

OSLO, January 5, 2021 - Kahoot! AS, (KAHOT) Trading Update Q4 2020

The Kahoot! Group continued its strong performance in the final quarter of 2020, including solid growth in usage, revenues, subscribers, launch of several new features and services as well as new strategic partnerships and the acquisitions of Actimo and Drops.

Invoiced revenue for the Kahoot! Group reached \$17.5m in Q4 2020, representing 230% increase from reported invoiced revenue in Q4 2019. The quarter over quarter invoiced revenue growth was 50% in Q4 2020 (vs. Q3 2020). The group delivered in Q4 2020 solid cash flow with approx. 40% cash conversion from billed revenue, being the fifth consecutive quarter with positive cash flow from operations. The Kahoot! Group reached more than 550K paid subscriptions per Q4 2020 whereof Drops accounted for 100K. During Q4 2020, the Kahoot! Group crossed 5 billion cumulative players on the platform since launch in 2013.

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

Closing out the unprecedented year that 2020 was, I am proud to share that the Kahoot! team has stepped up to the challenges, delivered solid growth, and provided more value to all Kahoot! users around the world. At Kahoot!, we have continued to deliver new initiatives every quarter to enable users from all segments to make learning awesome as we get closer to our vision of building the leading learning platform in the world.

In the past quarter, we also added a record number of users and paid subscribers for all our offerings, and we are pleased to have secured additional funding which allow us to continue to accelerate growth through both organic and non-organic value-creating opportunities, and to build our unique and versatile platform.

To that goal, we recently acquired one of the largest language learning platforms in the world, **Drops**, to make language learning more awesome. Drops, with over 40 languages, has joined our family of learning apps as part of our strategy to expand into new areas of learning and make Kahoot! a trusted destination for all learners — whether at school, work or home.

We also announced and launched two exciting new integrations with **Zoom** and **Bitmoji**, to make Kahoot! more accessible and engaging to more users and through additional platforms. The soon-to-be-launched integration with Zoom will allow users to host and play Kahoot! games and presentations without ever leaving their Zoom meetings. Our integration with Bitmoji allows teachers to bring next level engagement to virtual classrooms as well as the ability for students to add Bitmoji to their profile pictures and use them in study leagues.

Just in time for the holiday season, we launched **Kahoot!+ Family**: a subscription offering families our best set of tools and apps to learn at home, including the premium version of the Kahoot! app as well as our other learning apps, including math, algebra and reading.

In November, we hosted the inaugural **Kahoot! WorkSummit** attended by corporate learning professionals from around the world to learn more about the future of learning and development with speakers from Kahoot!, Microsoft, LinkedIn and more. For our business users, Kahoot!

introduced the new brainstorm feature as part of the Kahoot! 360 offering that keeps everyone engaged, energized and imaginative during virtual brainstorming sessions.

Before closing out the year, we launched our updated Kahoot! mobile app now available **English, Spanish, Portuguese, French and Norwegian**. Finally, I am excited to share that Kahoot! has now officially crossed **5 billion participating players** on its platform since launch in 2013!

Although it has been a challenging year, we wrapped up 2020 with lots of new initiatives that will be the foundation for our expansion of the Kahoot! offerings in 2021, including new free and premium tools and functionality for interactive presentations for school and work, corporate training, language learning, Academy Marketplace, and additional content offerings from publishing partners... to **make learning even more awesome** for all users!

Highlights Q4 2020

- The user growth on the Kahoot! platform continued with more than 24m active accounts in the last twelve months (57% YoY growth). Number of hosted games in the last twelve months was more than 250m (19% YoY growth) with approx. 1.5bn participants (26% 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 550K in Q4 2020, an increase of 190K paid subscriptions from Q3 2020, whereof Drops accounted for 100K. The year-on-year growth in paid subscriptions was 220% (approx. 380K) per Q4 2020 vs. Q4 2019.
- Per Q4 2020 the Kahoot! Group had approx. 120K subscriptions in the Work category, 230K subscriptions in the School category and 200K subscriptions in the Home and Study category, including DragonBox curriculum and Drops (acquired November 28, 2020) language learning subscriptions. In addition, Actimo (acquired October 5, 2020) has approx. 125K monthly active users.
- Invoiced revenue for the Kahoot! Group for Q4 2020 reached \$17.5m, compared to \$5.3m in Q4 2019 as reported, representing 230% year on year growth. The quarter over quarter invoiced revenue growth was 50% in Q4 2020 (vs. Q3 2020).
- Invoiced revenue for the full year 2020 for the Kahoot! Group reached \$45.2m, compared to \$13.0m as reported for 2019, representing 247% year on year growth.
- The Kahoot! Group expects EBITDA for Q4 2020 to exceed \$1m, not including stock-based compensation expenses, related payroll taxes and acquisition-related expenses.
- The Kahoot! Group customer base MRR (Monthly Recurring Revenue) as of 31.12.2020 reached \$5m corresponding to ARR (Annual Recurring Revenue) of approx. \$60m. As of 31.12.2019 reported ARR was \$14m.
- The Kahoot! Group had positive cash flow from operations of approx. \$7m in Q4 2020, compared to \$1.2m in Q4 2019. Cash flow from operations for the full year 2020 was approx. \$17m compared to -\$2.7m for 2019.
- Cash and cash equivalents as of 31.12.2020 were \$256m. The company has no interest-bearing debt.

Forward looking statement

For the full year 2021, the Kahoot! Group's ambition is to reach \$90-100m in invoiced revenues with continued solid positive cash flow from operations and one million paid subscriptions.

The company is preparing for a main listing at Oslo Stock Exchange which could be as early as in Q1 2021.

The full Q4 2020 report is scheduled for release on February 10, 2021.

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.

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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 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. Learners of all ages can make language learning natural with immersive visuals and play through our Drops apps. Organizations can connect and engage their work teams with Actimo, our employee engagement platform. Launched in 2013, Kahoot!'s vision is to build the leading learning platform in the world. In the last 12 months, more than 250 million games have been played on the Kahoot! platform with 1.5 billion participating players in 200 countries. The company is headquartered in Norway with offices in the US, the UK, France, Finland, Estonia, Denmark and Spain. Let's play!