

Kahoot! Group

Q4 2022 Report

Kahoot! Group Reports Fourth Quarter 2022 Financial Results

OSLO, 16 February 2023 – Kahoot! ASA, (KAHOT) today announced financial results for its fiscal quarter ended 31 December 2022

- Recognized revenue of \$39 million for the fourth quarter, up 18% YoY. For the full year \$146 million, up 60% YoY.
- Invoiced revenue (billings) of \$43.9 million for the fourth quarter, up 10% YoY. For the full year \$169 million, up 58% YoY (up 21% YoY on a full-year pro forma basis).
- Adjusted EBITDA of \$9.6 million for the fourth quarter, representing a margin of 25% versus 17% in the fourth quarter 2021. For the full year \$30.3 million, up 57% YoY.
- Operating cash flow of \$17.3 million for the fourth quarter, up 28% YoY. For the full year adjusted operating cash flow of \$42.7 million, up 37% YoY. Cash and cash equivalents increased to \$104.8 million by end of 2022. The Kahoot! Group has no interest-bearing debt.
- Net new 60K paid subscriptions for the fourth quarter, of which 40K from professional user categories. The Kahoot! Group exceeded 1.3 million paid subscriptions by the end of the year, up 18% YoY.

“Through 2022 the Kahoot! Group has progressed its leadership in global digital learning, entering the new year with a stronger company and a stronger product than ever, with half our team devoted to building solutions for the future. We delivered on our cash flow guidance for the full year and generated the highest number of net new paid subscriptions quarterly in 2022, with particular momentum in the Kahoot! At Work segment in the fourth quarter. The core Kahoot! platform (excluding acquisitions) exceeded \$75 million in invoiced revenues, over 20% YoY growth, for the full year and more than 700K paid subscriptions.

At the same time, end-of-year growth in billing volume ended below our expectations. The current macro environment is driving more cautious decision-making and longer sales cycles, which resulted in lower than expected revenue growth from our year-end activities. We are not satisfied with our sales performance at the end of the year, and in response we will take additional steps to adapt to current market circumstances, and ensure further improvements in our commercial model. We remain committed to continuous innovation of our market-leading solutions and delivering cash-generative, sustainable and profitable growth.”

- Eilert Hanoa, CEO of Kahoot!

Fourth Quarter 2022 - Financial and Operational Highlights

- Invoiced revenue (billings) was \$43.9 million in the fourth quarter, up 10% YoY, including Clever, which contributed \$12.9 million. Excluding Clever, invoiced revenue in the fourth quarter grew \$4.1 million YoY to \$30.9 million, up 15% YoY.
- For the full year 2022, invoiced revenue grew \$61.8 million YoY to \$169.0 million, up 58%. Kahoot! Group full year excluding Clever approx. \$104.5 million, up 18% YoY. Clever full year exceeding \$64 million, up 29% YoY on a pro-forma basis.
- The strengthening of the USD in 2022 compared to 2021 resulted in more than \$4 million negative impact on invoiced revenue for 2022. The U.S. and Canada as the largest region represented 65% of the Kahoot! Group's invoiced revenue in 2022.
- Total revenue and other operating income of \$39.0 million, up 18% YoY. For the full year 2022, total revenue and other operating income grew \$54.7 million YoY to \$146.0 million, up 60%.
- Annual Recurring Revenue ("ARR") of \$156 million, up 17% YoY.
- Total operating expenses (excluding share-based compensation expenses and related payroll taxes) were \$29.3 million in the fourth quarter, up 6% YoY.
- Adjusted EBITDA of \$9.6 million, up 76% YoY. For the full year 2022, adjusted EBITDA grew \$11.0 million YoY to \$30.3 million, up 57%.
- Adjusted cash flow from operations of \$17.3 million for the fourth quarter, up 28% YoY, and \$42.7 million for the full year 2022, up 37% YoY.
- Cash and cash equivalents per the end of 2022, totaled \$104.8 million. The Group has no interest-bearing debt.
- Total number of paid subscriptions exceeded 1.3 million across all services, up 18% YoY, representing an organic increase of 60,000 from the previous quarter, of which 40,000 from professional user categories. At the end of the fourth quarter, Commercial reached 580,000 paid subscriptions, Education reached 435,000 paid subscriptions and Consumer & Experience reached 295,000 paid subscriptions.
- Active accounts on the Kahoot! platform (over the last twelve months) was 25.8 million, with more than 268 million hosted sessions, and a total of approx. 1.7 billion participants (non-unique) globally.

"Despite the lower than expected growth in billings in the fourth quarter and more demanding market conditions, we maintained consistent cost levels in line with previous quarters, resulting in all-time high adjusted operating cash flow of \$42.7 million and adjusted EBITDA of \$30.3 million for the full year. This is achieved due to our scalable business model and effective unit economics, demonstrated both before, under and after the pandemic. Our current operating capacity can deliver even stronger results, enabling continued invoiced revenue growth on par with the 2022 proforma growth level, with modest operational cost increase yielding further improvements in operating cash flow and adjusted EBITDA."

- 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), Gross margin, 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	Q4 2022	Q4 2021	YoY	FY 2022	FY 2021 ⁶	YoY
Total revenue and other operating income	39.0	33.0	18 %	146.0	91.3	60 %
Cost of sales ¹	1.9	2.6		7.0	7.0	
Employee benefit expenses ²	16.5	13.9		62.5	35.2	
Other operating expenses ³	10.9	11.1		46.2	29.7	
Total operating expenses	29.3	27.6	6 %	115.7	72.0	61 %
Adjusted EBITDA	9.6	5.5	76 %	30.3	19.3	57 %
Share based compensation expenses	6.3	8.8		23.2	15.5	
Payroll tax share based compensation	0.4	(3.1)		(2.7)	(7.6)	
Acquisition transaction and listing cost	-	0.3		0.2	6.6	
EBITDA	3.0	(0.6)		9.6	4.7	
Invoiced revenue	43.9	39.7	10 %	169.0	107.2	58 %
ARR end of period	156.0	133.0	17 %	156.0	133.0	17 %
Gross margin	95 %	92 %		95 %	92 %	
Adjusted EBITDA margin	25 %	17 %		21 %	21 %	
Cash flow from operating activities ⁴	17.3	13.4	28 %	42.7	31.3	37 %
Capital expenditures ⁵	0.3	0.2		1.5	0.8	
Cash and cash equivalents end of period	104.8	107.8		104.8	107.8	

¹ Cost of sales are third-party sales and distribution cost.

² 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.

³ Other operating expenses not including acquisition-related expenses, listing cost preparations, depreciation, and amortization.

⁴ Full year 2022 adjusted for \$0.8 million cash outflow for expenses to social security cost on share-based payments.

⁵ Capital expenditures not including acquisitions.

⁶ 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.
- Gross margin is defined as total revenue deducted for cost of sales divided by total revenue.
- 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 \$39.0 million for the fourth quarter 2022, compared to \$33.0 million for the fourth quarter 2021, up 18% YoY. The increase of \$6.0 million was driven by growth of paid subscriptions for the Group's products. For the full year 2022, total revenue and other operating income amounted to \$146.0 million, up from \$91.3 million for 2021, representing 60% YoY growth.
- Gross margin was 95% in the fourth quarter and for the full year 2022, up from 92% for the corresponding periods in 2021 due to no growth of third-party sales and distribution cost for the full year.
- 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 and RSU program.
 - Total employee benefit expenses amounted to \$23.1 million for the fourth quarter 2022 compared to \$19.6 million for the fourth quarter 2021, whereof calculated share-based payment expenses and related payroll taxes for the Group's share option and RSU program accounted for \$6.6 million in the fourth quarter 2022 compared to \$5.8 million for the correspond quarter 2021.
 - The operational payroll and employee related benefit expenses accounted for \$16.5 million in the fourth quarter 2022 compared to \$13.9 million in the fourth quarter 2021. The increase is attributable to increased number of employees through the year.
 - For the full year 2022, total employee benefit expenses were \$83.0 million compared to \$43.2 million for 2021 whereof calculated share-based payment expenses and related payroll taxes for the Group's share option program accounted for \$20.5 million in 2022. The corresponding amount for 2021 was \$8.0 million which was impacted by a \$7.6 million negative expense effect for payroll tax.
 - For the full year 2022, the operational payroll and employee related benefit expenses were \$62.5 million compared to \$35.2 million for 2021. The increase is attributable to full year cost effect from acquisitions in 2021, and increased number of employees through the year. Number of full-time employee equivalents were 462 by the end of 2022 compared to 422 by the end of 2021.
- EBITDA amounted to \$3.0 million for the fourth quarter 2022 compared to -\$0.6 million for the fourth quarter 2021. The improvement of \$3.6 million is driven by revenue growth. For the full year 2022, EBITDA was \$9.6. million, up 106% YoY.
 - Adjusted EBITDA (adjusted for share-based compensation expenses and related payroll taxes, acquisition-related expenses, and listing cost preparations) was \$9.6 million for the fourth quarter 2022, up 76% YoY. For the full year 2022, adjusted EBITDA was \$30.3 million, up 57% YoY.
- Depreciation and amortization expenses amounted to \$14.7 million for the full year 2022 compared to \$10.2 million for 2021. The increase of \$4.5 million is due to full year effect amortization of intangible assets from the acquisition of Clever which was effective from 1 September 2021.
- Net financial income amounted to \$4.7 million for the fourth quarter 2022, compared to \$1.4 million for the corresponding quarter 2021. The net financial income for the fourth quarter 2022 is mainly due to exchange rate effects on settlement of intercompany balances within the Group companies. For the full year 2022 net financial expenses amounted to \$0.8 million compared to net financial income of \$1.8 million for 2021.

- The \$6.8 million positive effect from income tax for the fourth quarter 2022 is mainly due to recognition of deferred tax asset. The positive effect from income tax for the full year 2022 was \$8.1 million.
- During 2022, total assets decreased by \$7.9 million to \$788.2 million compared to total assets of \$796.1 million by 31 December 2021. The decrease is primarily related to amortization of intangible assets from acquisitions. Current assets were \$129.8 million by the end of 2022 whereof cash and cash equivalents represented \$104.8 million.
- Total liabilities decreased during 2022 by \$34.7 million to \$179.9 million compared to total liabilities of \$214.6 million by 31 December 2021. The decrease is primarily related to settlement of contingent and deferred consideration liabilities arising from prior year's acquisitions. Per the end of 2022, deferred tax liabilities represent \$42.7 million and contract liabilities (deferred revenue) \$79.9 million.
- Equity ratio per the end of 2022 was 77% compared to 73% by the end of 2021.
- Cash flow from operations for the fourth quarter 2022 was \$17.3 million and \$41.9 million for the full year 2022. Adjusted cash flow from operations for 2022 was \$42.7 million, up 37% YoY.
- Cash flow from investing activities amounted to -\$2.6 million in the fourth quarter 2022 and -\$43.1 million for the full year 2022 mainly due to payment for deferred and contingent consideration for prior years' acquisitions.
- Cash flow from financing activities of \$0.4 million in the fourth quarter due to proceeds from issuance of ordinary shares, and -\$0.6 million for the full year 2022 due to payments of lease liabilities.

Fourth Quarter 2022 - Strategic and Business Highlights

With considerable macroeconomic uncertainty towards the end of the year, we saw organizations across our market segments exercising more spending caution, resulting in longer sales cycles. Despite this challenging external environment, Kahoot! capped off a good year in the fourth quarter, delivering solid financial and operational performance, continuing to position for further profitable growth.

Adding sixty thousand net new paid subscriptions, the final quarter saw the highest number of net new paid subscriptions in 2022, with minimal customer acquisition cost, due to our viral distribution model. As we continue to develop the world's leading digital learning platform for all user categories, we're particularly pleased to see the quarter's strong contribution from Kahoot! At Work, in line with the long-term growth trend in engagement, conversion and sales to professional users and larger corporations. Still, with some 97% of the platform's users benefiting from our free services the potential for further monetization remains significant.

Our commitment to continued innovation and product-led growth proves to yield strong momentum, demonstrated in the fourth quarter with the launch of a series of new game experiences and customizable player characters, further increasing engagement for millions of participants every day since the October launch. This monumental engagement provides a basis for further interaction on the platform, supporting additional routes to monetization going forward.

Leaving the pandemic behind, our platform showed comparative resilience through the second half of the year, with our user base finding ever new ways to engage their audience both in-presence, virtual or hybrid. Despite solid performance across the group in the fourth

quarter, our end-of-year activities still generated lower than expected growth in billing volume for the quarter and consequently the full year. In response to this, and to further deploy the group's resources to advance growth, we are taking additional steps to adapt to the current market circumstances entering 2023:

- Firstly, we continue our commitment to stringent cost management. By maintaining our organizational size, with no net FTE growth in the quarters to come, we align our cost structure to the market environment, generating increased operating cash flow.
- Secondly, we are recalibrating our organization to better support our three principal revenue categories; 1) Commercial, 2) Education and 3) Customer & Experience. We do this to power up further commercial efforts behind these synergetic business categories, and unleash the full potential of both teams and products.
- Thirdly, we are improving our commercial models to support subscription growth in each category. We will develop more efficient ways to activate seasonal campaigns, as our business largely will continue to depend on seasonal market patterns.

Amidst macro-economic uncertainty in the short term, we remain optimistic about our future opportunities. With our strategic market position and global brand the group is well positioned to take advantage of secular trends of digital transformation, including upskilling and reskilling of the workforce. Our scalable and lean business model combined with our enriched product suite and favorable price-points, gives us resilience and flexibility to seize opportunities in the next growth cycle for digital learning and audience engagement. The group's diversified offering gives potential to grow across K12 and higher-ed, across the corporate and enterprise sector, for personal usage at home, as well as in the emerging area of content and experience.

Based on our current operating model and capacity, supported by additional organizational optimizations, Kahoot! is in position to generate even stronger results going forward. Due to effective unit economics and a highly scalable platform we expect to see continued profitable growth in the quarters to come, as we pursue our mission of making learning awesome for everyone.

Business Areas

Commercial

The Commercial category includes Kahoot!, a leading audience engagement solution used in 97% of Fortune 500 companies, Motimate, a modern complete training solution, and Actimo, an employee communication and engagement app with particular focus on non-desk workers. Kahoot!'s Commercial offerings help corporate customers engage employees and build company culture by delivering easy to use, unique training and communication experiences, across entire organizations.

In Q4, net 30,000 new paid subscriptions were added, reaching approx. 580,000 in total paid subscriptions, up 18% YoY. For the full year, Commercial invoiced revenue grew approx 20% YoY on constant currency. Continued traction with increased new key account customer accounts expansions and increased volume of agreements for Kahoot! 360, Actimo & Motimate. Sales pipeline continues to remain solid, despite elongated sales cycles as a result of more cautious decision making and spending among customers. Several new feature launches during the quarter including professional courses, Kahoot! as part of Zoom curated Essential Apps to energize virtual meetings and new Google Meet integration with live sharing feature.

Education

The Education category includes Kahoot, the leading learning and engagement tool for teachers and students, and Clever, the market leading single sign-on portal for teachers and students in K-12 US. Over 8 million educators across the world use Kahoot!'s learning tools to

make learning awesome for hundreds of millions of students across thousands of schools, campuses, universities and districts.

In Q4, over 10,000 net new paid subscriptions were added, reaching approx. 435,000 in total subscriptions, up 19% YoY. Continued growth of teachers and educational institutions are using Kahoot! to ensure engaging learning and taking advantage of the first rollout of the new student-led game experiences on Kahoot! with new commercial plans.

Clever continued growing its network, with now 75% of all U.S. K-12 schools and over 24m monthly active students on the platform. Total paid app partners reached 590+, up approx. 34% YoY. For the full year, Clever grew 29% in billings and reached a net Revenue Retention over 110% for the full year. Clever's IDM product was recognized with the District Administration's Top EdTech Product of the Year award in the IT category.

Consumer & Experience

The Consumer & Experience category includes Kahoot!'s learning platform, award winning learning apps like Poio, DragonBox, Drops, and premium learning content from world leading publishers and brands, enabling hundreds of millions of participants, from children, students and families to connect and learn in an engaging way, either through self-study or live sessions for learning, family fun and social settings.

Over 20,000 net new paid subscriptions were added, reaching approx. 295,000 this quarter, up 18% YoY. Development was driven by renewed and aligned commercial models for Kahoot! Kids and young students. Several releases including new Kahoot! App for Apple MacOs, and adding Swedish as the 17th language to our offering. Announced new publisher and partnerships deals including Kahoot & Amazon Future Engineer launch, and new Marvel content in K!+ AccessPass enabling engaging learning content with your favorite superheroes.

Outlook

Going forward the Kahoot! Group will provide guidance as outlined below.

Full year 2023 continued double digit year-on-year growth in billings delivering recognized revenues exceeding \$170m with modest annual growth in operational cost base, and adjusted EBITDA exceeding 40% year-on-year growth with solid free cash flow.

First quarter 2023 continued year-on-year growth in billings delivering recognized revenues of \$39-40m with modest quarterly increase in operational cost base resulting in year-on-year improvement in adjusted EBITDA and free cash flow.

Kahoot! Group Ambitions

Reiterating the long-term growth potential and scalability ambition, targeting ~40% cash conversion in 2025 (as percentage of billings). Further information will be provided on the Investor Day in the second quarter of 2023.

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 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 9 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	Q2'22	Q3'22	Q4'22
Paid subscriptions¹	202	270	360	675	760	933	1,015	1,110	1,170	1,210	1,250	1,310
Commercial	83	100	105	245	255	403	435	490	515	530	550	580
Education	91	125	180	230	275	295	335	365	395	410	425	435
Consumer & Experience	28	45	75	200	230	234	245	255	260	270	275	295

¹Including 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 Q2 2021.

Kahoot! platform usage development

Overview of active accounts, hosted sessions, and participants (non-unique) on the Kahoot! platform² last twelve months per end of quarter.

Work³

(LTM numbers in millions)	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22
Active accounts	0.3	0.4	0.5	0.5	0.6	0.5	0.6	0.7	0.8	0.8	0.9	0.9
Hosted sessions	2.7	2.7	3.1	3.9	4.6	4.6	4.9	5.8	6.4	6.4	6.4	5.9
Participants	18.8	20.5	23.1	27.8	31.5	32.3	35.1	43.4	47.8	47.7	46.8	44.1

YoY change in millions

Active accounts	0.0	0.0	0.1	0.1	0.2	0.1	0.1	0.2	0.3	0.3	0.3	0.2
Hosted sessions	-0.1	-0.1	0.5	1.2	1.9	1.9	1.8	1.9	1.8	1.8	1.4	0.0
Participants	-0.9	1.1	4.2	9.3	12.7	11.8	12.0	15.6	16.3	15.5	11.7	0.6

School³

(LTM numbers in millions)	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22
Active accounts	6.0	6.4	6.9	7.6	8.3	8.7	9.1	9.3	9.3	8.8	8.7	8.7
Hosted sessions	79.0	68.7	76.9	94.3	112.3	129.6	134.0	131.4	125.9	119.7	116.8	113.1
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	1,321.3	1,300.4	1,253.3

YoY change in millions

Active accounts	1.1	1.3	1.5	1.9	2.3	2.3	2.2	1.7	0.9	0.1	-0.4	-0.6
Hosted sessions	7.9	-5.8	0.7	16.8	33.3	60.9	57.2	37.1	13.6	-10.0	-17.3	-18.4
Participants	129.3	36.6	93.8	180.6	257.7	529.3	501.6	401.1	237.4	-19.8	-81.1	-153.3

Home & Study³

(LTM numbers in millions)	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22
Active accounts	10.4	13.5	14.2	16.7	19.3	19.7	20.6	20.9	19.8	18.4	17.2	16.2
Hosted sessions	135.9	138.8	143.8	152.2	162.0	169.3	175.3	173.2	164.7	162.0	158.7	149.5
Participants	408.8	412.7	436.1	458.9	452.9	481.1	510.5	526.5	496.3	474.8	452.7	380.7

YoY change in millions

Active accounts	2.2	4.8	5.1	7.0	8.9	6.3	6.5	4.2	0.6	-1.4	-3.4	-4.7
Hosted sessions	27.3	19.3	19.4	21.5	26.1	30.4	31.5	21.0	2.7	-7.3	-16.6	-23.7
Participants	119.0	98.5	115.1	114.3	44.1	68.4	74.4	67.5	43.4	-6.4	-57.7	-145.7

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

³ Category is based on account registration data.

Region

(LTM numbers in millions)	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22
Active accounts	16.8	20.3	21.5	24.8	28.2	29.0	30.3	30.9	29.9	28.0	26.7	25.8
USA and Canada	8.6	9.5	9.6	11.2	12.2	12.8	13.1	13.4	12.7	11.6	11.2	10.8
Europe	5.1	6.5	6.7	7.4	8.9	8.8	9.3	9.8	9.6	9.4	9.3	9.3
Asia Pacific	1.6	2.1	2.4	2.6	2.8	2.7	3.2	3.3	3.3	3.3	2.9	2.7
Latin America	0.9	1.4	1.8	2.4	2.9	3.2	3.2	3.1	2.9	2.5	2.2	2.0
Africa, Middle East, India	0.5	0.8	0.9	1.2	1.4	1.4	1.4	1.4	1.3	1.2	1.1	1.0
Hosted sessions	217.6	210.2	223.8	250.5	278.9	303.5	314.2	310.5	297.1	288.1	281.8	268.4
USA and Canada	110.3	97.8	101.8	115.6	129.3	146.3	149.1	142.0	131.9	123.6	120.7	110.7
Europe	64.5	64.3	66.2	71.9	80.3	84.5	88.4	91.7	90.8	93.5	96.8	97.1
Asia Pacific	22.0	23.3	24.6	25.5	26.4	26.8	30.7	32.6	33.2	33.3	30.3	29.5
Latin America	12.7	14.7	18.6	22.6	26.6	29.7	29.7	28.8	26.4	23.6	21.6	20.0
Africa, Middle East, India	8.0	10.0	12.5	14.8	16.4	16.2	16.3	15.4	14.8	14.1	12.4	11.1
Participants (non-unique)	1,305	1,245	1,339	1,492	1,619	1,855	1,927	1,976	1,916	1,844	1,800	1,678
USA and Canada	742	655	683	760	818	973	1,005	1,012	969	909	883	795
Europe	344	347	360	392	423	472	493	525	519	526	537	524
Asia Pacific	126	128	143	152	160	171	191	207	211	213	201	197
Latin America	59	73	99	124	148	168	168	164	152	134	123	113
Africa, Middle East, India	34	42	54	65	69	70	70	68	66	62	55	49

Financial statements

1. Condensed consolidated interim statement of profit or loss

USD in thousands	Note	Q4 2022	Q4 2021	FY 2022	FY 2021
Revenue from contracts with customers	2	38,961	33,022	145,610	91,016
Other operating income	2	-	-	350	249
Total revenue and other operating income		38,961	33,022	145,960	91,265
Cost of sales		1,911	2,629	7,012	7,029
Employee benefit expenses		23,117	19,648	82,967	43,235
Other operating expenses		10,947	11,366	46,418	36,351
Operating profit/(loss) before deprec. and amortiz. (EBITDA)		2,986	(621)	9,563	4,650
Amortization of intangible assets		2,335	3,246	12,570	8,848
Depreciation		637	465	2,081	1,357
Operating profit/(loss) (EBIT)		14	(4,332)	(5,088)	(5,555)
Financial income		469	(66)	820	432
Financial expenses		59	(63)	(327)	(205)
Net change in fair value of financial instruments		(318)	884	3,415	2,594
Net foreign exchange gains (losses)		4,478	638	(4,681)	(984)
Net financial income (expenses)		4,688	1,393	(773)	1,837
Profit/(loss) before income tax		4,702	(2,939)	(5,861)	(3,718)
Income tax		(6,767)	(771)	(8,149)	(1,838)
Profit/(loss) for the period		11,469	(2,168)	2,288	(1,880)
Profit/(loss) for the period attributable to:					
Equity holders of Kahoot! ASA		11,469	(2,168)	2,288	(1,880)
Earnings per share in USD					
Basic earnings per share		0.02	(0.00)	0.00	(0.00)
Diluted earnings per share		0.02	(0.00)	0.00	(0.00)

Condensed consolidated interim statement of comprehensive income or loss

USD in thousands	Q4 2022	Q4 2021	FY 2022	FY 2021
Profit/(loss) for the period	11,469	(2,168)	2,288	(1,880)
Other comprehensive income/(loss):				
Items that might be subsequently reclassified to profit or loss:				
Exchange differences on translation of foreign operations	7,329	(1,597)	(4,614)	(8,751)
Total comprehensive income/(loss) for the period	18,798	(3,765)	(2,326)	(10,631)
Total comprehensive income/(loss) attributable to:				
Equity holders of Kahoot! ASA	18,798	(3,765)	(2,326)	(10,631)

2. Condensed consolidated interim balance sheet

USD in thousands	Note	31.12.2022	31.12.2021
ASSETS			
Goodwill		487,161	494,430
Intangible assets		158,757	173,284
Property, plant and equipment		1,372	633
Right-of-use assets		6,072	2,928
Deferred tax asset		5,051	-
Total non-current assets		658,413	671,275
Trade receivables		19,964	11,764
Other current assets		4,990	5,304
Cash and cash equivalents		104,799	107,765
Total current assets		129,753	124,833
TOTAL ASSETS		788,166	796,108
EQUITY AND LIABILITIES			
Share capital	3	5,773	5,707
Share premium		662,780	651,581
Share-based payments reserves		34,739	16,963
Foreign currency translation reserves		(15,342)	(10,728)
Accumulated deficit		(79,720)	(82,008)
Total equity		608,230	581,515
Lease liabilities		4,337	2,044
Deferred tax liability		42,673	46,288
Contract liabilities (deferred revenue)		3,353	-
Other non-current liabilities		9,709	40,565
Total non-current liabilities		60,072	88,897
Lease liabilities		2,083	1,007
Current tax liabilities		11	4
Trade payables		4,543	5,359
Contract liabilities (deferred revenue)		76,561	60,772
Other current liabilities		36,666	58,554
Total current liabilities		119,864	125,696
Total liabilities		179,936	214,593
TOTAL EQUITY AND LIABILITIES		788,166	796,108

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	-	-	-	-	2,288	2,288
Currency translation differences	-	-	-	(4,614)	-	(4,614)
Total comprehensive income/(loss) for the period	-	-	-	(4,614)	2,288	(2,326)
Issuance of shares	66	11,238	-	-	-	11,304
Transaction costs on equity issues	-	(39)	-	-	-	(39)
Share option program	-	-	17,776	-	-	17,776
Balance at 31 December 2022	5,773	662,780	34,739	(15,342)	(79,720)	608,230

4. Condensed consolidated interim statement of cash flows

USD in thousands	Q4 2022	Q4 2021	FY 2022	FY 2021
Cash flows from operating activities				
Profit/(loss) before income tax	4,702	(2,939)	(5,861)	(3,718)
<i>Adjustments for</i>				
Depreciation and amortization	2,972	3,711	14,651	10,205
Share-based payments expense	5,309	4,642	17,776	11,421
Change in trade receivables	2,874	1,440	(8,525)	(781)
Change in contract liabilities	5,047	6,785	19,934	15,757
Change in trade payables	(519)	1,469	(1,052)	2,752
Change in other current assets and other liabilities	(3,650)	(15,017)	4,457	(14,965)
Taxes paid	-	-	(13)	(6)
Interest received	469	(66)	820	432
Financial expenses	59	(63)	(327)	(205)
Net cash flow from operating activities	17,263	(38)	41,860	20,892
Cash flows from investing activities				
Payment for acquisition of subsidiary, net of cash acquired ¹	(2,215)	(99,570)	(41,231)	(364,145)
Payment for intangible assets	(182)	(1)	(892)	(562)
Payment for property, plant and equipment	(161)	(60)	(946)	(216)
Net cash from investing activities	(2,558)	(99,631)	(43,069)	(364,923)
Cash flows from financing activities				
Proceeds from issuance of ordinary shares	861	221	860	205,077
Transaction costs on issuance of ordinary shares	7	(336)	(40)	(8,502)
Repayments of lease liabilities	(390)	(290)	(1,295)	(991)
Paid interest on lease liabilities	(67)	1	(161)	(89)
Net cash from financing activities	411	(404)	(636)	195,495
Net increase/(decrease) in cash and cash equivalents	15,116	(100,073)	(1,845)	(148,536)
Cash and cash equivalents beginning of the period	86,832	206,403	107,765	256,120
Effects of exchange rate changes on cash and cash equiv.	2,852	1,435	(1,121)	181
Cash and cash equivalents as of end of period	104,799	107,765	104,799	107,765

¹ Cash outflow for acquisitions of subsidiaries only relates to contingent and deferred consideration liabilities paid in 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 twelve months ending 31 December 2022, have been prepared in accordance with IAS 34 Interim Financial Reporting, and authorized for issue by the board of directors on 15 February 2023. 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	Q4 2022	Q4 2021	FY 2022	FY 2021
Subscription revenue - recognized over time	38,653	32,510	144,622	90,081
Other revenue - recognized at point in time	308	512	988	935
Total revenue from contracts with customers	38,961	33,022	145,610	91,016
Other operating income	-	-	350	249
Total revenue and other operating income	38,961	33,022	145,960	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	6,254,570	625,457	65,358
Balance at 31 December 2022	492,836,049	49,283,605	5,772,713

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

At the Annual General Meeting of Kahoot! ASA on 27 May 2022, the Board of Directors were authorized to increase the share capital by up to NOK 9 million through the issuance of up to 90 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 1.5 million.

For information relating to the Group's Employee Option and RSU Plan, please see the Guidelines for salary and other remuneration approved by the Annual General meeting on 27 May 2022 and 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	256,967.10	48,915,115.00	0.10	489,151,150	¹⁾
10 Jun 22	Share capital increase	6,249.10	48,921,364.10	0.10	489,213,641	²⁾
14 Sep 22	Share capital increase	3,918.30	48,925,282.40	0.10	489,252,824	³⁾
17 Nov 22	Share capital increase	358,322.50	49,283,604.90	0.10	492,836,049	⁴⁾

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

²⁾ Share issue with NOK subscription price: 64.77/48.08/47.06/31.63/0.10

³⁾ Share issue with NOK subscription price: 64.77/48.08/47.06/31.63

⁴⁾ Share issue with NOK subscription price: 16.67/16.00/10.00/8.33/6.67/3.33/1.67

Note 4 - Shareholder information per 31 December 2022

Approx. 38,000 shareholders per 31 December 2022	Shares (m)	%
JPMorgan Chase Bank	73.7	15.0 %
Glitrafjord AS	41.3	8.4 %
Datum AS	28.0	5.7 %
Folketrygdfondet	20.4	4.1 %
Creandum III LP	20.0	4.1 %
Citigroup Global Markets Inc.	13.5	2.7 %
State Street Bank and Trust Comp	12.3	2.5 %
The Northern Trust Comp	8.9	1.8 %
Newbrott AS	7.6	1.5 %
State Street Bank and Trust Comp	7.3	1.5 %
Versvik Invest AS	7.3	1.5 %
Nordnet Bank AB	6.1	1.2 %
J.P. Morgan SE	5.8	1.2 %
Datum Invest AS	5.5	1.1 %
JPMorgan Chase Bank, N.A.	5.5	1.1 %
Citibank, N.A.	5.1	1.0 %
Gamification AS	5.1	1.0 %
J.P. Morgan SE	5.0	1.0 %
J.P. Morgan SE	4.9	1.0 %
UBS Switzerland AG	4.5	0.9 %
Other	204.9	41.6 %
Total outstanding shares	492.8	100.0 %
Outstanding share options / RSUs	32.7	
Total no. of shares (fully diluted)	525.5	

Investors with shareholding exceeding 5%: General Atlantic, Glitrafjord (CEO, Eilert Hanao) and Datum Group.

Note 5 - Related party transactions

In the 2022, the Group acquired services for \$246K 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 December 2022.

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