

OSLO, October 2, 2020 - Kahoot! AS, (KAHOOT-ME) Trading Update Q3 2020

Q3 2020 was another strong quarter and reflects continued focused execution by the team in the Kahoot! Group. The Kahoot! Group grew invoiced revenue in Q3 2020 to \$11.6m, a 240% increase from reported invoiced revenue in Q3 2019. The quarter over quarter invoiced revenue growth was 20% in Q3 2020 (vs. Q2 2020). The Kahoot! Group had in Q3 2020 solid cash flow with 45% cash conversion from billed revenue, being the fourth consecutive quarter with positive cash flow from operations. The Kahoot! Group reached more than 360K paid subscriptions per Q3 2020. The full Q3 2020 report is scheduled for release on October 29, 2020.

An update from the CEO of Kahoot!, Eilert Hanoa: Third Quarter 2020

We are almost closing in on the year 2020, and I am proud to share that our organization has stepped up to the challenges and provided more value to all Kahoot! users around the world. At Kahoot!, we have continued to deliver new initiatives quarter after quarter helping users from all segments to make learning awesome as we get closer to our vision of building the leading learning platform in the world.

This past quarter was special as a large portion of the globe experienced a back-to-school season like no other, and we are very happy to be able to deliver our best offerings for teachers and students to successfully start the school year. We continued to add a record number of users and paid subscribers of our offerings as our users accustomed themselves to the “new normal” in the post-COVID reality.

After raising additional capital in June this year to help fuel the next phase of Kahoot!’s growth, we shared that we will use the funds to further invest in product innovation, as well as consider new strategic partnerships and acquisitions to further strengthen our platform.

I am delighted to share that we have followed through on our promise. Last month, we announced that we are adding **Actimo** to our growing family, helping us strengthen our offerings for organizations to help them with corporate learning, culture and engagement.

Earlier in the quarter, we announced our collaboration with **Disney** to launch a new series of Kahoot! Academy premium curriculum collections with characters from Disney franchises such as Pixar, Star Wars including Frozen, Cars and more. We also teamed up with **Marvel** to launch learning games from Kahoot! Academy covering a diverse range of subjects and topics wrapped in Marvel characters!

This back-to-school season, we delivered a number of initiatives, to make the transition to virtual learning much easier for teachers and students.

This week, we launched **Kahoot! EDU**, our new and most advanced scalable offering that will help administrators and school leaders bring an enhanced Kahoot! experience to their entire school or district -- whether students are in-class or in virtual learning environments. More than 10,000 educational institutions around the world have already deployed Kahoot! site licenses to connect their staff across departments, schools, districts colleges, or universities, and help them save time.

We also launched **study leagues** in the Kahoot! app to better connect students both at home and in class, and make studying with peers even more fun. The study leagues feature is a new social way to study and increases engagement through friendly competition. In addition, we also overhauled our

popular professional development program, **Kahoot! Certified**, to reflect our latest product updates and new teaching realities to help teachers make the most of Kahoot!.

Finally, we are super proud that we launched the **Kahoot! app for iOS and Android in Spanish** as the first step to better cater to our growing global community's needs. In the coming months, Kahoot! will be available on the app and the web in several other languages, including Portuguese, French and more.

Coming soon will be our new **"Courses"** feature for **Kahoot! 360**, our next generation corporate learning platform. This blended learning solution will let corporate trainers combine instructor-led training with self-paced mobile learning to maximize engagement and allow employees to take control over their own learning.

Before the end of the year, we will also be launching **Kahoot! Family**: a combo pack offering families a set of tools and apps to learn at home. This pack will include subscription to the premium version of the Kahoot! app as well as our other learning apps, covering math and reading and chess.

For brands and publishers, Kahoot! will be launching a new tailor-made offering later this year, to help them distribute their high-quality content and reach more relevant audiences through the power and reach of the Kahoot! platform.

As we enter the final few weeks of the year, we promise to continue with strong growth and better functionality in our products, paying close attention to our users' needs. We will also focus on welcoming the Actimo team into the Kahoot! family.

And lastly, we will spend the Q4 preparing the organization for our main listing on the Oslo Stock Exchange in Q1 2021.

Highlights Q3 2020

- The user growth on the Kahoot! platform continued with more than 21 million active accounts in the last twelve months (45% YoY growth). Number of hosted games last twelve months was 224m (10% YoY growth) with 1.3bn participants (19% YoY growth).
- Kahoot! launched several new features and editions for all three main categories (at Work, at School and at Home), contributing to the growth of both free and paid users in the quarter.
- Strong growth in paid subscriptions for the Kahoot! Group, reaching more than 360K in Q3 2020, an increase of 90K paid subscriptions from Q2 2020. The year on year growth in paid subscriptions was 160% per Q3 2020 vs. Q3 2019. Per Q3 2020 the Kahoot! Group had approx. 105K subscriptions in the Work category, 180K subscriptions in the School category and 75K subscriptions in the Home and Study category, including DragonBox curriculum.
- Invoiced revenue for the Kahoot! Group for Q3 2020 was \$11.6 million, compared to \$3.4m in Q3 2019 as reported, representing 240% year on year growth. The quarter over quarter invoiced revenue growth was 20% in Q3 2020 (vs. Q2 2020).
- Invoiced revenue for the first three quarters 2020 for the Kahoot! Group was \$27.7 million, compared to \$7.7 million as reported for the corresponding period 2019, representing approx. 260% year on year growth.
- The Kahoot! Group customer base MRR (Monthly Recurring Revenue) as of 30.09.2020 reached \$2.7m corresponding to ARR (Annual Recurring Revenue) of \$32m.
- The Kahoot! Group had positive cash flow from operations of approx. \$5.2m in Q3 2020, compared to -\$0.6m in Q3 2019. Cash flow from operations for the first nine months of 2020 was approx. \$10m compared to -\$4m for the corresponding period 2019.

- Cash and cash equivalents as of 30.09.2020 were \$72m. The company has no interest-bearing debt.
- The Kahoot! Group expects EBITDA for Q3 2020 to exceed \$1m.
- Announced the acquisition of Actimo, an employee engagement platform that empowers organizations to more efficiently build corporate culture with better communication, training and interaction with the workforce. The transaction is expected to be completed in October 2020.

Forward looking statement

- In Q4, the Kahoot! Group expects invoiced revenue to reach \$14m, a 20% quarter on quarter growth, where Actimo will contribute with approx. 10% of invoiced revenue.
- For the full year 2020, the Kahoot! Group expects invoiced revenue to reach \$41-42m (including contribution from Actimo in Q4), a 220% growth year on year. Invoiced revenue for 2019 was \$13m as reported for the Kahoot! Group.
- Continued solid cash flow from operations in the fourth quarter 2020.
- Paid subscriptions (not including Actimo) are expected to exceed 400K by the end of 2020.
- Total active accounts for the FY 2020 are expected to exceed 22m.

Previous full year invoiced revenue guidance for the Kahoot! Group was approx. \$35-38m. The company will provide further guidance for the full year 2020 as a part of the Q3 reporting.

The information contained in this statement has not been audited and may be subject to change. Please see Kahoot! News on kahoot.com/news to stay up to date on company news and updates. For more information, please contact:

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About Kahoot!

Kahoot! is on a mission to make learning awesome! We want to empower everyone, including children, students, and employees to unlock their full learning potential. Our game-based learning platform makes it easy for any individual or corporation to create, share, and play learning games that drive compelling engagement. In addition, our family of apps takes math learning to a new level and empowers children to learn to read through play. Launched in 2013, Kahoot!'s vision is to build the leading learning platform in the world. In the last 12 months, more than 200 million games have been played on the Kahoot! platform with over one billion participating players in 200 countries. The company is headquartered in Norway with offices in the US, UK, France, Finland, Denmark and Spain. Let's play!