

**Kahoot! Group**

# **Q1 2022 Report**

# Kahoot! Group Reports First Quarter 2022 Financial Results

**OSLO, 4 May 2022 – Kahoot! ASA, (KAHOT) today announced financial results for its fiscal quarter ended 31 March 2022**

- Invoiced revenue \$34m, up 78% YoY, Annual Recurring Revenues \$138m, up 100% YoY
- Adjusted EBITDA of \$5.7m, up 56% YoY, adjusted cash flow from operations of \$4.2m
- Net 60K new paid subscriptions, totaling 1,170K paid subscriptions
- Professional subscriptions growth; Kahoot! at Work paid subscriptions 515K, up 102% YoY, Kahoot! at School paid subscriptions 395K, up 44% YoY

*“It has been a solid first quarter of the year, and the Kahoot! team continues to deliver at pace. Despite extraordinary market circumstances we saw positive momentum, especially in the latter part of the quarter, with robust growth in revenues and paid subscriptions. I am pleased to see our initiatives to commercialize Kahoot! premium offerings for the corporate market resulting in significant uptake of professional users and our largest enterprise deals to date.*

*Since the beginning of the pandemic we have grown our invoiced revenues from \$6.5m in Q1 2020 to \$34m in Q1 2022, inclusive of Clever, as well as doubled conversion to paid subscriptions to over 5% amongst our professional user segments. Our viral growth continues through the first quarter with approximately 30% YoY invoiced revenue increase on the core Kahoot! platform. We exceeded 125% (USD) net retention in both Top 50 key Enterprise and School/Districts accounts, as our largest customers are taking more advantage of our steadily expanded set of learning solutions.*

*Looking forward, I am particularly excited about the long-term potential of Kahoot!’s digital marketplace. Harnessing our vast network of more than 9 million active teachers, Kahoot!’s Marketplace will provide a unique platform for educators and partners to monetize their high-quality content ahead of the important back-to-school season. Launching our marketplace represents an extension of Kahoot!’s business model as well as positioning us at the center of the burgeoning global creator economy.” - Eilert Hanoa, CEO of Kahoot!*

## First Quarter 2022 - Financial and Operational Highlights

- Active accounts on the Kahoot! platform (over the past 12 months) were 29.9 million, up 6% YoY and 297 million hosted sessions, up 7% YoY with a total of approx. 1.9 billion participants (non-unique) globally, up 18% YoY.
- Kahoot! reached 1,170,000 paid subscriptions across all services, up 54% YoY, representing an organic increase of 60,000 from the previous quarter, with approx. 40,000 on the Kahoot! platform. At the end of the first quarter, Kahoot! at Work reached 515,000 paid subscriptions, Kahoot! at School reached 395,000 paid subscriptions and Kahoot! at Home and Study reached 260,000 paid subscriptions.
- Invoiced revenue (billings) was 34 million in the first quarter, up 78% YoY, including Clever, which contributed \$9.5 million. Excluding Clever, invoiced revenue in the first quarter grew \$5.5 million YoY to \$24.5 million, up 29%. In the first quarter, the U.S. and Canada as the largest region represented 60% of the Kahoot! Group’s invoiced revenue (including Clever).

- Annual Recurring Revenue (“ARR”) of \$138 million, up 100% YoY. Clever contributed approx. \$48 million from its U.S. ecosystem partners.
- Total revenue and other operating income of \$34.4 million, up 112% YoY.
- Total operating expenses (excluding share-based compensation expenses and related payroll taxes, acquisition related expenses and listing cost) was \$28.7 million in the first quarter, an increase of approx. \$1 million QoQ.
- Adjusted EBITDA (excluding share-based compensation expenses and related payroll taxes, acquisition related expenses and listing cost) of \$5.7 million, up 56% YoY.
- Cash flow from operations (excluding payment of listing and acquisition cost, and cost effects related to share-based compensation) of \$4.2 million, impacted by Clever billing seasonality.
- Cash and cash equivalents as of 31 March 2022, totaled \$76.9 million. The Group has no interest-bearing debt.

*“The business performed well in the first quarter, despite the complexity of the market situation. Across key commercial metrics, including invoiced revenues, paid subscriptions and conversion, the Kahoot! Group delivered a solid performance. The company continues to build on a fundamentally scalable business model, delivering its tenth consecutive quarter of positive cash flow from operations - as well as a consistent gross margin of more than 90%. This is all while investing in future growth initiatives for life-long learning and audience engagement offerings. With good visibility into the second quarter and the important back-to-school season coming up, we expect QoQ invoiced revenue growth of 50% in our third quarter.” - Ken Østreng, CFO of Kahoot!*

## Alternative Performance Measures

In order to enhance the understanding of the Kahoot! Group's performance, the Group presents certain measures and ratios considered as alternative performance measures (APMs) as defined by the European Securities and Markets Authority, and these should not be viewed as substitutes for any IFRS financial measures. The APMs includes Invoiced Revenue, Monthly Recurring Revenue (MRR), Annual Recurring Revenue (ARR), EBITDA, adjusted EBITDA, adjusted cash flow from operations and equity ratio. These APMs are presented as the Group considers them to be important supplemental measures to understand the overall picture of revenue and profit generation in the Group's operating activities.

USD in millions	Q1 2022	Q1 2021	YoY	FY 2021 <sup>5</sup>
Total revenue and other operating income	<b>34.4</b>	16.2	112 %	<b>91.3</b>
Cost of sales <sup>1</sup>	<b>1.8</b>	1.3		<b>7.0</b>
Employee benefit expenses <sup>2</sup>	<b>15.6</b>	6.2		<b>35.2</b>
Other operating expenses <sup>3</sup>	<b>11.3</b>	5.0		<b>29.7</b>
Total operating expenses	<b>28.7</b>	12.5	129 %	<b>72.0</b>
Adjusted EBITDA	<b>5.7</b>	3.7	56 %	<b>19.3</b>
Share based compensation expenses	<b>5.6</b>	2.1		<b>15.5</b>
Payroll tax share based compensation	<b>(3.1)</b>	1.3		<b>(7.6)</b>
Acquisition transaction and listing cost	<b>0.2</b>	1.4		<b>6.6</b>
EBITDA	<b>3.0</b>	(1.2)		<b>4.7</b>
Invoiced revenue	<b>34.0</b>	19.1	78 %	<b>107.2</b>
ARR end of period	<b>138.0</b>	69.0	100 %	<b>133.0</b>
Adjusted EBITDA margin	<b>16.6 %</b>	22.7 %		<b>21.1 %</b>
Cash flow from operating activities <sup>4</sup>	<b>4.2</b>	5.4		<b>31.3</b>
Cash and cash equivalents end of period	<b>76.9</b>	253.6		<b>107.8</b>

<sup>1</sup> Cost of sales are third-party sales and distribution cost.

<sup>2</sup> Employee benefit expenses include regular operational payroll and employee related benefit expenses. Calculated share-based payment expenses and related payroll taxes for the Group's share option program are not included.

<sup>3</sup> Other operating expenses not including acquisition-related expenses and listing cost.

<sup>4</sup> Q1 2022 mainly adjusted for \$0.6 million cash outflow for expenses to listing cost preparations and, social security cost on share-based payments

<sup>5</sup> Includes Clever from 1 September 2021.

#### Description of alternative performance measures:

- Invoiced Revenue is defined as the amount invoiced to customers in the relevant period.
- Monthly Recurring Revenue (MRR) is defined as the revenue the Group expects to receive on a monthly basis from customers.
- Annual Recurring Revenue or (ARR) is defined as MRR for the applicable month multiplied by twelve.
- EBITDA is defined as the profit/(loss) for the year before net financial income (expenses), income tax, depreciation, and amortization.
- Adjusted EBITDA is defined as EBITDA adjusted for special operating items. Special operating items are material expenses and other material transactions of either a non-recurring nature or special in nature compared to ordinary operational income or expenses and include adjustments for share-based compensation expenses and related payroll taxes, acquisition-related expenses, and listing cost preparations.
- Adjusted cash flow from operating activities is defined as cash flow from operating activities adjusted for cash outflow for acquisition and listing cost and cash effects related to share-based payment.
- Equity ratio is defined as total equity divided by total assets.

## Financial Review

- Total revenue and other operating income of \$34.4 million for the first quarter 2022, compared to \$16.2 million for the first quarter 2021, up 112% YoY. The increase of \$18.2 million was driven by growth of paid subscriptions for the Group's products and contribution from acquired units.
- Employee benefit expenses include regular operational payroll and employee related benefit expenses, and in addition, calculated share-based payment expenses and related payroll taxes for the Group's share option program.
  - Total employee benefit expenses amounted to \$18.1 million for the first quarter 2022 vs. \$9.6 million for the first quarter 2021, whereof calculated share-based payment expenses and related payroll taxes for the Group's share option program accounted for \$2.5 million in the first quarter 2022 vs. \$3.5 million for the first quarter 2021.
  - The operational payroll and employee related benefit expenses (excluding calculated share-based payment expenses and related payroll taxes) were \$15.6 million in the first quarter 2022 vs. \$6.2million in the first quarter 2021. The increase of \$9.5 million is attributable to growth in the number of employees through acquired companies and organic growth.
  - Number of full-time employee equivalents were 430 by the end the first quarter of 2022 vs. 204 by the end of the first quarter 2021.
- EBITDA amounted to \$3.0 million for the first quarter 2022 compared to -\$1.2 million for the first quarter 2021. The improvement of \$4.2 million is due to revenue growth, reduced transaction and listing cost, and reduced payroll taxes for the Group's share option program.
- EBITDA adjusted for share-based compensation expenses and related payroll taxes, acquisition-related expenses and listing cost preparations, was \$5.7 million for the first quarter 2022, up 56% YoY.
- Depreciation and amortization expenses amounted to \$3.9 million for the first quarter 2022 compared to \$1.6 million for the first quarter 2021. The increase of \$2.3 million is due to amortization of intangible assets from acquired companies.
- Net financial expense amounted to \$0.8 million for the first quarter 2022, which is in-line with the corresponding quarter 2021. The financial expense for the first quarter 2022 is basically the calculated net change in fair value of future performance-based considerations related to acquisitions.
- During the first quarter 2022, total assets decreased by \$34.6 million to \$761.5 million. The decrease was primarily attributable to consideration payments for prior years acquisitions. Per the end of the first quarter 2022, non-current assets were \$667.9 million, down from \$671.3 million by the end of 2021. The decrease is attributable to regular amortization of intangible assets deriving from acquisitions. Current assets were \$93.6 million whereof cash and cash equivalents represented \$76.9 million.
- Total liabilities decreased during the first quarter 2022 by \$45.5 million to \$169.1 million. whereof deferred tax liability represents \$45.7 million and contract liabilities (deferred revenue) \$58.7 million. Deferred and contingent consideration for acquisitions amounts to \$41.1 million (whereof \$12.2 million are non-current) to be settled in combination of approx. 22% shares and 78% cash.

- Equity ratio per the end of the first quarter 2022 was 78%.
- Cash flow from operations for the first quarter 2022 was \$3.6 million compared to \$5.4 million for the first quarter 2021. Adjusted cash flow from operations in the first quarter was \$4.2 million (adjusted for a total of \$0.6million cash outflow for expenses to acquisition and listing cost, and cash effects related to share-based payments).
- Cash flow from investing activities amounted to -\$33.6 million in the first quarter 2022 mainly due to payment for deferred and contingent consideration for prior years acquisitions.

## Market Environment

The first quarter of 2022 was in many ways an extraordinary quarter. It came with significant volatility in financial markets, rising concerns of inflation and the sentiment amongst decision makers was colored by uncertainty due to the unprecedented global geopolitical situation, as well as the pandemic long-tail. The market sentiment in the early part of the quarter was affected by some hesitation and resulted in a somewhat slow-paced beginning of the quarter, which changed to a considerably stronger momentum in March. In particular we saw strong development in enterprise, schools and district sales.

We continue to see improved conversion to paid use, particularly in the corporate sector and amongst professional users, indicating increased maturity and product-market fit. Further, the strong usage of Clever continues in the world's largest learning market, U.S., signaling a robust, ongoing demand for digital learning solutions. Although YoY growth, we saw some post-pandemic decline of non-paying personal accounts, compared to last year's high levels. Fundamentally we see the market environment for learning and audience engagement as healthy - and global growth and application of digital learning tools continues to increase at pace, with digital adoption accelerating across industries.

We continue to see solid viral usage of the Kahoot! platform, with an increasingly diverse portfolio of offerings for widening demographics and use cases in organizations, schools and corporates. With Kahoot's unique brand and our expanding, innovative and engaging products we remain confident about Kahoot!'s potential for progressive growth in 2022 and beyond.

## First Quarter 2022 - Strategic and Business Highlights

- **Kahoot! at Work** added 25,000 paid subscriptions, reaching 515,000 this quarter with particularly strong performance with larger agreements with enterprise customers. Integration of the acquired businesses is ongoing with the implementation of the next generation product strategy to bring the best of Motimate, Actimo and Kahoot! together for enterprise customers. During the quarter, the Kahoot! 360 Spirit value proposition was further strengthened by the launch of courses and themes, enabling corporate customers to customize the look and feel of the Kahoot! experience.
- **Kahoot! at School** added 30,000 paid subscriptions, reaching 395,000 this quarter for individual teachers, schools, districts and higher-ed institutions. Kahoot! EDU for K-12 became the top grossing commercial plan for Kahoot! at School in the quarter and Europe became the fastest growing region for teacher signups. The reseller network was further expanded with Skolon in Sweden and Classum in Korea. Teacher engagement was front and center with Kahoot! EDU Spring Meetup where over 10K teachers attended. The Kahoot! EDU support program was introduced in support of

schools experiencing teacher shortages - over 4K schools participated in the program in the quarter. In response to the Ukrainian crisis Kahoot! offered free EDU licenses to teachers and schools in Ukraine, to support continuous education for school children and other learners. LearnPlatform recognizes Kahoot! and Clever as the 6th and 7th most widely-used education technology solutions by educators and students in the U.S, only surpassed by Google services, in the recent EdTech Top40 Mid-Year Report 2021-22.

- **Clever** continued with a strong second half of the 21-22 school year, with over 60% of all U.S. K-12 Schools and strong student engagement with more than 50% of U.S. K12 students logging in through Clever during the school year. Clever has 790+ partner apps (500+ paid) on the platform and top 10 partners representing approx 25% of revenues. New paid services to grow revenue and increase value for customers, include the upcoming launches in H2 2022 of the click-to-buy App Store and international expansion. The upcoming launch of Clever IDM (identity management solution for schools) with support for Microsoft Active Directory and the Clever MFA (multi-factor authentication) extends the commercial offerings to school districts in the coming quarters.
- **Kahoot! at Home & Study** added 5,000 paid subscriptions, reaching 260,000 this quarter. Highlights extending the Kahoot!+ subscriptions with launch of the Kahoot! Multiplication by DragonBox app, improved Kahoot! Kids young learner experience and the new Kahoot!+ Explorer plan for young students and Kahoot!+ Study Max. Lastly Arabic, Simplified and Traditional Chinese languages were added, bringing the total number of localized languages to 14 in the quarter.
- **Kahoot! Academy** continued to engage and inspire millions of users every month with unique content from premium partners like WHO, Disney and Marvel. The upcoming launch of Kahoot! Marketplace is a major step in enriching Kahoot! Academy's offerings where creators can monetize their content and join the fast-growing, global creator economy, and where anyone can access lessons and courses for deeper learning and engagement, including the subscription service Kahoot!+ AccessPass.

## Business Areas

### Kahoot! at Work

Used in 97% of Fortune 500 companies, Kahoot! at Work's offerings help customers engage employees and build company culture by delivering unique training and communication experiences, across entire organizations. Kahoot! 360 is a powerful audience engagement offering, including Kahoot!'s bespoke enterprise offering, Kahoot! 360 Spirit, while Motimate is a complete, modern training solution and Actimo is an employee engagement app with particular focus on non-desk workers. Kahoot! at Work occupies a bespoke space at the intersection of employee engagement, corporate learning, training and culture building. The Kahoot! at Work business area stands optimally positioned to respond to multiple workplace scenarios we have seen evolve thanks to a diverse portfolio of solutions and plans that deliver the elements to support thriving corporate cultures now, and in the future of work.

### Kahoot! at School

Educators across the world make learning awesome with Kahoot! by tapping into the vast, inherent potential for playful education experiences to unlock every student's learning potential. Kahoot! offerings are used by more than 9 million teachers (LTM), hundreds of millions of students and thousands of schools, campuses, universities and districts. Kahoot!'s EDU offering is empowering teachers with a variation of interactive teaching and assessment

tools, and features such as Team mode - designed to increase collaboration skills through in-class and virtual learning settings, with Courses bolstering the already considerable opportunities to maximize student engagement through diverse content formats. Dragonbox offers school children, families and all learners engaging ways to learn math while Whiteboard empowers teachers to engage students in class and virtually with an interactive whiteboard tool for instant sharing and feedback.

### **Clever**

Born of the desire to save valuable time in the classroom and afford more space for innovative teaching and learning, Clever is a single sign-on portal for teachers and students, and one of the most widely used digital learning platforms with 60% of all U.S. K-12 Schools, 22m+ monthly active students and 1.4m monthly active teachers using the platform, now featuring more than 790 partner apps (500+ paid). Clever's recent innovations include parent/teacher messaging, enabling parents and teachers to communicate seamlessly and Clever IDM (Identity Management Solutions for schools). The ongoing focus for Clever remains to lay a robust foundation for growth and commercial added-value for its vast network, including the launch of the click-to-buy App Store and international expansion in 2022. Clever and Kahoot! continue to explore synergies and possibilities, with Kahoot! seeking to expand its considerable footprint across K12 schools in the U.S. and Canada. Similarly, efforts will continue to realize the vast potential for Clever to leverage Kahoot!'s global viral footprint to deliver its platform to educators globally.

### **Kahoot! at Home**

Spearheaded by the Kahoot!+ offering, encompassing award-winning Kahoot! DragonBox and Poio apps, as well as language learning app, Drops, Kahoot!'s ad-free platform and apps enables families, students and children to connect and learn in an engaging way at home, either through self-study or family fun. Over 10m are using Kahoot! at Home with over 100 million games played by families. Kahoot! at Home also offers Kahoot!+ Study and Kahoot! Kids. The former seeks to make study more fun, impactful and effective, leveraging Kahoot!'s position as a trusted learning tool for hundreds of millions of participating students, while the latter expands Kahoot!'s demographic relevance with a bespoke, pedagogically robust product to engage a family audience which has played 100 million kahoots in the last 12 months.

### **Kahoot! Academy**

Kahoot! Academy is a global knowledge platform, online community and marketplace which enables anyone to access premium learning content and high-quality learning resources produced and curated by verified publishers and content creators. Kahoot!+ AccessPass, launched in December 2021, represents the first commercial service on Kahoot!'s global digital marketplace, where verified creators and partners can monetize premium content. By enabling a marketplace, Kahoot!'s platform opens itself to be harnessed by the burgeoning global creator community to promote, sell and monetize their quality content and expertise. Made possible by the singular viral growth and scale of the Kahoot! brand and platform, these developments serve to strategically position Kahoot! to reach a captive and vast global market of educators and learners.

## 2022 Outlook

The Kahoot! Group reiterates its ambition to exceed \$190 million in invoiced revenues for 2022, with recognized revenues exceeding \$155 million and adjusted cash flow from operations of approx. 35% of recognized revenue.

The Kahoot! Group's annual invoiced revenue cycle is influenced by natural seasonality and market dynamics of key business areas, with the main driver being the back-to-school season for Kahoot! and for Clever in the second half of the year. Expected invoiced revenue split of approx. 40/60 in H1 and H2, in line with previous years.

For the second quarter 2022, invoiced revenue is expected to exceed \$36 million, representing approx. 75% YoY growth, with solid cash flow from operations.

Kahoot! will host a virtual Investor Day on 1 June 2022. For more details, visit [Kahoot.com/investor](https://kahoot.com/investor)

## Kahoot! Group Ambitions

The Kahoot! Group's ambition is to exceed \$500m in invoiced revenues in 2025, representing approx. 40% annual invoiced revenue growth, whereof approx. 1/3 from Kahoot! at Work, 1/3 from Kahoot! at School including Clever, and 1/3 from Kahoot! at Home & Study including Kahoot! Academy Marketplace.

The operational cost base is over the period expected to be converged to approx. 60% of invoiced revenue which indicates approx. 40% cash conversion of invoiced revenue in 2025. The financial ambitions outlined do not depend on any material acquisitions in the period.

As previously communicated the Company is exploring the opportunity for a secondary listing. After concluding its initial assessment, the Company has decided that it will continue to explore preparations for a potential secondary listing in the U.S. The Company will update the market in line with applicable regulatory requirements.

The information contained in this report 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 host learning sessions that drive compelling engagement. Launched in 2013, Kahoot!'s vision is to build the leading learning platform in the world. Since launch, Kahoot! has hosted hundreds of millions of learning sessions with over 7 billion participants (non-unique) in more than 200 countries and regions. The Kahoot! Group includes Clever, the leading US K-12 EdTech learning platform, together with the learning apps DragonBox, Poio, Drops, Actimo, Motimate, and Whiteboard.fi. The Kahoot! Group is headquartered in Oslo, Norway with offices in the US, the UK, France, Finland, Estonia, Denmark, Spain and Poland. Kahoot! is listed on the Oslo Stock Exchange under the ticker KAHOT. Let's play!

## Kahoot! Group paid subscription development

(Numbers in thousands)	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22
<b>Paid subscriptions<sup>3</sup></b>	<b>202</b>	<b>270</b>	<b>360</b>	<b>675</b>	<b>760</b>	<b>933</b>	<b>1,015</b>	<b>1,110</b>	<b>1,170</b>
Work	83	100	105	245	255	403	435	490	515
School	91	125	180	230	275	295	335	365	395
Home & Study	28	45	75	200	230	234	245	255	260

<sup>3</sup> Including acquired units from time of acquisition. Actimo were included with 125K in Q4 2020, Drops with 100K in Q4 2020, Whiteboard with 7K in Q1 2021 and Motimate with 130K in Q1 2021.

## Kahoot! platform usage development

Overview of active accounts, hosted sessions, and participants (non-unique) on the Kahoot! platform<sup>2</sup> last twelve months per end of quarter.

### Work<sup>1</sup>

(LTM numbers in millions)	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22
<b>Active accounts</b>	<b>0.3</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>0.6</b>	<b>0.5</b>	<b>0.6</b>	<b>0.7</b>	<b>0.8</b>
Hosted sessions	2.7	2.7	3.1	3.9	4.6	4.6	4.9	5.8	6.4
Participants	18.8	20.5	23.1	27.8	31.5	32.3	35.1	43.4	47.8
<i>YoY increase in millions</i>									
Active accounts	0.0	0.0	0.1	0.1	0.2	0.1	0.1	0.2	0.3
Hosted sessions	-0.1	-0.1	0.5	1.2	1.9	1.9	1.8	1.9	1.8
Participants	-0.9	1.1	4.2	9.3	12.7	11.8	12.0	15.6	16.3

### School<sup>1</sup>

(LTM numbers in millions)	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22
<b>Active accounts</b>	<b>6.0</b>	<b>6.4</b>	<b>6.9</b>	<b>7.6</b>	<b>8.3</b>	<b>8.7</b>	<b>9.1</b>	<b>9.3</b>	<b>9.3</b>
Hosted sessions	79.0	68.7	76.9	94.3	112.3	129.6	134.0	131.4	125.9
Participants	877.2	811.9	879.9	1,005.5	1,134.9	1,341.2	1,381.5	1,406.6	1,372.3
<i>YoY increase in millions</i>									
Active accounts	1.1	1.3	1.5	1.9	2.3	2.3	2.2	1.7	0.9
Hosted sessions	7.9	-5.8	0.7	16.8	33.3	60.9	57.2	37.1	13.6
Participants	129.3	36.6	93.8	180.6	257.7	529.3	501.6	401.1	237.4

### Home & Study<sup>1</sup>

(LTM numbers in millions)	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22
<b>Active accounts</b>	<b>10.4</b>	<b>13.5</b>	<b>14.2</b>	<b>16.7</b>	<b>19.3</b>	<b>19.7</b>	<b>20.6</b>	<b>20.9</b>	<b>19.8</b>
Hosted sessions	135.9	138.8	143.8	152.2	162.0	169.3	175.3	173.2	164.7
Participants	408.8	412.7	436.1	458.9	452.9	481.1	510.5	526.5	496.3
<i>YoY increase in millions</i>									
Active accounts	2.2	4.8	5.1	7.0	8.9	6.3	6.5	4.2	0.6
Hosted sessions	27.3	19.3	19.4	21.5	26.1	30.4	31.5	21.0	2.7
Participants	119.0	98.5	115.1	114.3	44.1	68.4	74.4	67.5	43.4

<sup>1</sup> Category is based on account registration data.

<sup>2</sup> All user data from the Kahoot! platform not including other services in the Kahoot! Group.

## Region

(LTM numbers in millions)	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22
<b>Active accounts</b>	<b>16.8</b>	<b>20.3</b>	<b>21.5</b>	<b>24.8</b>	<b>28.2</b>	<b>29.0</b>	<b>30.3</b>	<b>30.9</b>	<b>29.9</b>
USA and Canada	8.6	9.5	9.6	11.2	12.2	12.8	13.1	13.4	12.7
Europe	5.1	6.5	6.7	7.4	8.9	8.8	9.3	9.8	9.6
Asia Pacific	1.6	2.1	2.4	2.6	2.8	2.7	3.2	3.3	3.3
Latin America and The Caribbean	0.9	1.4	1.8	2.4	2.9	3.2	3.2	3.1	2.9
Africa, The Middle East, and India	0.5	0.8	0.9	1.2	1.4	1.4	1.4	1.4	1.3
<b>Hosted sessions</b>	<b>217.6</b>	<b>210.2</b>	<b>223.8</b>	<b>250.5</b>	<b>278.9</b>	<b>303.5</b>	<b>314.2</b>	<b>310.5</b>	<b>297.1</b>
USA and Canada	110.3	97.8	101.8	115.6	129.3	146.3	149.1	142.0	131.9
Europe	64.5	64.3	66.2	71.9	80.3	84.5	88.4	91.7	90.8
Asia Pacific	22.0	23.3	24.6	25.5	26.4	26.8	30.7	32.6	33.2
Latin America and The Caribbean	12.7	14.7	18.6	22.6	26.6	29.7	29.7	28.8	26.4
Africa, The Middle East, and India	8.0	10.0	12.5	14.8	16.4	16.2	16.3	15.4	14.8
<b>Participants (non-unique)</b>	<b>1,305</b>	<b>1,245</b>	<b>1,339</b>	<b>1,492</b>	<b>1,619</b>	<b>1,855</b>	<b>1,927</b>	<b>1,976</b>	<b>1,916</b>
USA and Canada	742	655	683	760	818	973	1,005	1,012	969
Europe	344	347	360	392	423	472	493	525	519
Asia Pacific	126	128	143	152	160	171	191	207	211
Latin America and The Caribbean	59	73	99	124	148	168	168	164	152
Africa, The Middle East, and India	34	42	54	65	69	70	70	68	66

# Financial statements

## 1. Condensed consolidated interim statement of profit or loss

USD in thousands	Note	Q1 2022	Q1 2021	FY 2021
Revenue from contracts with customers	2	34,366	16,182	91,016
Other operating income	2	18	-	249
<b>Total revenue and other operating income</b>		<b>34,384</b>	<b>16,182</b>	<b>91,265</b>
Cost of sales		1,758	1,345	7,029
Employee benefit expenses		18,134	9,643	43,235
Other operating expenses		11,457	6,371	36,351
<b>Operating profit/(loss) before deprec. and amortiz. (EBITDA)</b>		<b>3,035</b>	<b>(1,177)</b>	<b>4,650</b>
Amortization of intangible assets		3,475	1,394	8,848
Depreciation		460	251	1,357
<b>Operating profit/(loss) (EBIT)</b>		<b>(900)</b>	<b>(2,822)</b>	<b>(5,555)</b>
Financial income		40	95	432
Financial expenses		(66)	(46)	(205)
Net change in fair value of financial instruments		(1,031)	(728)	2,594
Net foreign exchange gains (losses)		277	(27)	(984)
<b>Net financial income (expenses)</b>		<b>(780)</b>	<b>(706)</b>	<b>1,837</b>
<b>Profit/(loss) before income tax</b>		<b>(1,680)</b>	<b>(3,528)</b>	<b>(3,718)</b>
Income tax		(480)	(256)	(1,838)
<b>Profit/(loss) for the period</b>		<b>(1,200)</b>	<b>(3,272)</b>	<b>(1,880)</b>
Profit/(loss) for the period attributable to:				
Equity holders of Kahoot! ASA		(1,200)	(3,272)	(1,880)
Earnings per share in USD				
Basic earnings per share		(0.00)	(0.01)	(0.00)
Diluted earnings per share		(0.00)	(0.01)	(0.00)

## Condensed consolidated interim statement of comprehensive income or loss

USD in thousands	Q1 2022	Q1 2021	FY 2021
<b>Profit/(loss) for the period</b>	<b>(1,200)</b>	<b>(3,272)</b>	<b>(1,880)</b>
Other comprehensive income/(loss):			
Items that might be subsequently reclassified to profit or loss:			
Exchange differences on translation of foreign operations	(1,181)	(3,771)	(8,751)
<b>Total comprehensive income/(loss) for the period</b>	<b>(2,381)</b>	<b>(7,043)</b>	<b>(10,631)</b>
Total comprehensive income/(loss) attributable to:			
Equity holders of Kahoot! ASA	(2,381)	(7,043)	(10,631)

## 2. Condensed consolidated interim balance sheet

USD in thousands	Note	31.03.2022	31.12.2021
<b>ASSETS</b>			
Goodwill		493,907	494,430
Intangible assets		169,571	173,284
Property, plant and equipment		766	633
Right-of-use assets		3,663	2,928
<b>Total non-current assets</b>		<b>667,907</b>	<b>671,275</b>
Trade receivables		11,580	11,764
Other current assets		5,105	5,304
Cash and cash equivalents		76,868	107,765
<b>Total current assets</b>		<b>93,553</b>	<b>124,833</b>
<b>TOTAL ASSETS</b>		<b>761,460</b>	<b>796,108</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	3	5,736	5,707
Share premium		661,496	651,581
Share-based payments reserves		20,270	16,963
Foreign currency translation reserves		(11,909)	(10,728)
Accumulated deficit		(83,208)	(82,008)
<b>Total equity</b>		<b>592,385</b>	<b>581,515</b>
Lease liabilities		2,656	2,044
Deferred tax liability		45,748	46,288
Other non-current liabilities		14,852	40,565
<b>Total non-current liabilities</b>		<b>63,256</b>	<b>88,897</b>
Lease liabilities		1,178	1,007
Current tax liabilities		4	4
Trade payables		4,659	5,359
Contract liabilities (deferred revenue)		58,747	60,772
Other current liabilities		41,231	58,554
<b>Total current liabilities</b>		<b>105,819</b>	<b>125,696</b>
<b>Total liabilities</b>		<b>169,075</b>	<b>214,593</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>761,460</b>	<b>796,108</b>

### 3. Condensed consolidated interim statement of changes in equity

USD in thousands	Share capital	Share premium	Share-based payment reserves	Foreign currency translation reserves	Accumulated deficit	Total equity
Balance at 1 January 2021	5,228	357,383	5,542	(1,977)	(80,128)	286,048
Profit/(loss) for the period	-	-	-	-	(1,880)	(1,880)
Currency translation differences	-	-	-	(8,751)	-	(8,751)
Total comprehensive income/(loss) for the period	-	-	-	(8,751)	(1,880)	(10,631)
Issuance of shares	479	302,700	-	-	-	303,179
Transaction costs on equity issues	-	(8,502)	-	-	-	(8,502)
Share option program	-	-	11,421	-	-	11,421
Balance at 31 December 2021	5,707	651,581	16,963	(10,728)	(82,008)	581,515
Profit/(loss) for the period	-	-	-	-	(1,200)	(1,200)
Currency translation differences	-	-	-	(1,181)	-	(1,181)
Total comprehensive income/(loss) for the period	-	-	-	(1,181)	(1,200)	(2,381)
Issuance of shares	29	9,943	-	-	-	9,972
Transaction costs on equity issues	-	(28)	-	-	-	(28)
Share option program	-	-	3,307	-	-	3,307
Balance at 31 March 2022	5,736	661,496	20,270	(11,909)	(83,208)	592,385

USD in thousands	Share capital	Share premium	Share-based payment reserves	Foreign currency translation reserves	Accumulated deficit	Total equity
Balance at 1 January 2021	5,228	357,383	5,542	(1,977)	(80,128)	286,048
Profit/(loss) for the period	-	-	-	-	(3,272)	(3,272)
Currency translation differences	-	-	-	(3,771)	-	(3,771)
Total comprehensive income/(loss) for the period	-	-	-	(3,771)	(3,272)	(7,043)
Issuance of shares	4	4,080	-	-	-	4,084
Transaction costs on equity issues	-	-	-	-	-	-
Share option program	-	-	2,119	-	-	2,119
Balance at 31 March 2021	5,232	361,463	7,661	(5,748)	(83,400)	285,208

#### 4. Condensed consolidated interim statement of cash flows

USD in thousands	Q1 2022	Q1 2021	FY 2021
<b>Cash flows from operating activities</b>			
Profit/(loss) before income tax	(1,680)	(3,528)	(3,718)
<i>Adjustments for</i>			
Depreciation and amortization	3,935	1,645	10,205
Share-based payments expense	3,307	2,119	11,421
Change in trade receivables	116	(1,123)	(781)
Change in contract liabilities	(1,843)	2,735	15,757
Change in trade payables	(687)	460	2,752
Change in other current assets and other liabilities	487	3,084	(14,965)
Taxes paid	-	-	(6)
Interest received	40	95	432
Financial expenses	(66)	(46)	(205)
<b>Net cash flow from operating activities</b>	<b>3,609</b>	<b>5,441</b>	<b>20,892</b>
<b>Cash flows from investing activities</b>			
Payment for acquisition of subsidiary, net of cash acquired <sup>1</sup>	(32,876)	(7,416)	(364,145)
Payment for intangible assets	(456)	-	(562)
Payment for property, plant and equipment	(301)	(39)	(216)
<b>Net cash from investing activities</b>	<b>(33,633)</b>	<b>(7,455)</b>	<b>(364,923)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of ordinary shares	-	-	205,077
Transaction costs on issuance of ordinary shares	(28)	-	(8,502)
Repayments of lease liabilities	(251)	(213)	(991)
Paid interest on lease liabilities	(26)	(33)	(89)
<b>Net cash from financing activities</b>	<b>(305)</b>	<b>(246)</b>	<b>195,495</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(30,329)</b>	<b>(2,260)</b>	<b>(148,536)</b>
Cash and cash equivalents beginning of the period	107,765	256,120	256,120
Effects of exchange rate changes on cash and cash equiv.	(567)	(246)	181
<b>Cash and cash equivalents as of end of period</b>	<b>76,868</b>	<b>253,614</b>	<b>107,765</b>

<sup>1</sup> Cash outflow for acquisitions of subsidiaries relates to contingent consideration liabilities (earn-outs) paid in the first quarter of 2022 for acquisitions in 2020 and 2021. For further information please see note 4 in the 2021 Annual Report.

## Notes to the interim consolidated financial statements

### Note 1 - General accounting policies

Kahoot! ASA (the Company or Kahoot!), the parent company of the Kahoot! Group (the Group) is a public limited liability company incorporated and domiciled in Norway, with its head office in Fridtjof Nansens plass 7, 0160 Oslo. The Company is listed on Oslo Stock Exchange has the ticker "KAHOT".

The condensed consolidated interim financial statements consist of Kahoot! ASA and its subsidiaries. As a result of rounding differences, numbers or percentages may not add up to the total.

These interim condensed consolidated financial statements for the three months ending 31 March 2022, have been prepared in accordance with IAS 34 Interim Financial Reporting, and authorized for issue by the board of directors on 3 May 2022. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for 2021.

The accounting policies applied in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2021.

### Note 2 - Revenue and segments

The Kahoot! Group has one segment: software to make learning awesome. The market for Kahoot!'s software is global. The chief decision maker will therefore follow up revenue and profitability on a global basis. This is consistent with the internal reporting submitted to the chief operating decision maker responsible for allocating resources and assessing performance as well as making strategic decisions.

USD in thousands	Q1 2022	Q1 2021	FY 2021
Subscription revenue - recognized over time	34,183	16,001	90,081
Other revenue - recognized at point in time	183	181	935
Total revenue from contracts with customers	34,366	16,182	91,016
Other operating income	18	-	249
Total revenue and other operating income	34,384	16,182	91,265

### Note 3 - Equity

Kahoot! ASA only has one class of shares, and all shares have the same voting rights. The shareholders are entitled to receive dividends as and when declared and are entitled to one vote per share at General Meetings of the Company.

	Number of shares	Share capital (NOK)	Share capital (USD)
Balance at 1 January 2022	486,581,479	48,658,148	5,707,355
Issued during the year	2,569,671	256,967	29,090
Balance at 31 March 2022	489,151,150	48,915,115	5,736,445

The share capital is fully paid and has a par value of NOK 0.10.

At the Annual General Meeting of Kahoot! ASA on 8 June 2021, the Board of Directors were authorized to increase the share capital by up to NOK 9.63 million through the issuance of up to 96.3 million new shares in connection with (i) mergers, acquisitions, equity raises and (ii) exercise of share options. The Board of Directors were authorized to acquire treasury shares with a total nominal value of up to NOK 1,418 thousand.

Information relating to the Group's Employee Option Plan, including details of options issued, exercised, and lapsed during the financial year and options outstanding at the end of each reporting period, is set out in note 17 in the 2021 Annual Report. The table below shows the development in the Company's share capital in 2022.

Date of registration	Type of change	Change in share capital (NOK)	New share capital (NOK)	Nominal value (NOK)	Number of total issued shares	Subscription price per share (NOK)
01 Mar 22	Share capital increase	256,967	48,915,115	0.10	489,151,150	<sup>1)</sup>

<sup>1)</sup> Share issue with NOK subscription price: 64.77/48.08/47.06/38.24/36.42/34.55/32.34/31.63

## Note 4 - Shareholder information

More than 41,000 shareholders per 25 April 2022	Shares (m)	%
Goldman Sachs International	46.0	9.4 %
Glitrafjord AS	41.2	8.4 %
J.P. Morgan Securities Plc	30.0	6.1 %
Datum AS	28.0	5.7 %
Creandum III LP	20.0	4.1 %
State Street Bank and Trust Comp	18.1	3.7 %
Citigroup Global Markets Inc.	13.5	2.8 %
Folketrygdfondet	12.9	2.6 %
State Street Bank and Trust Comp	10.8	2.2 %
The Northern Trust Comp, London Br	10.6	2.2 %
Versvik Invest AS	10.0	2.0 %
Newbrott AS	7.6	1.6 %
Euroclear Bank S.A./N.V.	7.1	1.4 %
Datum Invest AS	6.6	1.3 %
Citibank, N.A.	6.5	1.3 %
JPMorgan Chase Bank, N.A., London	6.2	1.3 %
State Street Bank and Trust Comp	5.7	1.2 %
Nordnet Bank AB	5.7	1.2 %
Gamification AS	5.2	1.1 %
J.P. Morgan SE	5.1	1.0 %
Other	192.2	39.3 %
<b>Total outstanding shares</b>	<b>489.2</b>	<b>100.0 %</b>
Outstanding share options	24.9	
<b>Total no. of shares (fully diluted)</b>	<b>514.1</b>	

Investors with shareholding exceeding 5%: SoftBank, Glitrafjord (CEO, Eilert Hanoa) and Datum Group.

## Note 5 - Related party transactions

In the first quarter, the Group acquired services for \$76K from Glitrafjord AS, a company 100% owned by the CEO.

## Note 6 - Events after the balance sheet date

No events that have significantly affected or may significantly affect the operations of the Group have occurred after 31 March 2022.

**Kahoot!**

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