout agreements in connection with acquisitions. An analysis is given in note 16 of how the provisions related to contingent considerations have been calculated.

5. Revenue

Revenues per currency

Please refer to note 13 for information about revenue per currency.

Revenue recognition

The Group delivers services to higher education institutions and prospective students to help students connect and find the right education. The Group recognizes revenue when (or as) it transfers control of services to its customers. Revenue is recognized in the amount of the transaction price, which represents the consideration to which the Group expects to be entitled in a contract with a customer, excluding amounts collected on behalf of third parties, and net of value-added tax, discounts, and rebates. When the transaction price includes elements of variable consideration, the Group estimates the amount of consideration to which the entity will be entitled for the services provided. If a customer contract consists of multiple performance obligations, the consideration is allocated among the performance obligations based on their estimated relative stand-alone selling price. In instances where final acceptance of the product or service is specified by the customer, revenue is deferred until all acceptance criteria have been met.

Payment terms vary between customer segments and regions.

Revenue streams

The services rendered are split into the following main revenue streams:

Search & Discovery

Core service comprises of website listings of the respective education provider and its programs on Keystone's education websites, with various possibilities to increase visibility through add-on services. Add-on services increase visibility of universities' further and include, e.g., priority listings, sponsored content, and student recruitment.

Revenue from sale of subscription website services to customers is generally invoiced monthly/quarterly/yearly and recognized over the contract period.

Some larger contracts have variable performance-based consideration based on the number of interested students and leads generated. These series of distinct performance obligations are considered as one and the variable consideration is measured and allocated in line with the specific outcome.

As additional services the Group delivers customized social media and direct media campaigns and marketing packages at specific points in time. Revenue from sale of social media and direct media campaigns is recognized when these performance obligations are fulfilled, at point in time.

The Group also offers professional training through the PRO platform where we buy courses from a variety of suppliers and sells the courses to our customers. Customers are set up on the PRO platform and have access to their own site on this platform. Revenues from course and administration fees are recognized when the courses are held (at a point in time). Revenues from installation and implementation services for the PRO platform are recognized at a point in time when the installation has been completed.

Enrolment services

Keystone helps universities with lead-to-Enrolment services combining personal guidance with a conversion engine that works invisibly to improve student engagement and conversion. By managing all incoming leads to a university, Keystone improves the student journey and increases the lead-to-Enrolment conversion rates for both international and domestic cohorts. The Group acts as an agent and matches students with learning institutions for a fixed Enrolment fee. Revenue is recognized at a point in time when the Group has both fulfilled its performance obligation and when the Group has an enforceable right to the fee, which is when the student pays their tuition fee at the end of any "come and try" period during which the student can walk away without paying. The services are generally invoiced after the revenue is recognized. The Group also delivers consultancy services to prospective students to help them obtain a scholarship. The Group performs several activities depending on packages chosen by the student. Most of the services are performed soon after signing the contract, but timing will depend on the package and the timeline before the student will go to university.

The timing of invoicing varies based on the contract. Revenues are recognized at a point in time as the performance obligation has been fulfilled. For students already enrolled, the Group renders other consultancy services monthly over the contract period, recognizing revenue over time.

The Group delivers events such as, e.g., career fairs, and revenue from sales of events is recognized when the services are performed (at a point in time).

Cost of obtaining contracts with customers

The Group pays sales commission to its employees based on actual sales. Commissions that are incremental costs of obtaining a contract with a customer are recognized as an asset if the costs are expected to be recovered. Subsequently, the asset is amortized on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The expected relevant amortization period varies across the business. Management considers that the average customer's life and other factors are similar across geographies and business lines. This amount is amortized in personnel expenses.

Trade receivables

Trade receivables are initially recognized at the amount of consideration that is unconditional. Trade receivables are non-interest bearing and trading terms range from 30 to 90 days and therefore classified as current. More information in note 18.

Costs to fulfil a contract

In addition to the contract balances discussed above, the Group has also recognized an asset in relation to costs to fulfil some of the Group's contracts. Such costs are recognized as an asset if the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify. The costs generate or enhance resources of the entity that will be used in satisfying and the costs are expected to be recovered. These costs relate primarily to implementation services and are presented within other assets in the balance sheet. As of 31 December 2024, USD 0 million (USD 0 million) was the balance of assets recognized from cost to fulfil a contract.

Contract liabilities

When a customer pays consideration in advance, or an amount of consideration is due contractually before transferring of the services, the amount received in advance is presented as a liability. Contract liabilities represent prepayment from clients for partially satisfied performance obligation in relation to subscription.

2024 Disaggregation of revenue

USD thousands	Search & Discovery	Enrolment Services	Total 2024
UK	9 482	11 876	21 358
Continental Europe	20 635	121	20 756
Nordics	19 741	-	19 741
US	5 787	11 152	16 939
Other	4 500	4 846	9 347
Revenue from contracts with customers	60 145	27 996	88 140
Recurring revenues	32 572	12 886	45 458
Re-occurring revenues	26 148	-	26 148
Total over time revenue recognition	58 720	12 886	71 606
Other revenues	1 425	15 110	16 535
Total point in time revenue recognition	1 425	15 110	16 535

2023 Disaggregation of revenue

USD thousands	Search & Discovery	Enrolment Services	Total 2023
UK	9 317	13 649	22 966
Continental Europe	16 355	213	16 568
Nordics	19 684	-	19 684
US	5 539	11 541	17 080
Other	4 946	66	5 012
Revenue from contracts with customers	55 840	25 470	81 310
Recurring revenues	34 308	14 471	48 780
Re-occurring revenues	18 879	-	18 879
Total over time revenue recognition	53 188	14 471	67 659
Other revenues	2 653	10 999	13 652
Total point in time revenue recognition	2 653	10 999	13 652

6. Cost of services

Specification of cost of services

Cost of services are all the direct costs associated with running or performing the customer services including direct marketing, event, project, cost for courses, and other costs.

USD thousands	2024	2023
External services	(9 554)	(8 761)
Marketing	(1 429)	(1 206)
Events and project costs	(295)	(342)
Hosting	(654)	(523)
Other	(2 480)	(487)
Total	(14 412)	(11 319)

External services include payment of for external courses and items such as Google Ads and Meta marketing that are part of or empower products.

7. Payroll costs and remuneration to Management

Specification of payroll costs

USD thousands	**2024**	**2023**
Salary incl. bonus and commissions	(35 399)	(32 154)
Social security cost	(6 642)	(5 886)
Payments to long-term contractual staff	(4 350)	(3 837)
Pension costs	(1 537)	(1 598)
Other payments	(1 081)	(959)
Share-based payments	(55)	(52)
Capitalized development costs	3 110	1 940
Total	(45 954)	(42 547)
Average number of full-time equivalents	*851*	*809*

The Norwegian companies in the Group are obligated to follow the Act on Mandatory company pensions and "these companies pension schemes follow the requirement as set in the Act".

The Group operates defined contribution plans for most of the group companies.

The CEO is employed under a service agreement with Keystone Education Group AB, and the CEO has waived his rights in his employment agreement which corresponds to Section 15-16 of the Norwegian Working Environment Act of 2005 relating to employees' protection, termination of employment contracts, etc.

As compensation, the CEO is entitled to receive a termination amount of six months' base salary if the employment contract is terminated by the Company.

The Group has not given any loans or security deposits to the CEO, the Chairman of the Board or their related parties.

A bonus and commission program exists for the senior executive team at Keystone. For each individual executive, a limit is set for the amount of bonus and commission that can be achieved. The size of the bonus and commission payment is dependent on actual company performance compared to a set of predefined targets.

No accrual for 2024 bonuses and commissions for senior executives has been recognized in the consolidated financial statements.

Compensation to Executive Management and Board of Directors 2024

USD thousands	Salary	Bonus/ commission	Other compensation	Pension compensation	Benefit exercised options/RSUs	Total compensation
Björn Fredrik Högemark - CEO	205	-	7	55	-	267
Keith Barry Fransson - Chairman	28	-	-	-	-	28
Executive Management excl. CEO	1 373	140	54	68	-	1 634
Board of Directors excl. Chairman	-	-	-	-	-	-

Presented above are the bonuses earned in 2024 and paid in both 2024 and 2025.

Members of Executive Management are included in the Company's employee pension scheme, which is a defined contribution plan. There has been no compensation or other economic benefit provided in 2024 or 2023 to any member of the Executive Team or Board of Directors from the Company or any business owned by the Company, except that mentioned above. In 2023 and 2023, there has been no significant additional compensation given to directors with regard to special services performed outside of their normal function.

Compensation to Executive Management and Board of Directors 2023

USD thousands	Salary	Bonus/ commission	Other compensation	Pension compensation	Benefit exercised options/RSUs	Total compensation
Björn Fredrik Högemark - CEO	207	-	8	49	-	264
Keith Barry Fransson - Chairman	28	-	-	-	-	28
Executive Management excl. CEO	1 510	270	518	67	-	2 365
Board of Directors excl. Chairman	-	-	-	-	-	-

Presented above are the bonuses earned in 2023 and paid in both 2023 and 2024.

Share-based compensation program

In 2021, the Board of Directors and the Company's shareholders expanded and adopted a program for the granting of equity compensation in the form of a stock options and warrant program to the executive officers and other employees of the Keystone Group of companies (the "Option Program").

One option entitles the holder upon exercise to receive one share in Keystone Education Group AS, against payment of the applicable strike price for the option/warrant. Strike price is equal to the estimated market value at the time the option/warrant is granted. Options have been offered without any option payments, whilst warrants have been offered against a price of NOK 50 pr. warrant.

Vesting of options/warrants is time based, with vesting of 1/3 after one year, 1/3 after two years and 1/3 after three years, with first vesting taking place in 2022. The option/warrant holder to decide once a year how many vested options/warrants to be exercised and converted to shares in the Company. The issued options/warrants expire and lapse after 5 years from grant date. Vesting of options require that the employee remains with the Keystone group.

Recipients of options/warrants will be proposed by management and approved by the Board of Directors, who has the authority delegated from the general meeting to issue shares under the option program. Allocation of options to the CEO will be proposed and decided by the Board of Directors under the same authority. The fair value of services received in return for stock options granted is measured by using the Black & Scholes option pricing model.

The expected volatility is based on historic volatility (calculated using the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information.

Share options are granted under service conditions, not market-based conditions. Such conditions are not taken into account in the grant date fair-value measurement. There is no market conditions associated with the share option grants. Given that employees have the right to exercise their options up to three years after the vesting date, the estimate assumes that the employees, on average, are exercising their options 12 months after the vesting date.

As of 31 December 2024, the Company had 182 157 (2023: 184 462) warrants issued and 140 976 (2023: 164 951) options issued.

Share-based compensation cost – Equity settled

USD thousands	**2024**	**2023**
Balance as of 1 January	774	715
Cost recognized in the period (IFRS 2 expense)	51	59
Balance as of 31 December	825	774
Unamortized - rest of lifetime	19	118

Share-based compensation cost–Cash settled

USD thousands	**2024**	**2023**
Balance as of 1 January	188	342
Cost recognized in the period (IFRS 2 expense)	45	(155)
Balance as of 31 December	233	188

Outstanding warrants

Activity	2024 Number of instruments	2024 Average Strike Price (NOK)	2023 Number of instruments	2023 Average Strike Price (NOK)
Outstanding 1 January	184 462	225	185 764	225
Granted	3 000	225	-	-
Exercised	(305)	225	(1 302)	225
Cancelled	(2 000)	225	-	-
Terminated	(3 000)	225	-	-
Outstanding 31 December	182 157	225	184 462	225
Of which vested	*177 105*	*225*	*117 887*	*225*

The average contractual lifetime as of 31 December 2024 is three years. The strike price for all warrants is NOK 225.

Outstanding options

Activity	2024 Number of instruments	2024 Average Strike Price (NOK)	2023 Number of instruments	2023 Average Strike Price (NOK)
Outstanding 1 January	164 951	169	167 923	150
Granted	1 000	257	34 500	219
Exercised	(18 252)	114	(2 530)	130
Terminated	(6 723)	151	(34 942)	161
Outstanding 31 December	140 976	178	164 951	169
Of which vested	*128 074*	*136*	*131 284*	*158*

The following table reconciles the total outstanding options and vested options per strike price category.

	Outstanding Instruments			Vested Instruments	
Strike price	Number of instruments	Average remaining contractual life	Weighted Average Strike Price	Vested instruments 31.12.2024	Weighted Average Strike Price
130.00	68 614	1	130	68 614	95
219.00	33 000	2	219	24 426	130
225.00	28 362	2	225	24 810	219
225.26	10 000	2	225	10 000	225
256.80	1 000	4	257	224	225
	140 976	3	178	128 074	136

Granted instruments

Instrument	2024 Options	2023 Options
Quantity 31/12/2024 (instruments)	1 000	34 500
Quantity 31/12/2024 (shares)		34 500
Contractual life*	5	5
Strike price*	257	219
Share price*	257	219
Expected lifetime*	3	3
Volatility*	30.1%	33.9%
Interest rate*	3.8%	3.4%
Dividend*	-	-
FV per instrument*	58	54

**Weighted average parameters at grant of instrument*

Outstanding Warrants – CEO Fredrik Högemark

Activity	2024 Number of instruments	2024 Average Strike Price (NOK)	2023 Number of instruments	2023 Average Strike Price (NOK)
Outstanding 1 January	8 150	225	8 150	225
Outstanding 31 December	8 150	225	8 150	225
Of which vested	5 206	225	5 206	225

The warrants to Fredrik Högemark were granted before he was elected as CEO (from 15 November 2022). The average contractual lifetime as of 31 December 2024 is two years. The strike price for all warrants is NOK 225.

Outstanding Options – Executive Management excl. CEO

Activity	2024 Number of instruments	2024 Average Strike Price (NOK)	2023 Number of instruments	2023 Average Strike Price (NOK)
Outstanding 1 January	79 000	164	88 800	159
Granted	-	-	10 000	219
Adjusted	(10 000)	(219)	(19 800)	167
Outstanding 31 December	69 000	156	79 000	164
Of which vested	65 672	153	58 838	149

The cost of the options related to instruments granted to the Executive Management excluding the CEO was NOK 368 476 in 2024 and NOK 1 162 521 in 2023.

The below table reconciles the total outstanding options and vested options per strike price category.

	Outstanding Instruments			Vested Instruments	
Strike price (NOK)	Number of instruments	Weighted Average remaining contractual life	Weighted Average Strike Price	Vested instruments 31.12.2024	Weighted Average Strike Price
225.00	15 000	3	225	11 672	225
225.26	4 000	2	225	4 000	225
130.00	20 000	1	130	20 000	130
130.00	30 000	1	130	30 000	130
	69 000	1	156	65 672	153

Outstanding Warrants – Executive Management excl. CEO

Activity	2024 Number of instruments	2024 Weighted Average Strike Price (NOK)	2023 Number of instruments	2023 Weighted Average Strike Price (NOK)
Outstanding 1 January	14 300	225	21 650	225
Adjusted	-	-	(7 350)	225
Outstanding 31 December	14 300	225	14 300	225
Of which vested	*13 900*	*225*	*9 134*	*225*

The average contractual lifetime as of 31 December 2024 is two years. The strike price for all warrants is NOK 225.

Outstanding Warrants – Chairman

Activity	2024 Number of instruments	2024 Weighted Average Strike Price (NOK)	2023 Number of instruments	2023 Weighted Average Strike Price (NOK)
Outstanding 1 January	87 714	225	87 714	225
Outstanding 31 December	87 714	225	87 714	225
Of which vested	*85 277*	*225*	*56 039*	*225*

The average contractual lifetime as of 31 December 2024 is two years. The strike price for all warrants is NOK 225.

Outstanding Warrants – Board of Directors excl. Chairman

Activity	2024 Number of instruments	2024 Weighted Average Strike Price (NOK)	2023 Number of instruments	2023 Weighted Average Strike Price (NOK)
Outstanding 1 January	8 150	225	8 150	225
Adjusted	(8 150)	(225)	-	-
Outstanding 31 December	-	-	8 150	225
Of which vested	-	-	*5 206*	*225*

The average contractual lifetime as of 31 December 2024 is two years. The strike price for all warrants is NOK 225.

8. Other operating expenses

Specification of other operating costs

USD thousands	2024	2023
Equipment	(3 373)	(3 082)
Audit, legal and other advisory services	(3 678)	(3 008)
Marketing expenses	(2 689)	(2 496)
Travel expenses	(900)	(764)
Training, meetings & updates	(241)	(144)
Corporate Liability Insurance	(171)	(143)
Bad Debt expenses	(176)	(517)
Other expenses	(807)	(581)
Rent and other office expenses	(1 194)	(244)
Total	(13 229)	(10 979)

Auditor's remunerations

The remuneration breakdown (excl. VAT) paid and recognised as an expense for the year to the group's auditor PwC is as follows:

USD thousands	2024	2023
Statutory audit	(211)	(175)
Other assurance services	(64)	-
Other non-assurance services	(135)	(19)
Tax consultant services	(20)	(6)
Total fee to auditor	(430)	(200)

9. Business combinations and restructuring costs

Specification of business combinations and restructuring costs

Business combinations and restructuring costs may not be indicative of the ongoing operating result or cash flows of the company. Profit measure excluding business combinations and restructuring costs is presented as an alternative measure to improve comparability of the underlying business performance between the periods. Business combinations and restructuring costs include restructuring costs and costs related to business combinations.

Special items

USD thousands	**2024**	**2023**
Salary restructuring cost (severance)	(170)	(830)
Legal fees related to business combinations	(758)	(436)
Other restructuring cost	(2 906)	(535)
Total	(3 834)	(1 802)

10. Finance income and costs

Specification of finance income and costs

The Group's other finance income and other finance costs mainly relate to gains and losses on foreign exchange from translation difference.

USD thousands	**2024**	**2023**
Interest income	474	85
Foreign exchange gains	(154)	2 145
Other finance income	0	9
Finance income	320	2 239
Interest expenses	(8 605)	(5 803)
Foreign exchange losses	(1 039)	(5 022)
Other finance costs	(371)	(438)
Finance costs	(10 015)	(11 263)
Interest, FX, and change in fair value of contingent consideration (earn-outs)	(1 972)	(3 756)
Net finance costs	(11 666)	(12 779)

11. Income tax

Current tax

The tax currently payable is based on taxable profit for the year. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.
A provision is recognized for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

Deferred tax

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liability are offset as there is a legally enforceable right to offset current tax assets and liabilities as the deferred tax balances relate to the same taxation authority.

Specification of income tax

USD thousands	**2024**	**2023**
Current income tax payable	(2 034)	(2 262)
Change in deferred tax	1 088	1 237
Settlement of tax payable from previous years	(712)	(401)
Income tax expense	(1 658)	(1 425)
The foreign part of the income tax expense	*(2 751)*	*(764)*

Reconciliation of effective tax rate

USD thousands	**2024**	**2023**
Profit/(loss) before income tax	(9 791)	(6 604)
Income tax using the corporate income tax rate in Norway (22%)	2 100	1 536
Effect of tax rates outside Norway different from 22%	(458)	(180)
Effect of non-taxable and non-deductible items	(1 920)	(2 144)
Other effects	(1 379)	(638)
Income tax expense for the year	(1 658)	(1 425)
Effective tax rate	*16.9 %*	*21.6 %*

The table above shows the difference between income tax calculated at the applicable income tax rate used in Norway and the tax expense attributable to profit/(loss) before income tax.

Tax payable in balance sheet

USD thousands	**2024**	**2023**
Profit/(loss) before income tax	(9 791)	(6 604)
Permanent and temporary differences	3 596	(1 968)
Basis for tax payable	(6 194)	(8 572)
Tax on profit for the year	2 503	1 705
Tax payable not yet settled	(64)	(928)
Tax payable in balance sheet	2 439	776

Recognized deferred tax assets and liabilities

USD thousands	**2024**	**2023**
Deferred tax assets related to tax loss carryforwards	4 378	2 421
Deferred tax assets related to other temporary differences	142	62
Deferred tax liabilities related to temporary differences	111	(34)
Deferred tax liabilities excess value from business combinations	(9 861)	(10 831)
Net deferred assets/(liabilities)	(5 229)	(8 382)
Deferred tax assets/Deferred tax liabilities not recognized	(3 406)	(1 852)
Recognized Deferred tax assets(liabilities)	(8 635)	(10 235)

Reconciliation of changes in tax assets/(liabilities)

USD thousands	31-Dec-2023	Acquisitions	Recognized in Profit & Loss	Recognized in Equity	31-Dec-2024
Property, plant, and equipment	(14)	-	120	(1)	105
Intangible assets	-	-	-	-	-
Accounts receivable	44	-	(39)	(4)	-
Payroll tax on share options	-	-	-	-	-
Provisions and accruals	(45)	-	92	(11)	37
Other	45	-	67	(1)	111
Total temporary differences	31	-	240	(17)	253
Deferred tax liabilities - business combinations	(10 831)	(752)	1 951	(229)	(9 861)
Tax loss carryforwards	2 421	-	2 322	(365)	4 378
Tax loss carryforwards not recognized	(1 856)	-	(1 740)	191	(3 406)
Recognized tax losses	565	-	582	(174)	973
Net deferred tax assets/(liabilities) recognized	(10 235)	(752)	2 773	(421)	(8 635)

Tax losses carried forward of USD 4 378 thousand relates to Norway and Sweden and can be carried forward indefinitely.

USD thousands	31-Dec-2022	Acquisitions	Recognized in Profit & Loss	Recognized in Equity	31-Dec-2023
Property, plant and equipment	90	-	(99)	(5)	(14)
Accounts receivable	(21)	-	63	2	44
Provisions and accruals	(77)	-	36	(3)	(45)
Other	134	-	(91)	2	45
Total related to temporary differences	126	-	(91)	(5)	31
Deferred tax liabilities - business combinations	(8 976)	(2 470)	-	615	(10 831)
Tax loss carryforwards	1 731	-	757	(67)	2 421
Tax loss carryforwards not recognized	(1 582)	-	(353)	79	(1 856)
Recognized tax losses	149	-	404	12	565
Net deferred tax assets/(liabilities) recognized	(8 700)	(2 470)	313	622	(10 235)

12. Related parties

The Group's management and Board are related parties to the Group, as specified in note 7 Remuneration to senior executives and Board members. Details of transactions between the Group and other related parties are disclosed below.

Members of the BOD, Executive team, and other related parties own a stake of Lansera Virtual Events AB that has had trading transactions with KEG during 2024. Lansera is a virtual event and interaction platform that enables meetings in tailor-made environments. It can include choosing the right platform and technology, designing a layout, and creating an interactive experience for visitors. They have provided the group with planning, designing and conducting virtual fairs in a professional manner. The fairs have been launched both nationally and internationally.

In addition, the Group entered trading transactions with the subcontractor Spinner Labs AS where USD 321 thousand (2022: USD 330 thousand) was expensed and USD 646 thousand (2022: USD 667 thousand) was capitalized as development expenses. Spinner Labs AS is owned by Spinner Holding AS who is a shareholder in KEG. Spinner Labs AS has been providing software development, including but not limited to, web development and website infrastructure, hosting consulting, content management, backoffice development, performance tracking, and website monitoring for Keystone Academic Solution AS during 2024.

Members of the Board of Directors and Executive Management of the Group and their immediate relatives controlled 62.3% (2023: 66.0%) of the Group's voting share as per 31 December 2024. This includes 33.7% from funds and investment companies advised by board members (Verdane Capital and Viking Venture).

When acquiring a subsidiary, some of the considerations may be settled in shares and the sellers will then become a related. Please see note 16 and 23 for details of the transaction with the earnout participants.

Trading transactions and outstanding balances

During the year, the Group entered into the following trading transactions with related parties:

USD million	**2024**	**2023**
Spinner Labs	967	985
Golden Lily AB	31	11
Lansera Virtual Events AB	166	196
Birds & Anemones AB	2	-
Total	1 166	1 192

As of 31 December, KEG had the following unpaid trade payables to related parties:

USD million	**2024**	**2023**
Spinner Labs	69	125
Golden Lily AB	-	-
Lansera Virtual Events AB	-	-
Birds & Anemones AB	1	-
Total	70	125

13. Financial risk management

Overview

The Group is exposed to a variety of financial risks: currency, interest rate, price, credit, liquidity, and capital risk. The objective of financial risk management is to manage and control financial risks exposure and thereby increase predictability and minimize the potential adverse effects on the Group's financial performance. This also includes being able to meet the financial covenants related to the Group's borrowings.

Risk management in the Group is carried out by Management and approved by the Board of Directors. Potential risks are evaluated on a regular basis and management determines appropriate strategies related to how these risks are to be handled within the Group under the approved policies.

This note explains the Group's exposure to financial risks and how these risks could affect the group's future financial performance.

Risk management

Financial risk management in the Group is maintained by a central Finance Function in accordance with the guidelines approved by the Board. The Group's Finance Function identifies, measures, mitigates, and reports on financial risks in close cooperation with the various operating units. Risk management policies and procedures are reviewed regularly to consider changes in the market and the Group's activities.

Market risk

Market risk can be defined as the risk that the Group's income and expenses, future cash flows or fair value of financial instruments will vary as a result of changes in market prices. The market price includes three types of risks: exchange risks, interest risks, and price risks. Market risk is monitored and managed continuously by the Group.

Foreign exchange risk

The majority of the financial risk that the Group is exposed to relates to foreign exchange risk. Both revenue and operating expenses (and corresponding trade receivables and payables) are exposed to foreign exchange rate fluctuations. The Group undertakes business within various geographies and foreign currencies and is consequently exposed to fluctuations in exchange rates, particularly NOK, SEK, GBP, and EUR. Foreign exchange risk arises from transactions related to operations conducted, financial assets, and financial liabilities arising in foreign currencies. During 2024 and 2023, the Group did not use forward exchange contracts, or any other class of derivatives, to hedge its foreign exchange risk.

Please note that some revenue numbers are impacted by changes in local currencies which are the basis for invoicing customers. These effects are not specified in the table below.

Please refer to note 10 for information on foreign exchange gains and losses and other finance income and costs.

Revenue split by currency

USD thousands	2024		2023	
EUR	34 311	39%	23 846	29%
GBP	24 591	28%	26 170	32%
SEK	17 047	19%	16 308	20%
USD	8 102	9%	7 996	10%
NOK	1 792	2%	4 317	5%
Other	2 297	3%	2 674	3%
Total	88 140	100%	81 310	100%

Operating costs (including business combinations and restructuring costs) split by currency

USD thousands	2024		2023	
SEK	(25 427)	29%	(21 599)	29%
GBP	(18 186)	21%	(17 408)	23%
NOK	(17 476)	20%	(16 971)	23%
EUR	(11 940)	14%	(11 701)	16%
USD	(12 273)	14%	(6 463)	9%
Other	(962)	1%	(994)	1%
Total	(86 264)	100%	(75 135)	100%

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. Lack of payments from customers may significantly and adversely impair the Group's liquidity and financial performance. Credit risk is assessed for each specific customer.

No single customer accounted for more than 10% of the Group's revenue during the financial year. Further, the Group conducts much of its business with universities and students and has not experienced significant credit-related losses during this or previous financial years. The carrying value of trade and other receivables represent the group's maximum exposure to credit risk at the balance sheet date. The Group has limited exposure in terms of credit risk related to loans and other receivables. See also note 18 (trade receivables) for additional information related to the loss allowance and for the aging analysis of the accounts receivable.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted.

Credit exposure as of 31 December

Financial assets	**Amortized cost / carrying value**	
USD thousands	31-Dec-2024	31-Dec-2023
Cash and cash equivalents	12 227	15 475
Trade receivables	12 110	12 333
Other current assets	8 425	8 074
Total	32 762	35 882

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. To ensure sufficient available cash at hand to meet expected cash outflows, the Group uses cash flow forecasts to monitor cash flow requirements. Please refer to note 20 for an overview of the contractual maturities of the financial liabilities.

In March 2023, KEG reached an agreement with its lender to extend the loan facility for one year to December 2025 and to amend the covenant structure. This change will allow for increased flexibility resulting from higher operational activity.

Liquidity reserve – cash and cash equivalents

USD thousands	**2024**	**2023**
Cash in hand and on deposit	12 227	15 475
Less restricted funds	303	5 185
Unrestricted cash	11 924	10 290

Cash and cash equivalents by currency

USD thousands	**2024**	**2023**
SEK	714	5 674
NOK	629	1 205
GBP	4 117	4 046
EUR	5 108	4 238
USD	770	272
Other	889	39
Total	12 227	15 475

Credit facility

The total credit facility was SEK 1 000 million as of 31 December 2024.

USD thousands	**2024**	**2023**
Total credit facility – SEK 1000 million	90 700	99 287
Utilized as of 31 December	(70 639)	(55 174)
Unutilized as of 31 December	20 061	44 113

Interest rate risk

The Group's interest rate risk is mainly related to loans where an element of the interest rate is not fixed, where an increase in floating rates would lead to an increase in interest costs and reduce net income and cash flow.

The table below shows a sensitivity of exposure to interest rate risk at the reporting date. This analysis assumes that all other variables remain constant and ignores any impact of forecast transactions.

USD thousands	**2024**	**2023**
Nominal value of interest-bearing debt excl. lease liabilities	70 639	55 174
Nominal value of unrestricted cash	11 924	10 290
Net interest-bearing liabilities	58 715	44 884
Effect of 1 percentage point increase in interest rate on profit before tax	584	397

Capital management

The Group's objective for its capital management is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders, while maintaining an optimal capital structure to reduce the cost of capital. This includes being able to meet the financial covenants under the Group's credit facility. Also, the Group's objectives for capital management are to ensure that it generates sufficient free cash flows to have sufficient flexibility to invest in attractive investment opportunities. The Group still possesses a business model that anticipates considerable cash flow generation in the future.

14. Property, plant and equipment

Property, Plant and Equipment

Property, plant and equipment are initially recognized at cost. Property, plant and equipment are subsequently recognized at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognized using the straight-line method. Repair and maintenance are expensed as incurred.

USD thousands	**Furniture, fixtures, etc.**	**Machinery and equipment**	**Leasehold improvements**	**Total**
Accumulated investment				
Balance 1 January 2023	799	1 343	551	2 693
Additions	150	170	-	320
Additions through business combinations	-	36	-	36
Disposal/retirements	(27)	(35)	-	(62)
Translation differences	20	(39)	(348)	(367)
Balance 31 December 2023	942	1 475	202	2 619
Additions	48	146	3	196
Additions through business combinations	-	-	-	-
Disposal/retirements	(11)	(0)	-	(11)
Translation differences	(75)	(97)	(19)	(192)
Balance 31 December 2024	904	1 524	186	2 613
Accumulated depreciation and impairment				
Balance 1 January 2023	577	798	546	1 922
Depreciation and impairment losses	85	221	3	309
Additions/disposal through business combinations	-	5	-	5
Disposal	(29)	(51)	-	(79)
Translation differences	9	(27)	(348)	(366)
Balance 31 December 2023	644	946	202	1 791
Depreciation and impairment losses	99	237	1	337
Additions through business combinations	-	-	-	-
Disposal	(10)	(3)	-	(13)
Translation differences	(53)	(60)	(19)	(132)
Balance 31 December 2024	680	1 120	184	1 983
Balance 31 December 2023	298	529	1	828
Balance 31 December 2024	224	404	2	631

Estimated useful life	*2-3 years*	*3 years*	*5 years*
Depreciation plan	*Straight-line*	*Straight-line*	*Straight-line*

15. Leases

The right-of-use assets and lease liabilities comprise office lease contracts. For financial subleasing contracts, the Group has recognized a lease receivable in the statement of financial position, with a corresponding reduction in the ROU asset. The movements of the Group's right of use assets, lease receivables, and lease liabilities are presented below.

The majority of the long-term leases relate to office leases for Keystone's offices in Fornebu, Stockholm and Sheffield.

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the lessee's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as separate line items (current and non-current) in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case Keystone Education Group AS lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described under" Impairment of non-financial assets" in section 2.12 below.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other operating expenses" in profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

Right of use assets

USD thousands	**2024**	**2023**
Balance as of 1 January	4 527	4 993
Additions	943	2 771
Additions through business combinations	-	-
Lease receivable	-	-
Depreciation	(936)	(1 465)
Derecognition	(14)	(2 067)
Translation differences	(354)	295
Right of use assets as of 31 December	4 166	4 527

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful life of each leased asset. The estimated useful life is considered to be the term of the contract for each leased asset.

Lease liabilities

USD thousands	**2024**	**2023**
Balance as of 1 January	4 687	5 635
Additions	943	2 771
Additions through business combinations	-	-
Translation differences	(366)	273
Lease payments	(1 247)	(1 419)
Derecognition	(18)	(2 909)
Interest expense on lease liabilities	338	336
Lease liabilities as of 31 December	4 337	4 687
Of which:		
Current lease liabilities (less than 1 year)	675	857
Non-current lease liabilities (more than 1 year)	3 662	3 830
Balance as of 31 December	4 337	4 687

The Group's office leases have lease terms that vary from 2 to 10 years, and some agreements involve a right of renewal which may be exercised during the last period of the lease terms. The Group assesses at the commencement date whether it is reasonably certain to exercise the renewal right. The Group's has no potential future lease payments not included in the lease liabilities related to extension options as of 31 December 2024.

Future lease payments

The below table shows the future minimum lease payments under non-cancellable lease contract.

USD thousands	**2024**	**2023**
Less than one year	897	702
Between one to five years	2 396	1 373
More than five years	2 147	2 611
Total	5 440	4 687

The future lease payments include interest expense.

16. Business combinations, goodwill and intangible assets

Intangible assets

Goodwill

Goodwill is not amortized but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are recognized initially at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination that have definite estimated useful lives are reported at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

Separately acquired intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Subsequent to initial recognition, separately acquired intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination.

Internally generated intangible assets

Expenditure on research activities is recognized as an expense in the period in which it is incurred. An internally generated intangible asset arising from development of the Group's technical platforms and software is recognized if, and only if, all the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

- the ability to measure reliably the expenditure attributable to
- the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination.

Intangible assets

USD thousands	Goodwill	Trademark	Proprietary technology	Other intangibles	Development	Total
Accumulated investment						
Balance 1 January 2023	91 965	15 464	4 616	29 308	9 089	150 443
Additions	-	-	-	16	3 064	3 079
Additions through business combinations	14 933	565	1 735	6 073	-	23 306
Disposal/retirements	-	-	-	-	1	1
Translation differences	3 075	438	169	1 142	(205)	4 619
Balance 1 December 2023	109 973	16 468	6 520	36 539	11 948	181 448
Additions	-	8	-	1	3 793	3 801
Additions through business combinations	11 348	3 523	-	256	-	15 127
Disposal/retirements	-	-	-	(0)	-	(0)
Translation differences	(6 371)	(1 195)	(421)	(2 145)	(1 184)	(11 316)
Balance 31 December 2024	114 950	18 803	6 100	34 650	14 557	189 060
Accumulated depreciation and impairment						
Balance 1 January 2023	-	-	1 462	4 906	4 672	11 039
Depreciation and impairment losses	-	-	1 060	3 711	1 995	6 767
Additions through business combinations	-	-	-	-	-	-
Disposal/retirements	-	-	-	-	0	0
Translation differences	-	-	89	245	(130)	204
Balance 31 December 2023	-	-	2 611	8 862	6 537	18 010
Depreciation and impairment losses	-	-	1 139	3 743	2 663	7 545
Additions through business combinations	-	-	-	-	-	-
Disposal/retirements	-	-	-	-	-	-
Translation differences	-	-	(219)	(624)	(698)	(1 542)
Balance 31 December 2024	-	-	3 531	11 981	8 502	24 013
Net carrying amounts						
Balance 31 December 2023	109 973	16 468	3 910	27 677	5 411	163 438
Balance 31 December 2024	114 950	18 803	2 569	22 669	6 056	165 047

Other intangibles mainly consist of customer relationships. The below table shows the useful life and depreciation plan split by type of intangible asset.

Asset type	Useful life	Depreciation plan
Goodwill	Indefinite	NA
Trademark	Indefinite	Na
Proprietary technology	5 years	Straight-line
Other intangibles	1-10 years	Straight-line
Development	3 years	Straight-line

The Group reviews the useful life of its trademarks on an individual basis. They are considered to have an indefinite useful life when it is assessed there is no foreseeable limit to the period the asset is expected to generate net cash inflows for the entity.

Research and development (R&D)

The Group develops technology through an end-to-end platform spanning the entire student recruitment value chain. Cost of building new features, together with significant and pervasive improvements of core platforms, provided that the significant and pervasive improvements of parts or main components of core platforms will generate probable future economic benefits, are capitalized as development costs and amortized on a straight-line basis of up to 5 years.

Engineering salaries are the primary expense incurred in terms of costs related to research, development, and maintenance of platforms and applications. In 2024, USD 2 411 thousand (2023: USD 3 662 thousand) in engineering salaries were expensed in the financial statement. USD 3 793 thousand (2023: USD 3 064 thousand) in development costs were capitalized in 2024.

Business combinations

During 2024, Keystone Education Group acquired four companies: Edunation Oy, Asia Exchange Oy, Edunation HK Limited and Asiabroad Limited. Assets acquired, and liabilities assumed in connection with a business combination have been recognized at the estimated fair value on the date of the business combination. Management has identified customer relationships and trademarks as major intangible assets. The table below shows the identifiable assets and liabilities recognized on the date of the business combination for each individual business combination during the fiscal year.

Business combinations are accounted for using the acquisition method. The consideration transferred and all the identifiable assets and liabilities of acquired entities are measured at fair values at the date of acquisition, except deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements, which are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively. Acquisition-related costs are recognized in profit or loss as incurred.

Goodwill is measured at the amount by which the total consideration transferred exceeds the fair value of net assets acquired. Goodwill is not amortized, but its value is tested for impairment at least annually, or more frequently when there is an indication that the cash-generating unit to which goodwill has been allocated, may be impaired. Goodwill is allocated to each of the Group's cash-generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

When the consideration transferred by the Group in a business combination includes contingent consideration arrangements, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments recognized in goodwill. Measurement period adjustments arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is re-measured to fair value at subsequent reporting dates with changes in fair value recognized in profit or loss. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are retrospectively adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

	Individually Immaterial	
USD thousands	**2024**	**2023**
Identifiable assets and liabilities		
Trademark	3 523	565
Proprietary technology	-	1 735
Customer relationships	256	5 747
Customer contracts	-	325
Deferred tax liabilities	(756)	(2 470)
Fair value of other net assets acquired [1)]	854	2 443
Fair value of identifiable net assets	3 877	8 346
Consideration		
Consideration (paid in cash)	7 105	9 232
Consideration (paid in shares)	6 394	2 164
Cash withheld (to be paid later)	1 725	3 787
Contingent Consideration	-	8 097
Total estimated consideration	15 225	23 279
Goodwill (consideration less identifiable net assets)	11 348	14 933

Goodwill originating from the business combination is related to anticipated synergies from on-going operations. No impairment has been recognised subsequent to the business combination. Goodwill that has arisen as part of the business acquisition is not tax deductible.

Acquisition related expenses of USD 0.8 million (USD 0.4 million) are recognized as business combinations and restructuring costs.

1) Fair value of other assets and liabilities acquired approximates their carrying value.

Please refer to note 23 for more information about the contingent consideration.

Acquisition of global education providers, Edunation and Asia Exchange

Asia Exchange will bring substantial strategic benefits to Keystone Education Group as the Asia authority of study abroad with a unique model enabling accessible study abroad for the many, not the few. Edunation has been committed to revolutionizing international student recruitment, guided by a vision of creating pathways for students worldwide to access high-quality education opportunities in the Nordics.

Asia Exchange has helped 10 000 students from 115 different countries to study at universities in unique destinations such as South Korea, Bali Indonesia, Thailand, Malaysia, Costa Rica, and Mexico.

Edunation focuses on expanding global access to Finnish education, cooperating with Finnish universities and colleges to provide degree programs, top-ups, language training and pathways for more than 1000 students every year. It has strong strategic partnerships with many Finnish employers, with the goal of not only helping with education, but also securing students a job in the “happiest country in world.

This acquisition brings Keystone closer to its ultimate goal of becoming “the global leader in education matchmaking,” offering a comprehensive one-stop solution for all student marketing and recruitment needs while helping students along their educational journey.

The below table reconciles the revenues and profit/(loss) from before and after the acquisition. The post-acquisition revenues and profit and loss are reflected in KEG’s profit and loss for 2024.

USD thousands	Pre-acquisition	Post-acquisition	Full year 2024
Revenue from contracts with customers	2 007	5 033	7 040
Net profit/(loss)	463	1 383	1 846

Impairment testing of goodwill and intangible assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The Group had goodwill and intangible assets related to the acquisitions of EMG, UniQuest, FAS, Pursue, AGM, Spo Scho, Uniexperts GmbH, Study Outside Norway AS, Future Elite Sports Ltd, Future Elite Players Ltd, Icon Sports SL and Tar Group Media GmbH (now Studddy). In 2024, goodwill and intangible assets increased due to the acquisition of Edunation and Asia Exchange. See above for the purchase price allocation analysis.

Goodwill and intangible assets were tested for impairment at the end of 2024. The following carrying values were tested for impairment:

USD thousand	**31-Dec 2024**	**31-Dec 2023**
Goodwill	114 950	109 972
Trademarks/domains	18 803	16 468
Proprietary technology	2 569	3 910
Customer relationships	22 577	27 677
Carrying value	158 899	158 026

We have tested the carrying amount of each CGU against the recoverable amount, and there is no indication of impairment. The carrying amount is determined from the consolidated figures of each CGU, including net assets that can be attributed to the CGU. The balance sheet mapping is performed by the same principles as applied in the purchase price allocation (see note above and summary table below).

Value in use

Value in use estimates the future cash flows to be derived from continuing use of the asset. Key assumptions when assessing the value in use as of 31 December 2024 were:

- Five-year cash flow projections are based on continued growth into 2024 and beyond with an estimation of terminal value in subsequent periods – terminal growth of 1.5% applied.
- It is assumed a gradually improvement in EBITDA margin from 18% to 25% in the period 2025-2029
- Weighted average cost of capital (WACC) applied in the model is 12.8%. WACC ranges from 12.5% applied for Search & Discovery to 12.9% applied for Enrolment Services.

Other assumptions:

- We have applied a four-year CAGR from 2024 to 2028 on all revenue of 10%
- Tax is based on rates specific to the region of each cash generating unit with an average tax rate of 24% for Search & Discovery and 23% for Enrolment Services.
- Capex levels are aligned with revenue assumptions. In percentage of revenues, we have applied long term capex

rate of 2% for both Search & Discovery (S&D) and Enrolment Services (ES). This compares to an average 7% and 1 % for S&D and ES for 2023-2024. Capex rates for S&D are expecting to be reduced due to completed platform integration project.

The test suggests no impairment required for Enrolment Services and an impairment of USD 2.7 million for Search & Discovery. No impairment has been recognized as fair value is higher than carrying value, see below. Sensitivity analysis has been performed on key assumptions. The table below shows the changes in key assumptions that may occur before any impairment is required for the most significant CGUs. The most significant CGU in the Search & Discovery segment relates to Keystone Education AB. The most significant CGU included in the Enrolment & Application segment relates to UniQuest Limited. These CGUs make up 70% of the total goodwill and intangible asset values.

Carrying values *(USD thousands)*	**Search & Discovery**	**Enrolment Services**	**Total**
Goodwill	79 006	35 944	114 950
Other intangible assets	35 246	8 703	43 949
Total	114 251	44 648	158 899

Key assumptions Value In Use	**Search & Discovery**	**Enrolment Services**	**Total**
Long term revenue growth (terminal)	1.5%	1.5%	1.5%
EBITDA margin 2025-2029	20-25%	20-25%	20-25%
Discount rate	12.5%	12.9%	12.8%

Sensitivities (break-even analysis)	**Search & Discovery**	**Enrolment Services**	**Total**
Long-term revenue reduction (terminal)	Δ 0%	Δ 40%	Δ 5%
Long-term EBITDA margin reduction	Δ 0%	Δ 39%	Δ 5%
Discount rate increase	Δ 0%	Δ 40%	Δ 3%

Long-term revenue reduction means reduction of revenue in the terminal value.

The 39% change of the Long-term EBITDA margin reduction means 39% change of the % in the most significant CGUs.

Fair value

Fair value has been calculated by using observable EBITDAC (EBITDA less capex) multiples for peers. These peers are companies with similar financial and operational profile and companies with recurring revenue models. We have applied a 1% rate for cost of disposal.

Key assumptions	**Search & Discovery**	**Enrolment Services**	**Total**
EV/EBITDAC multiple	21x	21x	21x

Sensitivities (break-even analysis)	**Search & Discovery**	**Enrolment Services**	**Total**
EV/EBITDAC reduction	Δ 24%	Δ 60%	Δ 35%

The fair value test concludes that there is no reasonably possible change in the assumptions that would lead to an impairment.

17. Non-current financial assets

USD thousands	2024	2023
Receivables	349	311
Investments in affiliates	-	7
Total	349	318

18. Trade receivables, contract assets and other current assets

Specification of trade and other receivables

USD thousands	2024	2023
Other current assets		
Current tax assets	119	73
Prepayments	3 764	3 021
VAT receivable	473	599
Employee benefits	51	64
Other receivables	359	355
Other current assets	4 766	4 110
Unbilled revenue		
Unbilled revenue	3 659	3 963
Allowance for bad debts on unbilled revenue	-	-
Unbilled revenue	3 659	3 963
Trade receivables		
Accounts receivable	12 944	13 239
Allowance for bad debts	(834)	(906)
Trade receivables	12 110	12 333
Total	20 535	20 407

Aging of trade receivables

USD thousands	2024	2023
Not past due date	8 616	7 106
0-30 days	1 793	3 382
31-60 days	601	920
61-90 days	164	388
Over 90 days	936	536
Total carrying value trade receivables	12 110	12 333

Movements in trade receivables bad debt provision

USD thousands	2024	2023
Bad debt provision 1 January	(906)	(586)
Change in provision in the year	64	(197)
Receivables written off during the year	28	-
Translation differences	(19)	(123)
Bad debt provision 31 December	(834)	(906)

Trade receivables and unbilled revenue per region

USD thousands	2024	2023
EMEA	13 904	11 709
Americas	1 105	413
Asia Pacific	509	4 011
Rest of world	252	164
Total	15 770	16 296

The table above itemizes the trade receivables and unbilled revenue based on the location of the customers.

19. Classes and categories of financial assets and liabilities

Financial instruments, and contracts accounted for as such, are included in several line items in the statement of financial position and classified in categories for accounting treatment. A classification of financial instruments is presented in the tables below.

Most of the financial assets held by the Group are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and are thus measured subsequently at amortized cost less loss allowances. In 2024, there were some minor investments in shares that are measured at fair value through profit and loss (see note 17). All financial liabilities are measured at amortized cost except for contingent liabilities and other share investments which are measured at level 3. The Group does not have financial liabilities held for trading or designated at fair value through profit or loss.

The carrying amounts of financial assets and liabilities approximate their fair value as at year end. Arrangements with financial institutions are entered into on market terms, and the carrying value at the reporting date has been assessed as approximating fair value.

Financial assets

USD thousands	**2024**	**2023**
Cash and equivalents (note 13)	12 227	15 475
Trade receivables (note 18)	12 110	12 333
Other financial assets	4 542	4 980
Total financial assets	28 879	32 789

Financial liabilities

USD thousands	**2024**	**2023**
Interest-bearing liabilities (note 21)	70 639	55 174
Trade payables (note 22)	2 736	2 915
Lease liability (note 15)	4 337	4 687
Contingent consideration liability (note 23)	4 854	16 686
Other financial liabilities	8 832	7 979
Total financial liabilities	91 398	87 440

20. Maturity analysis of financial liabilities

The tables below show the contractual maturities of the financial liabilities including future interest payments at the end of the reporting period. Note that the group refinanced its loan facility in March 2023 and the maturity of the loan was extended to December 2025. The earnout payments are the estimated future payments (see note 23 contingent considerations).

Year ended 31 December 2024

USD thousands	**Total**	**<1 year**	**2 years**	**3 years**	**4 years**	**> 5 years**
Loan facility (note 21)	70 639	70 639	-	-	-	-
Lease liability (note 15)	5 440	897	826	823	747	2 147
Contingent consideration (note 23)	4 921	4 921	-	-	-	-
Total interest-bearing liabilities	80 248	76 211	624	670	639	2 102
Trade payables (note 22)	2 736	2 736	-	-	-	-
Other financial liabilities	8 832	8 832	-	-	-	-
Total non-interest-bearing liabilities	11 568	11 568	-	-		-
Total financial liabilities	91 816	87 779	624	670	639	2 102

Year ended 31 December 2023

USD thousands	Total	<1 year	2 years	3 years	4 years	> 5 years
Loan facility (note 21)	67 295	6 064	61 231	-	-	-
Lease liability (note 15)	4 687	702	454	443	477	2 611
Contingent consideration (note 23)	17 600	12 300	5 300	-	-	-
Total interest-bearing liabilities	89 582	19 066	66 985	443	477	2 611
Trade payables (note 22)	2 915	2 915	-	-	-	-
Other financial liabilities	7 979	7 979	-	-	-	-
Total non-interest-bearing liabilities	10 893	10 893	-	-	-	-
Total financial liabilities	100 475	29 959	66 985	443	477	2 611

21. Borrowings and interest-bearing liabilities

In December 2020, Keystone Academic Solutions AS signed a credit facility agreement with Ture, allowing the company to borrow up to SEK 500 million for 3.5 years. In March 2023, the credit facility was increased to SEK 1 000 million with maturity in December 2025.

As of 31 December 2024, the equivalent of USD 70.64 million of the facility had been drawn up, drawn in SEK 545.4 million and EUR 20.35 million.

The credit facility has financial covenants related to maximum leverage and minimum cash. The Group was in breach with the leverage covenant as of December 2024 but received a waiver from the lender. Interest-bearing liabilities of USD 70.6 million has been reclassified to current liabilities as the loan matures in December 2025, less than 12 months from the balance sheet date. In January 2025, Keystone Education Group refinanced its debt at significantly better terms through a 4-year senior secured bond issue of EUR 100 million. The new bond loan has no maintenance covenants. The Group also agreed with Nordea a revolving credit facility of USD 15.0 million.

The facility is secured through a pledge in shares in Keystone Academic Solutions AS and its subsidiaries.

The credit facility specifies interest rates for any drawn amount defined as a margin over STIBOR (for SEK amounts drawn) and EURIBOR (For EUR amounts drawn), where the floor for STIBOR and EURIBOR is zero.

Reconciliation of movements in loan facility

USD thousands	2024	2023
Balance 1 January	55 174	37 774
Additions through business combinations	2	
New loan	20 767	15 848
Repayment of principal		
Interest expense incurred	7 849	5 388
Interest expense paid	(7 849)	(5 388)
Translation differences	(5 303)	1 552
Balance 31 December	70 639	55 174

Interest-bearing liabilities are measured at amortized cost, and instalments falling due within 12 months after the reporting date are classified as current (this includes capitalized interest). Please also refer to note 13 and 20 for more information about FX and maturity.

Composition of net interest-bearing debt

USD thousands	2024	2023
Loan facility	70 639	55 174
Cash and cash equivalents	(11 924)	(15 475)
Net interest-bearing debt	58 716	39 699
Contingent considerations (earn-outs)	4 854	16 686
Lease liabilities	4 337	4 687
Net interest-bearing debt (including lease liabilities and earn-out liabilities)	67 906	61 071

22. Trade payable and other liabilities

USD thousands	2024	2023
Other non-current liabilities		
Other long-term liabilities	3 891	4 739
Other non-current liabilities	3 891	4 739
Trade payable and other payable		
Trade payable	2 736	2 915
Other accruals	-	-
Trade payable and other payable	2 736	2 915
Contract liabilities		
Contract liability (Deferred revenue/prepayment from customers)	18 218	15 729
Employee benefit liabilities		
Accrued salary fee, bonus and commissions	408	309
Accrued holiday pay	1 146	1 274
Other employee liabilities	234	201
Employee benefit liabilities	1 788	1 784
Public duties		
VAT	1 058	1 132
Employee withholding tax	975	1 038
Payroll tax	723	618
Public duties payable	2 756	2 788
Other current liabilities		
Accrued expenses	3 824	3 134
Other current liabilities	464	273
Other current liabilities	4 288	3 407
Total	33 677	31 361

Other long-term liabilities

Upon acquisition of TAR Group Media, part of the acquisition agreement included a seller's credit. The value of the seller's credit is EUR 3.7 million or USD 3.9 million as of 31 December 2024.

Contract liability (Deferred revenue/pre-payment from customers)

The Group receives payments from customers based on a billing schedule, as established in our contracts. Contract liability relates to payments received in advance of performance under the contract. Contract liabilities are recognized as revenue as (or when) the Group performs under the contract.

Bank guarantees, restricted cash and share pledges

The credit facility agreement with Ture is secured through a pledge in shares in Keystone Academic Solutions AS and its subsidiaries. Please also refer to note 21 for more information about the credit facility

Other current liabilities

Upon acquisition of Edunation Oy, Asia Exchange Oy, Edunation HK Limited and Asiabroad Limited, part of the acquisition agreement included a net cash reclaim amount. The value of the net cash reclaim amount is EUR 1.7 million or USD 1.7 million as of 31 December 2024.

Description of security	Security type	Currency	Security amount (thousands)
Office lease in Finland	Bank guarantee	EUR	81
Office lease in Sweden	Bank guarantee	SEK	5 682
Office lease in Norway	Bank guarantee	NOK	1 552
Office lease in Spain	Restricted cash	EUR	23
Office lease in Germany	Restricted cash	EUR	172
Office lease in Denmark	Restricted cash	DKK	94
Employee tax withholdings	Restricted cash	NOK	3 100
Escrow account	Restricted cash	NOK	-

23. Provisions: contingent liabilities and contingent consideration liabilities from business combinations

The Group is not involved in any disputes or trials as the balance sheet date or as the date of the approval of this financial statement, that would lead to recognition of a liability or require disclosure.

The Group has assumed earnout liabilities as part of the business combinations executed during 2023. For more information, please see note 16. The below explain the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

- Valuation technique
  - Discounted cash flows
  - The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the possible scenarios where KEG has forecast EBITDA, the amount to be paid under each scenario and the probability of each scenario.
- Significant unobservable inputs
  - Forecasted annual revenue
  - Forecasted EBITDA
  - Risk-adjusted discount rate
- Inter-relationship between significant unobservable inputs and fair value measurement
  - The estimated fair value would increase/(decrease) if:
  - The annual revenue growth rate was higher/(lower)
  - The EBIT margin was higher/(lower); or
  - The risk-adjusted discount rate was lower/(higher)
  - Generally, a change in the annual revenue growth rate is accompanied by a directionally similar change in EBIT margin.

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Restructuring

A restructuring provision is recognized when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognized at the date of sale of the relevant products, at management's best estimate of the expenditure required to settle the Group's obligation.

Reconciliation of movement in net present value of contingent liabilities (earn-outs) for year ended 31 December 2024

USD thousands	**Individually immaterial**	**UniQuest**	**Total**
Balance 1 January 2024	9 621	7 065	16 686
Assumed in a business combination	-	-	-
Earn-out payments	(4 655)	(8 021)	(12 676)
Remeasurement during the year	245	301	546
Interest expenses	424	310	735
Foreign exchange differences	346	344	690
Translation differences	(1 127)	-	(1 127)
Balance 31 December 2024	4 854	-	4 854
Non-current portion	0	-	0
Current portion	4 854	-	4 854
Total	4 854	-	4 854

The table above shows the present value of the expected future payments, discounted at a 5.5% rate. The expected future payments are estimated by considering the possible scenarios of forecast revenue and EBIT, the amount to be paid under each scenario, and the probability of each scenario.

Reconciliation of movement in net present value of contingent liabilities (earn-outs) for year ended 31 December 2023

USD thousands	**Individually immaterial**	**UniQuest**	**Total**
Balance 1 January 2023	6 596	11 353	17 949
Assumed in a business combination	8 097	-	8 097
Earn-out payments	(5 898)	(6 413)	(12 311)
Remeasurement during the year	376	1 265	1 641
Interest expenses	554	464	1 018
Foreign exchange differences	134	962	1 096
Translation differences	(238)	(567)	(805)
Balance 31 December 2023	9 621	7 065	16 686
Non-current portion	5 115	-	5 115
Current portion	4 506	7 065	11 571
Total	9 621	7 065	16 686

In addition to the contingent liabilities above, EUR 3.7 million in sellers' credit is booked as other long-term liabilities and EUR 1.7 million in net cash reclaim amount is booked as other short-term liabilities. Please refer to note 16 and 22 for more information.

Best estimate of earn-outs to be paid (nominal values) as of 31 December 2024

USD thousands	Individually immaterial	UniQuest	Total
June 2025	4 921	-	4 921
Total	4 921	-	4 921

Estimated maximum earn-out payments (nominal values) as of 31 December 2024

USD thousands	Individually immaterial	UniQuest	Total
June 2025	10 914	-	10 914
Total	10 914	-	10 914

Sensitivity analysis of changes in key assumptions

Reasonably possible changes at the reporting date to one of the relevant assumptions (forecast annual revenue and forecast EBITDA) would, holding the other assumptions constant [1)], have the following effects on the net present value and the fair value of the contingent consideration:

[1)] *Generally, a change in the annual revenue is accompanied by a directionally similar change in EBITDA*

Effect on net present values

USD thousands	Individually immaterial	UniQuest	Total
Annual revenue (10% increase)	5 316	-	5 316
Annual revenue (10% decrease)	-	-	-
EBITDA (10% increase)	4 788	-	4 788
EBITDA (10% decrease)	4 854	-	4 854

Effect on best estimate of earn-outs to be paid (nominal values)

USD thousands	Individually immaterial	UniQuest	Total
Annual revenue (10% increase)	5 389	-	5 389
Annual revenue (10% decrease)	-	-	-
EBITDA (10% increase)	4 921	-	4 921
EBITDA (10% decrease)	4 630	-	4 630

24. Share capital and shareholders

As of 31 December 2024, KEG had a share capital of NOK 9 989 725.95 (USD 881 627.92 converted) divided into 7 399 797 ordinary shares with a nominal value of NOK 1.35 each (USD 0.12 converted). All ordinary shares have equal voting rights and the right to receive dividends.

Dividends

KEG did not pay dividends in 2024 or 2023. The Board of Directors proposes that the 2024 Annual General Meeting does not approve any dividend payments.

Ownership structure

The largest shareholders of Keystone Education Group AS shares as of 31 December 2024 were as follows:

In number of shares	**Shares**	**2024 Owner's and voting share %**
VERDANE CAPITAL X (D) AB	1 172 158	15,8%
Fredrik Söderlindh	789 554	10,7%
BJØRK INVEST AS	708 148	9,6%
Mattias Säker	501 565	6,8%
Fredrik Högemark	471 742	6,4%
VERDANE CAPITAL X (E) AB	464 261	6,3%
VIKING VENTURE 15 AS	434 600	5,9%
VIKING VENTURE 15B AS	421 346	5,7%
Marcus Boström	378 369	5,1%
MØSBU AS	217 043	2,9%
JEM FORVALTNING AS	158 326	2,1%
Birds & Anemones AB - Keith Fransson	144 512	2,0%
TEMA INVEST AS	129 114	1,7%
S. UGELSTAD INVEST AS	123 954	1,7%
Tuomas Kauppinen	116 255	1,6%
Andrew Stewart Holliday	109 088	1,5%
Andrew Pritchard	109 088	1,5%
IDL SOLUTION AS	107 770	1,5%
Harri Suominen	101 350	1,4%
CLEARSTREAM BANKING S.A.	68 826	0,9%
Subtotal	6 727 069	*90,9 %*
Other shareholders	672 728	*9,1 %*
Total numbers of shares	7 399 797	*100%*

25. Events after the reporting date

Debt refinancing

In January 2025, Keystone Education Group refinanced its debt at significantly better terms through a 4-year senior secured bond issue of EUR 100 million. The new bond loan has no maintenance covenants. The Group also agreed with Nordea a revolving credit facility of USD 15.0 million. This new funding will enable Keystone to continue investing in its platforms – driving growth and innovation in the education sector. This new financial backing enables us to better support students and schools, allowing us to double down on improving the student experience, enhancing matchmaking, and advancing AI-driven student guidance. Additionally, we will continue our acquisition strategy, expanding our portfolio and bringing even more value to students and our customers worldwide. The bond issue attracted significant interest from a broad range of high-quality Nordic and international institutional investors.

26. Alternative Performance Measures (APM)

Alternative performance measures, i.e., financial performance measures not within the applicable financial reporting framework, are used by Keystone to provide supplemental information, by excluding items that, in Keystone's view, does not give an indication of the periodic operating results of the Company. Financial APMs are intended to enhance comparability of the results and cash flows from period to period. APM used are:

- Adjusted EBITDA: earnings before financial items, tax, depreciation and amortization, business combinations and restructuring costs and share-based payments
- Net cash (debt): Short- and long-term interest-bearing debt adjusted for the Groups liquidity positions. Only the utilized part of the credit facility is included in the calculations.

Reconciliation of Adjusted EBITDA

USD thousands	**2024**	**2023**
Operating profit ("EBIT"), excluding business combinations and restructuring costs	5 710	7 977
Share-based payments	55	52
Depreciation and amortization expenses	8 835	8 488
Adjusted EBITDA	14 600	16 517

Reconciliation of net interest-bearing debt

USD thousands	**2024**	**2023**
Interest-bearing debt	70 639	55 174
Cash and cash equivalents	(11 924)	(15 475)
Net interest-bearing debt	58 716	39 699

Parent Company Financial Statements

Statement of profit or loss and other comprehensive income

USD thousands	Note	2024	2023
Operating expenses			
Payroll and related expenses, excl stock-based compensation		(18)	0
Other operating expenses	5	(316)	(136)
Total operating expenses		(334)	(136)
Operating profit ("EBIT"), excluding business combinations and restructuring costs		(334)	(136)
Business combinations and restructuring costs	6	(2 682)	(43)
Operating profit ("EBIT")		(3 016)	(179)

USD thousands	Note	2024	2023
Finance income and costs			
Finance income	7,9	1 466	1 456
Finance cost	7	(1)	14
Net finance income/(costs)		1 465	1 470
Net profit/(loss) before income tax		(1 551)	1 291
Income tax expense	8	-	(282)
Net profit/(loss)		(1 551)	1 009
Other comprehensive income that may be reclassified to profit or loss on subsequent periods (net of tax)			
Exchange differences on translation of foreign operations		-	(4 495)
Total comprehensive income/loss		(1 551	(3 486)
Net profit is attributable to:			
Owners of KEG AS		(1 551)	1 009
Non-controlling interests		-	-
Total comprehensive income for the period is attributable to:			
Owners of KEG AS		(1 551	(3 486)
Non-controlling interests		-	-

Statement of financial position

USD thousands	Note	31-Dec 2024	31-Dec 2023
Non-current assets			
Investments in subsidiaries	11	89 882	91 018
Intercompany loans	9	9 366	12 872
Total non-current assets		99 249	103 890
Current assets			
Cash and cash equivalents	12	(0)	17
Other currenct assets	9, 12	63	48
Assets classified as held for sale			
Total current assets		63	65
Total assets		99 311	103 955

USD thousands	Note	31-Dec 2024	31-Dec 2023
Equity			
Equity attributable to owners of the company	14	99 050	103 629
Total equity		99 050	103 629
Non-current liabilities			
Borrowings		0	-
Total non-current liabilities		0	-
Current liabilities			
Trade Payable		92	-
Taxes payable	8	(0)	290
Other current liabilities	12, 13	169	36
Total current liabilities		261	326
Total liabilities		261	326
Total equity and liabilities		99 311	103 955

Board of Directors and CEO of Keystone Education Group AS

Fornebu, 8 May 2025

Sign.

Keith Barry Fransson
Chair of the Board of Directors

Carl Fredrik Gustav Søderlindh
Director

Jostein Vik
Director

Thorstein Berg
Director

Karin Cecilia Kans
Director

Björn Fredrik Högemark
CEO

Statement of changes in equity

For the year ended 31 December 2024

USD thousands	Number of shares outstanding (thousand)	Paid-in capital (par value)	Paid-in capital (share premium)	Other reserves	Reserve for own shares	Translation reserve	Other equity	Subtotal	Non-controlling interests	Total equity
Balance 1 January 2024	7 095	933	93 241	1 609	(715)	6 020	2 540	103 629	-	103 629
Comprehensive income/loss										
Profit/(loss)	-	-	-	-	-	-	(1 551)	(1 551)		(1 551)
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income (loss) for the period	-	-	-	-	-	-	(1 551)	(1 551)		(1 551)
Contributions by and distributions to owners										
Issuance of ordinary shares related to business combinations	286	36	6 886	-	-	-	-	6 922		6 922
Issuance of ordinary shares related to incentive program	18	2	194	-	-	-	-	196	-	196
Share-based payment transactions	-	-	-	54	-	-	-	54	-	54
Total contributions by and distributions to owners	304	39	7 079	54	-	-	-	7 172	-	7 172
Other equity changes										
Translation of equity components		(91)	(3 659)	(1 075)	67	(3 021)	(2 406)	(10 184)	-	(10 184)
Other changes	-	-	-	-	-	-	(15)	(15)	-	(15)
Total other equity changes	-	(91)	(3 659)	(1 075)	67	(3 021)	(2 421)	(10 199)	-	(10 199)
Balance 31 December 2023	7 400	882	96 661	588	(648)	2 999	(1 432)	99 050	-	99 050

Face value of the shares

The face value of the shares is NOK 1.35, and there are outstanding 7 399 797 shares as of 31 December 2024. Please refer to note 24 for more information about the share capital and shareholder information.

Issuance of ordinary shares related to business combinations

During 2024 KEG issued 286 056 shares of which were used as part of the transaction for the acquisition of Asia Exchange and Edunation.

Issuance of ordinary shares related to incentive program

During 2024 KEG issued 18 252 shares of which $0.2 m was paid in cash as part of the options program for employees in the group.

Issuance of ordinary shares related to equity increase

During 2023 KEG issued no additional shares.

Other reserves

Other reserves consist of option costs recognized according to the equity settled method.

Reserve for treasury shares

The reserve for the Company's own shares comprises the face value cost and excess value of own shares held by the Company.

By end of 31 December 2024, the company had 76 035 treasury shares. KEG holds 32 641 treasury shares and holds an additional 43 394 shares in escrow for share transactions from the previous share issues related to equity increases.

Translation reserve

The translation reserve consists of all foreign currency differences arising from the translation of the financial statements of group companies with a functional currency that is not USD.

Other equity

Other equity consists of all other transactions, including but not limited to, total recognized income and expense for the current period.

For the year ended 31 December 2023

USD thousands	Number of shares outstanding (thousand)	Paid-in capital (par value)	Paid-in capital (share premium)	Other reserves	Reserve for own shares	Translation reserve	Other equity	Subtotal	Non-controlling interests	Total equity
Balance 1 January 2023	6 694	927	95 658	1 555	-	548	937	99 625	-	99 625
Comprehensive income/loss										
Profit (loss)	-	-	-	-	-	-	1 009	1 009	-	1 009
Other comprehensive income/(loss) for the period	-	(349)	(10 174)	(21)	(13)	5 472	591	(4 495)	-	(4 495)
Total comprehensive income/(loss) for the period	-	(349)	(10 174)	(21)	(13)	5 472	1 600	(3 486)	-	(3 486)
Contributions by and distributions to owners										
Issuance of ordinary shares related to business combinations	103	13	2 082	-	-	-	-	2 094		2 094
Issuance of ordinary shares related to incentive program	3	0	32	-	-	-	-	32	-	32
Issuance of ordinary shares related to equity increase	296	342	5 658	-	-	-	-	6 001		6 001
Treasury shares purchased	-	-	-	-	(701)	-	-	(701)		(701)
Share-based payment transactions	-	-	-	76	-	-	-	76	-	76
Total contributions by and distributions to owners	402	355	7 772	76	(701)	-	-	7 502	-	7 502
Other equity changes										
Other changes	-	0	(15)	-	-	-	3	(12)	-	(12)
Total other equity changes	-	0	(15)	-	-	-	3	(12)	-	(12)
Balance 31 December 2023	7 095	933	93 241	1 609	(715)	6 020	2 540	103 629	-	103 629

Statement of cash flows

USD thousands	**Note**	**2024**	**2023**
Cash flow from operating activities			
Net profit/(loss) before income tax		(1 551)	1 291
Income taxes paid		-	0
Adjustment for:			
Changes in trade receivables, trade and other payables		56	10
Changes in other operating working capital		1 285	(2 826)
Net cash flow from operating activities		(210)	(1 524)

USD thousands	**Note**	**2024**	**2023**
Cash flow from investment activities			
Purchases of share investments, net of cash acquired	11	-	(6 001)
Net cash flow from investment activities		-	(6 001)
Cash flow from financing activities			
Purchase of treasury shares		-	(701)
Net proceeds from issuance of share - private placement	14	-	8 095
Net proceeds from issuance of share - incentive program	14	196	32
Net cash flow from financing activities		196	7 426
Net change in cash and cash equivalents		(14)	(99)
Cash and cash equivalents at period start		17	134
Currency effects on cash		(3)	(18)
Cash and cash equivalents at period end[1)]		(0)	17

1) Of which $0.0 million (2023: $0.0 million) is restricted cash as of December 31, 2024.

Keystone Education Group AS Parent Company Financial Statements 2024

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1. General information

Keystone Education Group AS ("KEG") is a limited liability company founded in 2020, which controls the shares in Keystone Academic Solutions AS ("KAS") which was founded in 2007. Both companies are incorporated and domiciled in Norway, and the address of the registered office is Rolfsbuktveien 4d, 1364 Fornebu, Norway.

These consolidated financial statements were approved for issue by the Board of Directors on 8 May 2025. Minor rounding differences may exist, and the total may deviate from the total of the individual amounts. This is due to the rounding of whole amounts to thousands for presentation purposes.

Please see note 1 in the consolidated financial statements for more information about the group companies and main activities.

2. Summary of significant accounting policies

General information

The parent company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and accompanying interpretations. The parent company financial statements also include certain disclosures in order to comply with certain regulations and paragraphs in the Norwegian Accounting Act.

The explanation of the accounting policies in the Consolidated financial statements also applies to the parent company, and the notes to the consolidated financial statements will cover the parent company, with the exception of the below.

Investments in subsidiaries – parent company

For investments in subsidiaries, associates and jointly controlled entities, the cost method is applied. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken as income. Dividends exceeding the portion of retained profit after the acquisition are reflected as a reduction in cost price. Dividend/group contribution from subsidiaries are reflected in the same year that the dividend is approved by the general meeting.

Investments in subsidiaries, associates and jointly controlled entities are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may exceed the fair value of the investment. An impairment loss is reversed if the impairment situation is deemed to no longer exist.

3. Adoption of new and revised International Financial Reporting Standards and Interpretations

Standards and Interpretations affecting amounts reported in the current period

All relevant new and revised IFRSs and IFRIC interpretations that are mandatory for periods commencing 1 January 2024 and earlier have been adopted for all periods presented in these consolidated financial statements.

Please see note 3 in the consolidated financial statements for more information about the IFRS and interpretations.

4. Critical accounting judgments and key sources of estimation uncertainty

General

In applying the Group's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, including expectations of future events that are deemed to be reasonable under the current circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates, assumptions, and management judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Deferred tax assets (see note 8)

Please see note 4 in the consolidated financial statements for more information.

Impairment (see note 11)

Please see note 4 in the consolidated financial statements for more information.

5. Other operating expenses

Specification of other operating expenses

USD thousands	**2024**	**2023**
Audit, legal and other advisory services	(253)	(136)
Corporate Liability Insurance	(40)	-
Other expenses	(41)	-
Total	(334)	(136)

Auditor's remunerations

The remuneration breakdown (excl. VAT) paid and recognised as an expense for the year to KEG's auditor PwC is as follows:

USD thousands	**2024**	**2023**
Statutory audit	(138)	(60)
Other assurance services	-	-
Other non-assurance services	-	-
Tax consultant services	(131)	-
Total fee to auditor	(269)	(60)

6. Business combinations and restructuring costs

Specification of business combinations and restructuring costs

Business combinations and restructuring costs may not be indicative of the ongoing operating result or cash flows of the company. Profit measure excluding business combinations and restructuring costs is presented as an alternative measure to improve comparability of the underlying business performance between the periods. Business combinations and restructuring costs include restructuring costs and costs related to business combinations.

USD thousands	**2024**	**2023**
Legal fees related to business combinations	(260)	(22)
Other restructuring cost	(2 422)	(20)
Total	(2 682)	(43)

7. Finance income and costs

Specification of finance income and costs

USD thousands	**2024**	**2023**
Interest income	1 466	1 456
Foreign exchange gains	(0)	1
Finance income	1 466	1 456
Interest expenses	(1)	(0)
FX losses	(0)	14
Finance expense	(1)	14

8. Income tax

Specification of income tax

USD thousands	2024	2023
Current income tax payable	-	(282)
Income tax expense	-	(282)

Reconciliation of effective tax rate

USD thousands	2024	2023
Profit/(loss) before income tax	(1 551)	1 291
Income tax using the corporate income tax rate in Norway (22%)	341	(165)
Effect of non-taxable and non-deductible items	-	(115)
Other effects	(341)	(2)
Income tax expense for the year	-	(282)
Effective tax rate	*0%*	*-22%*

The table above shows the difference between income tax calculated at the applicable income tax rate used in Norway and the tax expense attributable to profit/(loss) before income tax.

Reconciliation of tax payable in the balance sheet

USD thousands	2024	2023
Profit/(loss) before income tax	(1 551)	1 291
Permanent and temporary differences	1 551	(6)
Basis for tax payable	-	1 286
Tax on profit for the year	-	290
Tax payable not yet settled	-	-
Tax payable in balance sheet	-	290

9. Related parties

Details of transactions between KEG and related parties are disclosed below.

Board of Directors and Executive team

KEG has not engaged in any related party transactions with any members of the Board of KEG or KEG executive management.

Members of the Board of Directors and Executive Management of the Group and their immediate relatives controlled 62.3% (2023: 66.0%) of the Group's voting share as per 31 December 2024. This includes 33.7% from funds and investment companies advised by board members (Verdane Capital and Viking Venture).

Please see note 12 in the consolidated financial statements for more information about related parties.

Trading transactions

All outstanding balances with the related parties are priced on an arm's-length basis and are to be settled in cash within five years of the reporting.

The aggregate value of transactions and outstanding receivables/payables with group companies were as follows:

Outstanding receivables with group companies

USD thousands	**Group company**	**2024**	**2023**
Long term loan	Keystone Academic Solutions AS	9 366	12 872
Short term loan	Keystone Academic Solutions AS	-	15
Total		9 366	12 886

There is a loan agreement in place. The loan is nominated in NOK. There are no payables with group companies as of 31 December 2024 or 2023.

Aggregated value of transactions with group companies

USD thousands	**Group company**	**2024**	**2023**
Reimbursements	Keystone Academic Solutions AS	-	21
Interest income	Keystone Academic Solutions AS	1 466	1 463
Total		1 466	1 484

10. Financial instruments risk management objectives and policies

The Company's objective for its capital management is to safeguard its ability to continue as a going concern to provide returns for shareholders and benefit for other stakeholders, while maintaining an optimal capital structure to reduce the cost of capital. This includes being able to meet the financial covenants under the Company's credit facility. Refer to note 13 in the Group's consolidated financial statements.

11. Investments in subsidiaries

Reconciliation of movements

Below is an overview of the investments in subsidiaries directly held by Keystone Education Group AS as of 31 December 2024.

Investments in subsidiaries

	2024	**2023**
Balance 1 January	91 018	88 458
Investment during the year	6 483	6 312
Cost related to option program	54	76
Group contribution in the current year	930	542
Translation differences	(8 603)	(4 369)
Balance 31 December	89 882	91 018

Please see note 1 and 16 in the consolidated financial statements for more information about investment in subsidiaries.

Impairment of investment in subsidiaries

The Group has carried out impairment testing as of 31 December 2024, according to IAS 36. Based on the impairment testing carried out at Group level, Keystone Education Group AS ("the Company") has not recognized an impairment loss.

Business combinations, goodwill, and intangible assets

Please see note 16 in the consolidated financial statements for more information about business combinations, goodwill, and intangible assets.

12. Classes and categories of financial assets and liabilities

Financial instruments, and contracts accounted for as such, are included in several line items in the statement of financial position and classified in categories for accounting treatment. A classification of financial instruments is presented below:

Financial assets

USD thousands	2024	2023
Cash and equivalents	(0)	17
Trade receivables	-	15
Other financial assets	63	33
Total	63	65

Financial liabilities

USD thousands	2024	2023
Trade payables	92	36
Other financial liabilities	-	-
Total	92	36

Most of the financial assets held by the KEG are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and are thus measured subsequently at amortized cost less loss allowances.

All financial liabilities are measured at amortized cost with the exception of contingent liabilities. KEG does not have financial liabilities held for trading or designated at fair value through profit or loss.

The carrying amounts of financial assets and liabilities approximate their fair value as at year end.

Please see note 19 in the consolidated financial statements for more information.

13. Other current liabilities

Other contingent liabilities

KEG is not involved in any disputes nor trials at the balance sheet date or as the date of the approval of these financial statements that would lead to recognition of a liability or require disclosure. Management and the Board are not aware of any such incidents that may have a negative impact on the parent company's financial statement.

Borrowings and interest-bearing liabilities

There are no external borrowings in KEG. However, Keystone Academic Solutions AS has signed a credit facility agreement with Ture, in which Keystone Education Group AS provides certain guarantees. Please see note 21 in the consolidated financial statements for more information about borrowings and interest-bearing liabilities.

14. Share capital and shareholders

As of 31 December 2024, KEG had a share capital of NOK 9 989 725.95 (USD 881 627.92 converted) divided into 7 399 797 ordinary shares with a nominal value of NOK 1.35 each (USD 0.12 converted). All ordinary shares have equal voting rights and the right to receive dividends.

Please refer to the Consolidated statement of changes in equity for information about equity transactions.

Dividends

KEG did not pay dividends in 2024 or 2023. The Board of Directors proposes that the 2024 Annual General Meeting does not approve any dividend payments.

Ownership structure

Please refer to note 24 in the consolidated financial statement.

15. Events after the reporting date

Please refer to note 25 in the consolidated financial statement.

16. Alternative Performance Measures (APM)

Please refer to note 26 in the consolidated financial statement.

Auditor’s Report

To the General Meeting of Keystone Education Group AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Keystone Education Group AS, which comprise:

- the financial statements of the parent company Keystone Education Group AS (the Company), which comprise the statement of financial position as at 31 December 2024, statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and
- the consolidated financial statements of Keystone Education Group AS and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: https://revisorforeningen.no/revisjonsberetninger

Oslo, 8 May 2025
PricewaterhouseCoopers AS

Jone Bauge
State Authorised Public Accountant
(This document is signed electronically)

KEYSTONE
EDUCATION GROUP

Keystone Education Group
Rolfsbuktveien 4D
Fornebu, Norway 1364

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