

## **OSLO, July 7, 2021 - Kahoot! ASA, (KAHOT) Trading Update Second Quarter 2021**

**The Kahoot! Group continued its strong performance in the second quarter of 2021, including solid growth in usage, revenues, subscribers, launch of several new features and services as well as the completed acquisition of the learning app provider Motimate, and the announced acquisition of Clever, one of the most widely-used digital learning platforms by U.S. K-12 schools.**

Invoiced revenue for the Kahoot! Group reached \$20.6 million in the second quarter 2021, an increase of 114%, or \$11 million year-over-year. Invoiced revenue for the first half of 2021 reached \$39.6 million, an increase of 147%, or \$23.5 million year-over-year. The Kahoot! Group delivered continued solid cash flow from operations and reached 933K paid subscriptions including acquired units.

The Kahoot! platform had record-high activity in the second quarter with more than 29 million active accounts (43% YoY growth) hosting 303 million games (44% YoY growth) for more than 1.8 billion participating players (49% YoY growth) in the last 12 months, building the foundation for further growth in the coming quarters.

### **An update from Eilert Hanoa, CEO of Kahoot!**

Today we are pleased to share that Kahoot! continues to deliver strong financial performance in the second quarter of 2021, and that we are progressing well in delivering on our business agenda and annual targets.

The second quarter has been perhaps the company's most active thus far, across all aspects of the business, including R&D and product releases, technical integrations, multiple localization efforts as well as new partnerships and acquisitions. This quarter, we took significant steps in reaching our goal to become a global leading learning platform company.

Our record-high activity on the Kahoot! platform in the second quarter, including more than 29 million active accounts, 303 million games hosted and more than 1.8 billion participating players in the last 12 months, is a testament to the strength of the Kahoot! brand and our vision to make learning awesome!

We also continued the growth in paid subscriptions, reaching 933K in the second quarter. This includes all subscriptions on Kahoot!, DragonBox math curriculum, Drops language learning, Whiteboard.fi and employee licenses from Actimo and Motimate.

Last year, Kahoot! delivered very strong growth in the unprecedented second quarter and this year we achieved continued growth both organically and in total for the group year-over-year. In Q2 this year invoiced revenue was \$20.6 million, a 114% year-over-year growth.

A key goal for Kahoot! in the second half of 2020 and first half of 2021 has been to increase momentum in building our employee engagement offering, with the overall goals of rapid solution launches to capture increased demand for online corporate learning. In April we announced the acquisition of the learning app provider Motimate and the

combined user base of Motimate and Actimo, acquired in October 2020, represent more than a quarter of a million employees. This further accelerates the building of the next generation of tools for employee learning, engagement and corporate culture. The launch of the Kahoot! 360 Spirit solution in the second quarter represents our main offering to all organisations focusing on employee engagement. Kahoot! Spirit has already been well received by new and existing customers and the first larger projects have been initiated in the quarter.

With a focus on expanding our presence and offerings, in the second quarter we also announced the acquisition of Clever, Inc, the most used digital learning platform in U.S. K-12 (kindergarten to 12th grade) schools. Kahoot! Group will acquire 100% of the shares in Clever, Inc., for an enterprise value of USD 435-500 million on a cash and debt-free basis, including a performance-based element for 2021-2022. The consideration will consist of a combination of cash and Kahoot! shares. Clever will operate as an independent company in the Kahoot! Group led by its strong management team, and remains an open platform operating under the Clever brand. Clever expects to reach USD 44 million in billed revenues for 2021 from its U.S. ecosystem partners.

Completion of the Clever transaction is pending satisfaction of regulatory approval by The Committee on Foreign Investment in the United States ("CFIUS") and completion of the transaction is expected in the second half of the third quarter 2021. We look forward to the completion of the transaction and are excited about the value the partnership will bring to both organizations stakeholders.

We continue to expand geographically, both through engaging new partnerships and launching localized services. In Q3 2020, we launched our Spanish language version and are pleased to see that LatAm is now among the fastest growing markets with more than 130% growth in active accounts over the last 12 months. Since then, we have launched several new language versions, including our first Asian language - Japanese. During the second half, Arabic and simplified Chinese will be added.

All in all the second quarter of 2021 has been strategically important for the Kahoot! Group as we continued to make significant progress across all teams and units. Our ecosystem of services, users, customers and partners provides a solid foundation for further scale. To capture that embedded growth, we have been adding talents and resources to support the execution of our commercial strategy. In the first half of 2021 we have built the foundation for a series of upcoming launches of new features and offerings, including Kahoot! Academy Marketplace for user groups, the full Kahoot! 360 Spirit to our business customers and our improved Kahoot! EDU for schools and school districts ready for the Back To School season.

As the global vaccine response to the pandemic has been rolled out and many schools, educational institutions as well as workplaces are gradually planning a return to a hybrid or more in-presence environment, Kahoot! continues to attract new users and subscribers across all markets and customer segments. The growth on the Kahoot! platform experienced in the first half of the year, including higher number of signups in the second quarter this year, provides a solid foundation for further development of customer value and commercial strategies.

We are well positioned with a strong product portfolio, scaled customer base and team as we move into the second half of the year, to make learning even more awesome!

## **Second Quarter 2021 Highlights**

- Realized continued user growth on the Kahoot! platform
  - 29 million active accounts in the last 12 months, up 43% YoY
  - 303 million games hosted last 12 months, up 44% YoY
  - More than 1.8 billion participants globally last 12 months, up 49% YoY
- 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
- Announced and closed the acquisition of Motimate, a learning app provider, Motimate, to accelerate the building of the next generation of tools for employee learning, engagement and corporate culture
- Announced the acquisition of Clever, Inc, one of the most widely-used digital learning platforms by U.S. K-12 schools that help engage students both in the physical classroom and through remote learning. Clever's market-leading and open platform brings schools, teachers, students, and application developers together in a single-sign-on education network that simplifies accessible learning and provides an easy go-to solution for all users
- Kahoot! Group reached 933K paid subscriptions in the second quarter 2021, an increase of 173K from the first quarter 2021, whereof the acquired unit Motimate contributed with 140K. The net organic growth was 33K whereof 21K on the Kahoot! Platform. Kahoot! At School representing the main growth reaching 295K, Kahoot! At Home reaching 234K and Kahoot! At Work reaching 403K. The YoY increase in paid subscriptions including acquisitions was 663K, representing 246% growth per the second quarter 2021 vs. the second quarter 2020
- Invoiced revenue in Q2 of \$20.6 million, up 114% YoY. Invoiced revenue in 1H of \$39.6 million, up 147% YoY
- ARR (Annual Recurring Revenue) of \$75 million, up 200% YoY
- EBITDA (excluding share-based compensation expenses and related payroll taxes, acquisition related expenses and listing cost) expected to exceed \$4.0 million, representing more than 20% EBITDA margin
- Cash flow from operations (excluding payment of listing and acquisition cost) of approx. \$4.5 million, up 15% YoY, and approx. \$10 million for the first half year, up 100% YoY
- Cash and cash equivalents as of June 30, 2021, were \$440 million; the company has no interest-bearing debt

## **Forward looking statement**

For the full year 2021, the Kahoot! Group reiterates the ambition to reach \$90-100 million in invoiced revenues with continued solid positive cash flow from operations and to reach 1.1 million paid subscriptions.

Financial effects from the announced Clever acquisition are not included in the forward looking statement. Forward looking statement reflecting Clever will be presented following the closing of the transaction.

The Company will explore the opportunity for a secondary listing, with timing of the listing being subject inter alia to the closing of the Clever transaction.

The full second quarter 2021 report is scheduled for release on August 19, 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](https://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. Launched in 2013, Kahoot!'s vision is to build the leading learning platform in the world. In the last 12 months, 300 million games have been played on the Kahoot! platform with 1.8 billion participating players in more than 200 countries. The Kahoot! family also includes award-winning DragonBox math learning apps, the Poio learn to read app, the Drops language learning apps, the Actimo and Motimate employee engagement and corporate platforms and Whiteboard.fi, the online whiteboard tool for all educators, teachers and classrooms. The Kahoot! Group is headquartered in Oslo, Norway with offices in the US, the UK, France, Finland, Estonia, Denmark and Spain. Kahoot! is currently listed on the Oslo Stock Exchange under the ticker KAHOT. Let's play!