LIFELONG LEARNING FOR ALL

Kahoot!

2022

KAHOOT! GROUP ANNUAL REPORT

INDEX

our MISSION

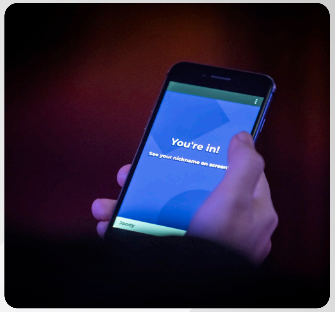
TO MAKE LEARNING AWESOME

our VISION

TO BUILD THE LEADING
LEARNING PLATFORM
IN THE WORLD

our VALUES

WE ARE PLAYFUL
WE ARE CURIOUS
WE ARE INCLUSIVE



ABOUT KAHOOT!

KAHOOT! IS A GLOBAL LEARNING AND AUDIENCE ENGAGEMENT PLATFORM COMPANY THAT AIMS TO EMPOWER EVERYONE, INCLUDING CHILDREN, STUDENTS, AND EMPLOYEES, TO UNLOCK THEIR FULL LEARNING POTENTIAL.

Driven by our values and our purpose, we are on a mission to improve lifelong learning by building the leading learning and engagement platform in the world.

Our learning platform makes it easy for any individual or corporation to create, share, and host learning sessions that drive compelling engagement. The Kahoot! Group also includes Clever, the leading digital learning platform in US K-12 - from kindergarten to 12th grade - together with the learning apps DragonBox, Poio, Drops, Actimo, Motimate, and Whiteboard.fi.

Today, Kahoot! is used in 97% of Fortune 500 companies, as well as by over 8 million teachers and hundreds of millions of students and invididuals worldwide. Through free and paid premium plans, educators and learners of all ages create interactive and engaging learning experiences, and discover millions of ready-made learning sessions that can be hosted in any context, in-person or virtually.

Since launching in 2013, Kahoot! has hosted hundreds of millions of learning sessions with more than 9 billion non-unique participants in 200 countries and regions. Kahoot! currently serves over 1.3 million paying users. Kahoot! is headquartered in Norway with offices in the US, the UK, France, Finland, Estonia, Denmark, Poland and Spain. Kahoot! is listed on the Oslo Stock Exchange under the ticker KAHOT. Let's play!

OUR BRANDS

THE KAHOOT! GROUP CONSISTS OF THE FOLLOWING BRANDS:

The **Kahoot!** brand represents the original Kahoot! platform that is synonymous with learning and engagement, no matter the subject, age, audience or context.

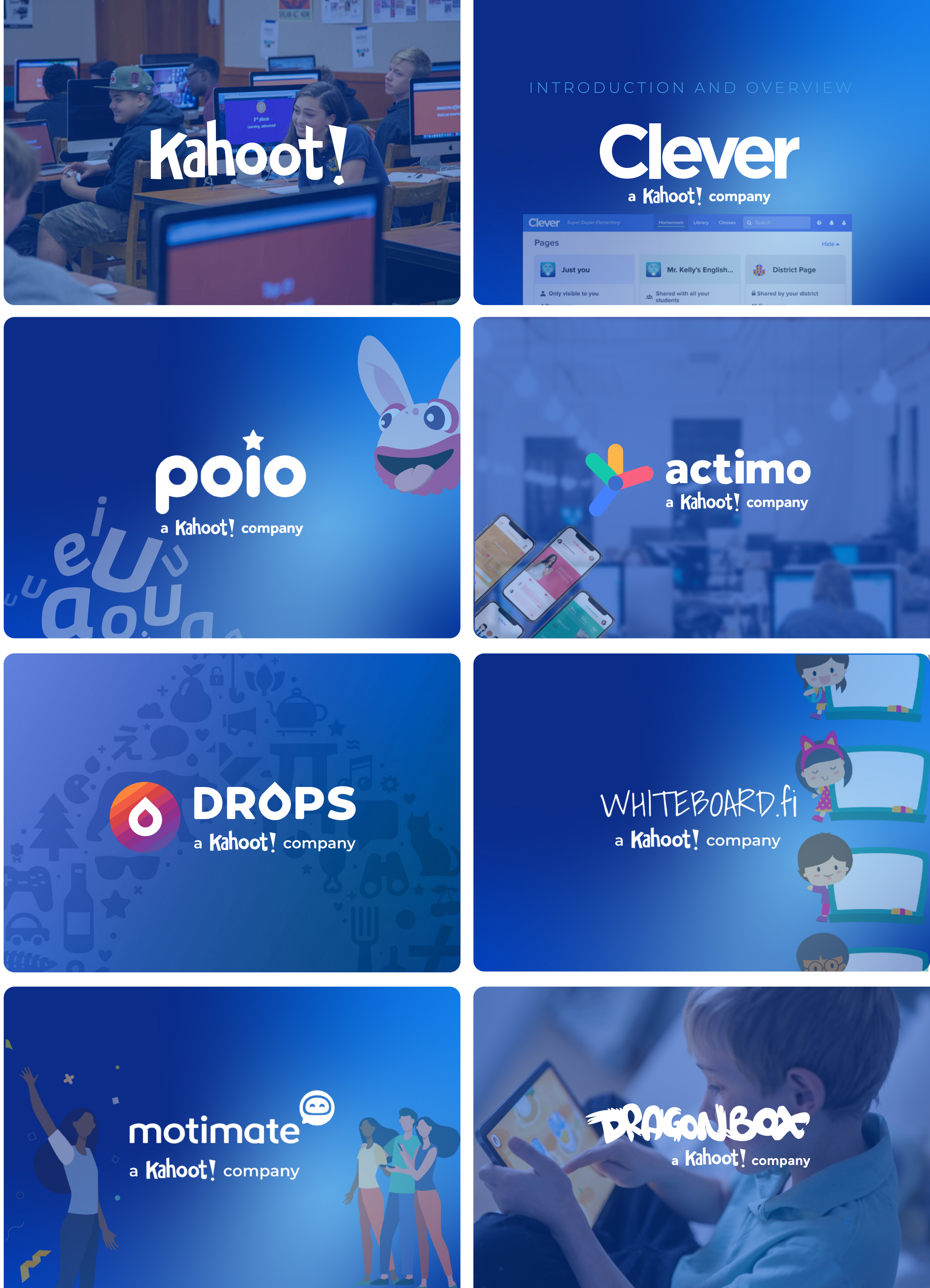
Organizations can connect and engage their work teams with **Actimo** and **Motimate**, our employee engagement and learning platforms.

Learners of all ages can make language learning natural with immersive visuals and play through our **Drops** apps.

The **Kahoot! DragonBox** series of apps takes math learning to a new level, while the **Kahoot! Learn to Read by Poio** app empowers children to learn to read through play.

Whiteboard.fi, the online whiteboard, provides powerful learning tools for educators, teachers and classrooms worldwide.

Clever is a single sign-on platform for teachers and students, Clever brings students, educators, and learning applications together in one friendly platform that helps secure and simplify digital learning, helping to save valuable time in the classroom so teachers and students can focus on taking learning to the next level.



A POWERFUL MOVEMENT OF EDUCATORS AND LEARNERS

At Kahoot!, we have always put our users at the center, with a constant push for innovations, new features and improved functionality that takes the experience to the next level. Since launch, we have built a globally loved brand recognized as synonymous with learning and engagement by learners of all ages — in classrooms, board rooms and living rooms around the world.

We're proud and humbled to see the ever growing movement of educators and learners engaging and connecting with Kahoot!, unlocking the power of playful learning. Their passion and advocacy is a defining feature of the Kahoot! brand and contributes to the viral spread of our platform.

YPulse is a US-based intelligence agency focused on Gen Z and Millennials, analyzing young consumers' affinity for brands across all industries. We're pleased to see Kahoot! ranked among the top 10 "coolest" brands both in Western Europe and the US on Ypulse's brand tracker in 2022.

Being named to *Fast Company*'s second annual "Brands That Matter" list, recognizing companies and organizations making a meaningful impact on the world as they connect with and inspire their users, was another testament to the unique relationship we have established to our users.

As we move forward on our strategic roadmap, the Kahoot! Group is more committed than ever to leveraging our global reach and connection to our users to make a positive impact on learning and the world around us.

Kristina Rozum(a)
@kristinarozum

All those kahoot games at work, prepared me for this moment 💪💪💪 2nd place in surprising kahoot game in cinema

MACSDrama
@MacsDrama

Competitive?! Moi?! Never .... @Kahoot 😜

Kathleen Brinson
@KathleenBrinso3

Students ❤️ @Kahoot The competition is fierce, y'all #learningisfun #middleschool

Turnip Parsnip 🥕 Vegetable Inspect...
@BlasterOfArt

Replying to @jkirk__

I was reviewing some work and for a daily draw prompt of "draw something that isn't an Olympic sport but FEELS like it," this kid drew the Kahoot logo and I wheezed

Emily Rose
@EmilyRose_555

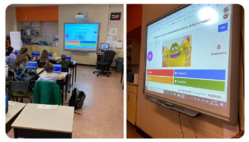
I am 22 I have been out of high school for 5 years. But let me tell you I get HYPED when we play kahoot at work during training.

Jessica Williams
@JWilliamsESL

My favorite question when playing @Kahoot is "Do we have to use our real names?" Today one of my #MLLs used MY name and she ("I") won! This 6th grade class went wild 😜 trying to beat her (*me*). #SkyhawkPride #Kahoot

Caitlin Lane
@mscaitlinlane

We used @Kahoot this afternoon to talk about feelings and emotions, and the importance of reflecting on our emotions! It was a great way to switch up our learning ✔️



The Coolest Brands According to Young Europeans 13-39-year-olds

1. Nike
2. Netflix
3. Kahoot! ⬅
4. Apple
5. TikTok

KAHOOT! & CLEVER: AMONG THE MOST USED LEARNING TOOLS IN THE U.S.

At the Kahoot! Group, we share a passion for creating digital learning experiences that are engaging, meaningful, intuitive and safe. We are delighted to see that our solutions continue to be among U.S. educators' and students' top go-to EdTech apps.

The 2022 EdTech App Report from Lightspeed Systems shows Clever and Kahoot! as the 3rd and 4th most extensively used EdTech apps in U.S. K-12 school districts, following Google services. The report from Lightspeed System — an online learning safety solutions provider for K-12 schools, from kindergarten to 12th grade — is based on data from over 100 school districts across the U.S..

Additionally, Learn Platform's EdTech Top 40: Fall 2022 Report ranked Kahoot! at #3 and Clever at #6 among the most used EdTech solutions by students and educators in the U.S., also right after Google services.

MARKET ENVIRONMENT

The market environment in 2022 was influenced by the macroeconomic slowdown and the volatile geo-political situation. International conflicts and the war in Ukraine, accelerating energy prices and inflation, as well as concerns about a looming recession, caused uncertainty in global markets and disruptions to people's everyday lives and well-being. As a result the market saw more cautious decision-making and longer sales cycles, affecting many industries and companies, including Kahoot!, particularly towards the end of 2022.

Still, the fundamental and longer-term development trends remain the same. The necessity of lifelong learning grows in the face of unrelenting demand for upskilling and reskilling, putting tertiary education on the cusp of significant transformation. The adoption of digital tools continued both in the educational and corporate sector, with our user base finding ever new ways to engage their audience both in-presence, virtual or hybrid.

Leaving the pandemic behind, we saw a normalization in free social use of the platform, particularly in single-player usage vs live multiplayer sessions. More importantly however, we continued to see commercial momentum driven by growth in engagement, conversion and sales to professional users, especially corporations.

THE KAHOOT! JOURNEY

Kahoot! was founded in 2012 by Morten Versvik, Johan Brand, and Jamie Brooker who, in a joint project with the Norwegian University of Science and Technology (NTNU), teamed up with Professor Alf Inge Wang, and were later joined by entrepreneur Åsmund Furuseth.

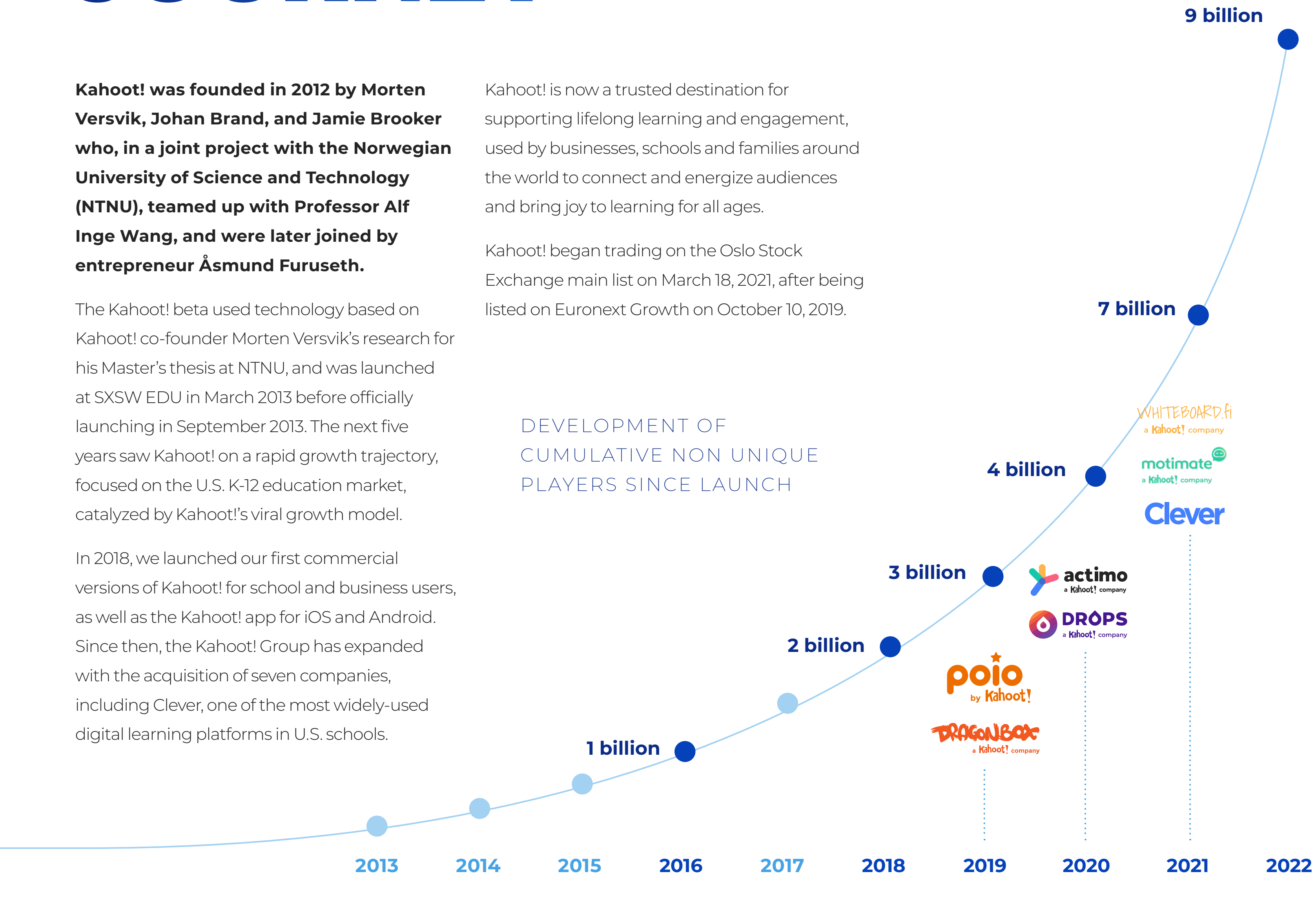
The Kahoot! beta used technology based on Kahoot! co-founder Morten Versvik's research for his Master's thesis at NTNU, and was launched at SXSW EDU in March 2013 before officially launching in September 2013. The next five years saw Kahoot! on a rapid growth trajectory, focused on the U.S. K-12 education market, catalyzed by Kahoot!'s viral growth model.

In 2018, we launched our first commercial versions of Kahoot! for school and business users, as well as the Kahoot! app for iOS and Android. Since then, the Kahoot! Group has expanded with the acquisition of seven companies, including Clever, one of the most widely-used digital learning platforms in U.S. schools.

Kahoot! is now a trusted destination for supporting lifelong learning and engagement, used by businesses, schools and families around the world to connect and energize audiences and bring joy to learning for all ages.

Kahoot! began trading on the Oslo Stock Exchange main list on March 18, 2021, after being listed on Euronext Growth on October 10, 2019.

DEVELOPMENT OF CUMULATIVE NON UNIQUE PLAYERS SINCE LAUNCH



2022→
Scalable platform

2018-21
Commercial launch

2013-17
Kahoot! the quiz

LETTER FROM THE CEO

DEAR SHAREHOLDERS,

2022 saw a macroeconomic slowdown, in part caused by an energy crisis and fast-growing inflation, a volatile geo-political situation and a devastating war in Ukraine. The year came with grave difficulties for families and individuals, schools, organizations and corporations, alike.

However, digitalization across sectors continues, and the need for lifelong learning remains strong. Companies are investing in reskilling and upskilling while striving to find new ways to engage their employees, teachers are leveraging technology to improve learning outcomes, and learners of all ages are seeking engaging ways to expand their knowledge and connect with each other. This strong demand across user segments drove high activity levels on our platforms throughout the year. The core Kahoot! service in 2022 reached the milestone of more than **9 billion non-unique participants** since launch, with hundreds of millions of kahoot sessions hosted in the last 12 months in over **200 countries and regions**.

The Kahoot! Group once again delivered solid financial performance with double digit growth in billings and improved profitability. Continuous innovation in product development and integration of acquired solutions enabled us to deliver a more robust and holistic offering to our customers. This translated into continued conversion to paid usage of our existing, large global user base, particularly in the professional segment, as well as enabling expansion into larger accounts.

INNOVATION AND PRODUCT DEVELOPMENT

Constant innovation and development is central to the Kahoot! identity. 2022 was no different, as we launched a range of new features and solutions for all our user groups.

We introduced even more ways to get creative, to customize and to add engagement to Kahoot! sessions, including **Themes and Kahoot! characters**. We also released **new game modes** that empower student-centered and student-led learning through pedagogically-based playful learning experiences.

To create more integrated, seamless and engaging digital experiences for users, we expanded our strategic partnerships and collaborations with services like **Microsoft Teams, Apple Shareplay, Zoom, Vimeo, Google Classroom** and **Google Meet**.

A ROBUST AND HOLISTIC OFFERING

Over the past years, Kahoot! has made several strategic acquisitions, and we continue to integrate our acquired brands and solutions into comprehensive offerings for users across all segments. Evolving from a popular quiz platform, the Kahoot! Group now holds a multifaceted portfolio of learning and engagement offerings across three synergetic business categories: Commercial, Education and Consumer & Experience — all with different user bases and opportunities ahead.

Actimo and **Motimate** complement our core offering of **Kahoot! 360**, providing businesses with next-level employee engagement and learning experiences. At the same time, we are growing Kahoot!'s already strong presence in U.S.

education by strengthening synergies with **Clever**, while expanding Clever internationally, starting with Canada.

We also continued to develop our content offerings, growing our vast library of high quality, interactive learning content on **Kahoot! Academy** — our global community and knowledge platform. This is enabling brands and organizations to reach millions of learners worldwide, while connecting our users to learning content that takes engagement to the next level.

Kahoot! Marketplace, an emerging global digital marketplace for learning resources on Kahoot!, opened in early access release in 2022, and now hosts thousands of high-quality learning resources on a wide range of topics for all ages. As the creator economy continues to grow, our further development of Marketplace will make it easier than ever for learning content creators to join the creator economy and share their knowledge with Kahoot!'s millions of users worldwide.

ACCELERATED GLOBAL ADOPTION THROUGH LOCALIZATION

Kahoot! is a global cultural and learning phenomenon, and adoption has grown virally across geographies and markets for years even without language localization. However, we believe that localizing in key languages can support an even deeper penetration in a number of markets.

We propelled our localization efforts further in 2022 by adding support for Korean, Ukrainian, simplified and traditional Chinese, Arabic and Swedish, ending the year with a total of **17 supported languages**. This has made learning with Kahoot! more accessible for millions around the world, as well as serving as a foundation for accelerated adoption in those regions.

RISING TO THE CHALLENGE TOGETHER

As a mission-driven company, we in the Kahoot! Group believes in the power of knowledge and learning, and are committed to ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all.

In response to the global teacher shortage caused by the pandemic, we began 2022 by launching the **Kahoot! EDU Support Program**, offering free site licenses for all staff members in any school or district. This provided schools with a way to quickly onboard new teachers, connect teachers with time-saving learning content and creation tools and help staff collaborate and share resources.

We also responded to the critical need to ensure that students in Ukraine could continue learning by offering free Kahoot! EDU licenses to teachers and schools in the country. At the same time, we added Ukrainian language support on Kahoot! and released new content to help learners all over the world discover more about the history, people and culture of Ukraine.

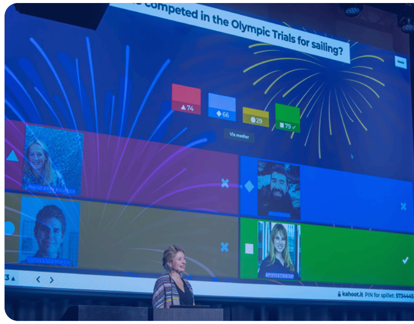
We were also honored to be chosen to participate in the **LEGO Foundation's first Play for All Accelerator** to support neurodivergent learners by making playful learning more inclusive for all.

MAKING LEARNING AWESOME IN 2023 AND BEYOND

2022 indeed brought the world many challenges, but I'm proud of everything we have achieved together under such demanding circumstances, investing in future growth to bring learning to life for all ages worldwide. It's an honor to be part of a team that is truly passionate about the power of learning and applies their talent and hard work to our mission every day.

As we gear up to celebrate Kahoot!´s 10th anniversary in 2023, the group is positioned at the intersection of demand for interactive digital learning and audience engagement across our key verticals and business areas. I'm excited to continue working closely with our K!rew members throughout the group, as well as our strategic partners and other stakeholders to deliver even more innovative solutions for learning, connection and engagement.

Sincerely,
Eilert Giertsen Hanoa
CEO



2022 IN REVIEW FACTS AND FIGURES

OUR GLOBAL OFFICES

9B

NON-UNIQUE PARTICIPANTS ON THE KAHOOT! PLATFORM SINCE 2013

~1.7B

NON-UNIQUE PARTICIPANTS ON THE KAHOOT! PLATFORM IN 2022

1.3M+

PAID SUBSCRIPTIONS

~26M

ACTIVE ACCOUNTS ON THE KAHOOT! PLATFORM IN 2022

8M+

EDUCATORS ACTIVE ON THE KAHOOT! PLATFORM IN 2022

$169M

INVOICED REVENUE (BILLINGS) FOR 2022

100M+

USER-GENERATED KAHOOTS

200

COUNTRIES AND REGIONS

Kahoot! COMMERCIAL

ENGAGING, ENERGIZING AND CONNECTING EVERY EMPLOYEE

Kahoot! delivers award-winning solutions for employee engagement, corporate training and learning and company culture building to thousands of businesses globally, including 97% of Fortune 500 companies. 2022 was marked by strong and steady growth in adoption among large teams and organizations, ending 2022 with **580,000 paid subscriptions** in the Commercial customer category.

Building on our product-led strategy, we continued to expand and strengthen our offerings for businesses, including more deeply integrating our employee engagement app, **Actimo**, and our mobile learning app, **Motimate**, to deliver a more holistic experience for corporate teams.

Subscribers of all Kahoot! 360 plans have enjoyed more immersive experiences with the new **Kahoot! Themes** feature, while premium and enterprise users are now able to customize or create their own theme that reflects their company's brand identity and helps engage employees, clients, partners and more in meetings. Development of **Kahoot! Courses** has likewise enabled business users to create comprehensive learning experiences on Kahoot!, keeping participants engaged from beginning to end while fostering deeper learning.

To help supercharge engagement in virtual meetings even further, we have also teamed up with Zoom once again. Kahoot! is now featured as part of **Zoom curated Essential Apps**, enabling users to make Zoom Meetings more engaging, interactive and productive with Kahoot! in a single click.

Alongside our product innovations, Kahoot! has also been amplified as a source of thought leadership, particularly with the release of Kahoot!'s 2022 **Workplace Culture Report**. This report offered key insights into the state of employee engagement and learning, including uncovering the "quiet constraint" workplace trend, in which employees report holding back from sharing knowledge with co-workers. This trend has since started conversations in *FOX Business, Business Insider, People Management, HR.com* and across social media, highlighting the importance of a proactive strategy for encouraging employee knowledge sharing and collaborative learning.

The workplace is evolving faster than ever, particularly as Gen Z becomes a greater share of the workforce and companies establish long-term plans for hybrid and remote work. With a diverse portfolio of solutions, features and offerings that help employees thrive and businesses succeed, the Kahoot! Group's Commercial segment is optimally positioned to support all employees and teams as we meet the future of work.

For more information and customer references, see kahoot.com/business

580K
PAID SUBSCRIPTIONS (COMMERCIAL CATEGORY)

97%
OF THE FORTUNE 500 ARE USING KAHOOT!

"We need new, more varied forms of entertainment and Kahoot! has a part to play in making sure we keep up with expectations in terms of both quality and technology."

BERNAT QUETGLAS & SANDRA MÜLLER ROMERO

MEMBERS OF THE ENTERTAINMENT TEAM AT RIU HOTELS & RESORTS

"Kahoot! is a key component in our learning culture. It allows us to create an interactive atmosphere in which we keep learners engaged and achieve our learning objectives."

ANA-GABRIELA AGUILAR,

LEARNING AND DEVELOPMENT PMO, CAPGEMINI BUSINESS SERVICES

CASE STUDY

UPSKILLING OVER 20,000 SALESPEOPLE WITH KAHOOT!

Companies across industries and geographies are facing a dire need to upskill and reskill their employees to meet market demands.

Coppel, a Mexican retailer, turned to Kahoot! for support, as they introduced Kahoot! tournaments to their training strategy.

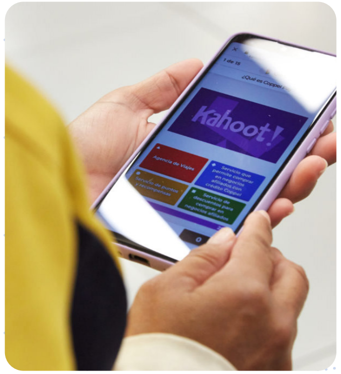
“We had already been using Kahoot! for remote training, knowledge checks and to engage employees, and realized a great potential to apply the platform at an enterprise level”, explains Carmen Salcido, Project leader at Coppel.

By introducing nationwide Kahoot! tournaments using Kahoot! 360 Spirit, Coppel found a highly engaging way to train over 20.000 salespeople, assessing and building skills on products, campaigns and other business critical topics.

“Using Kahoot! in this way allows us to improve faster. After analyzing the tournament results, we can develop and improve communication material regarding specific topics to provide personalized feedback to the different sales regions. Our regional operations teams are now more engaged in the training and receive accurate and tailored feedback”, says Carmen.

The tangible business benefits for Coppel are clear: information retention improves, and deep product understanding is solidified, while knowledge gaps can be addressed both quickly and effectively due to the ease of disseminating kahoots at scale. This has resulted in better-informed sales teams, and ultimately, a better customer experience. But it doesn’t end there.

“Our proud culture of employee recognition is really amplified through our Kahoot! tournaments,” Carmen shares. “We’re always looking for ways to promote a culture that recognizes employees for their effort and participation, and the recognition employees get from winning a Kahoot! tournament is something unique in terms of the acknowledgement they receive from colleagues.”



Kahoot! EDUCATION

POWERING UP STUDENT ENGAGEMENT IN THE CLASSROOM AND BEYOND

With over 8 million educators active on the core Kahoot! platform in 2022 and more than 10,000 Kahoot! EDU site licenses deployed by schools, school districts, universities and other educational institutions globally, Kahoot! has continued its position as a leader in digital learning at school, reaching **435,000 paid subscriptions** at the end of 2022.

2022 was a challenging year for educators, administrators and students alike. Learning loss due to the pandemic and a global teacher shortage created greater demand for teachers with limited time and resources. In response, we continued to expand our offerings for schools through new products and features, as well as special initiatives such as the **Kahoot! EDU Support Program** and **Support Ukraine campaign** — providing free Kahoot! site licenses for schools impacted by the global teacher shortage or war in Ukraine.

Last year, we introduced a brand new way to experience Kahoot! with our **game modes;** Color kingdom, Treasure trove, Submarine squad and Chill art, and **customizable Kahoot! characters** to create more personalized experiences. Our new Kahoot! student passes are taking students from Kahoot! players to Kahoot! creators, and our integrations with **Google Classroom, Apple Schoolwork and Microsoft Teams** are making playful learning with Kahoot! more engaging and seamless.

We were also honored to be chosen to participate in the **LEGO Foundation's first Play for All Accelerator** to support neurodivergent learners. Then, to kick off the Back to School season, we hosted thousands of educators at the 2022 virtual **Kahoot! EDU Summit**, connecting them with resources, knowledge and an incredible global community of educators.

Alongside Clever, Kahoot! rose to #3 on LearnPlatform's EdTech Top 40 Fall 2022 Report and #4 on the Lightspeed System's 2022 Edtech App Report of most used EdTech products in U.S. K-12 school districts.

For more information and customer references, see kahoot.com/schools

10K+
EDUCATIONAL INSTITUTIONS DEPLOYING MULTI-USER KAHOOT! TEACHER LICENSES

8M+
ACTIVE TEACHERS ON THE KAHOOT! PLATFORM IN 2022

"I believe that the biggest gift you can give teachers now is the gift of time, and with Kahoot! I really feel that they are getting their time back, because of the amount of content that is already available in those ready-made and easily adaptable resources."

LAUREN RICHARDSON,

INNOVATIVE TEACHING AND LEARNING COACH AT INDIAN HILL SCHOOL DISTRICT, INDIAN HILL, OHIO

CASE STUDY

HELPING TEACHERS SAVE TIME, INCREASE COLLABORATION AND SPARK INNOVATION WITH KAHOOT! EDU

To support teachers making learning more engaging after a tiring pandemic, school districts across the United States and beyond are turning to digital platforms. However, finding the right technology is not easy, and becomes even more complex with limited time to learn how to use new tools.

"Kahoot! has been around long enough that it is familiar to teachers and students alike but has transformed over time to meet the needs of creating dynamic classroom experiences," says Lauren Richardson and Ashley Morrison, both Innovative Teaching and Learning Coaches at Indian Hill School District, Ohio.

Thanks to the free availability of the Kahoot! EDU Support Program, Lauren and Ashley were able to deliver Kahoot! solutions to more than 100 teachers in the district last year.

Soon, more than 40% of the district's teachers were fully using Kahoot! for their lessons.

The result was not only more engaged classes and students:

"Teachers were blown away by the amount of high-quality, ready-to-use content on the Kahoot! platform. Also, teachers have become more willing to try new things with Kahoot!, using the collaborative opportunities that the platform offers. For us as admins, we are now able to see automatically who is using the tool and how many times they have been using it, which makes our job more efficient," they explain.

Clever

UNLOCK A WORLD OF DIGITAL LEARNING INSTANTLY WITH CLEVER

A **single sign-on platform** for teachers and students, Clever brings students, educators, and learning applications together in one friendly platform that helps secure and simplify digital learning, helping to save valuable time in the classroom so teachers and students can focus on taking learning to the next level.

Clever has seen steady growth in adoption in the first half of the 22-23 school year. Approximately 95,000, or **75% of U.S. K-12 schools** now use the single sign-on platform, making it one of the most widely used digital learning platforms in U.S. schools. Clever also began its **international expansion**, now available to schools across Canada.

Throughout 2022, Clever continued adding new rostering partners, growing to a total of 890+ partners and **590+ paid EdTech developers** on the platform, now including apps from McGraw Hill, Imagine Language & Literacy, Google Classroom, BrainPOP, and many more.

Clever is committed to providing the critical infrastructure necessary to enable seamless, secure learning environments so educators can focus on what they do best. After announcing its expanded identity management solution, Clever IDM, the offering won a **Top Ed Tech Product Award** from District Administration in 2022.

Going forward, Clever and Kahoot! will continue to leverage synergies, including opportunities for Kahoot! to expand its already sizable presence across K-12 schools in the U.S. and Canada, as well as for Clever to leverage Kahoot!'s global viral footprint as it continues to expand internationally.

For more information and customer references, visit Clever.com

"When we review big purchases, integrating with Clever is absolutely a question we ask software companies every single time. Single sign-on and easy account setup are now a big part of our decision-making."

JOSH SHAW, BALTIMORE PUBLIC SCHOOLS

24M
MONTHLY ACTIVE STUDENTS

~75%
OF U.S. K-12 SCHOOLS USE CLEVER

"Since we implemented Clever, we've seen a decrease in the level of effort to implement new educational applications, allowing teachers greater access to educational tools in their classroom. Teachers now have greater flexibility and autonomy in using the right tools to drive academic performance while having access to the correct student data."

TIM LEDDY, SENIOR PRODUCT MANAGER, DENVER PUBLIC SCHOOLS

CONSUMER & EXPERIENCE

BRINGING ENGAGEMENT TO SOCIAL LEARNING AND ENABLING A GLOBAL COMMUNITY AND MARKETPLACE FOR CREATORS AND LEARNERS

With **hundreds of millions playing participants** (non-unique) in the last 12 months, Kahoot! has continued to be a favorite way for families and friends, students and kids to connect through playful learning, reaching **295,000 paid subscriptions** at the end of 2022.

To support global adoption, we added Korean, Ukrainian, Simplified and Traditional Chinese, Arabic and Swedish to Kahoot!'s growing list of supported languages and localized content in 2022, now supporting **17 languages** in total.

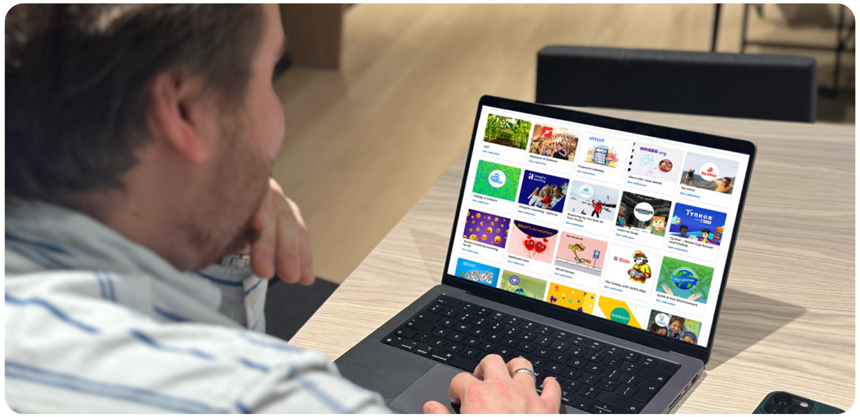
We also enriched our offerings for families by launching a new math app, **Kahoot! Multiplication by DragonBox**, as well as adding our kid-friendly **Kahoot! Kids** experience to the Kahoot! app for Android, and integrating with **Google Meet's live sharing** feature.

Another key strategic initiative of 2022 was to expand Kahoot!'s offering of high quality learning content. This includes **Kahoot! Academy**, our global community, knowledge platform and marketplace for all creators, learners and learning providers, enabling anyone to access high quality learning content from trusted content creators.

In 2022, over **300 million participants** (non-unique) worldwide engaged with ready-made learning resources from verified content creators such as educators and brands, including Disney, NASA, Microsoft, Minecraft Education and many others. We launched new collections throughout the year, including from Marvel, Star Wars™, Amazon Future Engineer, the World Health Organization and more.

Following the 2021 launch of Kahoot!+ AccessPass — our first all-access subscription service for premium content — we released **Kahoot!+ AccessPass in Spanish** and launched our **Kahoot! Marketplace** in early access. Kahoot!'s new marketplace enables verified creators and brands to share and offer their high-quality learning content for sale, directly on the Kahoot! platforms and apps, and now hosts thousands of interactive learning resources.

For more information and customer references, go to kahoot.com/home



100M+
LEARNING SESSIONS HOSTED BY PARENTS, STUDENTS AND INVIDUALS IN 2022

300M+
PARTICIPANTS (NON-UNIQUE) ENGAGED THROUGH READY-TO-USE CONTENT FROM KAHOOT! ACADEMY IN 2022

"With educational content geared to a wide range of ages, Kahoot! relies on kids' competitive nature to make the learning fun. Interactive game shows, videoconferencing with other players and games that tune themselves to your kid's pace go a long way toward making the lessons stick."

CHRISTINA VERCELLETTO
CONTRIBUTOR, CNN

"The reach with Kahoot! is amazing. It is truly terrific to have this platform where we can reach millions, both within the U.S. as well as around the world."

STEPHANIE PFIRMAN FOUNDATION PROFESSOR
SENIOR GLOBAL FUTURES SCIENTIST, ARIZONA STATE UNIVERSITY

SUSTAINABILITY AND SOCIAL RESPONSIBILITY

WE BELIEVE ENGAGING LEARNING IS THE KEY TO DEVELOPMENT AND EMPOWERMENT AT SCHOOL, AT HOME AND AT WORK. KAHOOT!'S FOCUS AS A COMPANY IS TO OPERATE IN A SUSTAINABLE WAY, IN ALIGNMENT WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS.

At Kahoot!, our mission to make learning awesome is more than just a tagline to us. It's an idea we live and breathe, because our team truly believes in the power of innovative technology to help everyone unlock their learning potential. This creates the foundation for every new product, feature and initiative we launch.

With millions of users across every demographic, learning context and geography, we feel honored to empower educators and learners of all ages with the resources and tools to create magical learning experiences. We likewise appreciate the responsibilities that come with our large global reach across schools, workplaces, homes and beyond.

In 2023 and the years to come, we will remain committed to advancing in particular SDG4 by supporting educators and lifelong learners, developing new and impactful solutions that are grounded in pedagogy, as well as continuing to offer even greater accessibility and inclusivity across languages, learning styles and use cases.

Read more about how Kahoot! is making a difference by supporting lifelong learning for all in our **Stakeholder Impact Report**, in accordance with reporting requirements.

4 QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

CORPORATE GOVERNANCE REPORT

INTRODUCTION

Kahoot! ASA ("**Kahoot**!" or the "**Company**", and together with its direct and indirect subsidiaries, the "**Group**") is a public limited liability company established under Norwegian law. Kahoot! is subject to specific rules and regulations in the countries where the Group conducts business. Kahoot! was admitted to trading on Oslo Stock Exchange on 18 March 2021. As an issuer of shares, Kahoot! complies with and operates in accordance with rules governing the Norwegian stock exchange, including the at any time applicable rules on Continuing Obligations of Listed Companies as approved by Oslo Børs ASA, with reference to the Norwegian Code of Practice for Corporate Governance (the "**Code**") in its latest edition of 14 October 2021, issued by the Norwegian Corporate Governance Board. The Code is available at http://www.nues.no/. This corporate governance report (the "**Report**") follows the system used in the Code.

The corporate governance principles and practices as required by section 3-3b of the Norwegian Accounting Act and the details of how Kahoot! complies with the Code are accounted for in this Corporate Governance Report.

The Articles of Association do not contain provisions that deviate from Chapter 4 and 5 of the Norwegian Public Limited Liability Companies Act. The information requirements in the Norwegian Accounting Act are integrated into the statement below where appropriate. This also applies to information about shareholder matters.

This report on corporate governance for 2022 was approved by the board of directors of Kahoot! on 19 April 2023.

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

Kahoot!'s corporate governance policy is based on the Code, and as such designed to establish a basis for good corporate governance to support achievement of the Company's core objectives on behalf of its shareholders, including the achievement of sustainable profitability.

By pursuing the principles of corporate governance, the board of directors and management contributes to achieving open communication, equal rights for all shareholders and good control and corporate governance mechanisms. The board of directors assesses and discusses Kahoot!'s corporate governance policy on a yearly basis.

Kahoot! aspire to comply with the recommendations of the Code. If the Code is deviated from, the deviation is described and explained in the relevant section of this statement.

Deviations from the Code: No deviations from the Code.

2. BUSINESS

Kahoot!'s articles of association are available on Kahoot!'s website (https://kahoot.com/investor/resources/). Kahoot!'s business scope is clearly described in section 3 of the articles of association which sets clear limits for its content:

The company will offer technology and other concepts applicable to an educational environment, as well as any other activity naturally associated with these objectives.

Kahoot! is a global educational technology (EdTech) and enterprise software as a service (SaaS) company that develops a digital learning and engagement platform (the "**Kahoot! platform**"). The Group has a comprehensive offering of engaging tools for all kinds of learning and audience interaction that is used in schools and universities as well as in business and in any social and learning context, whether in person or virtually.

Kahoot!'s mission is to make learning awesome and Kahoot!'s vision is to become the world's leading learning platform. The Group's strategic focus is to continuously improve the value proposition within its product offerings and accelerate user growth, engagement and number of paid subscriptions. The Group pursues both an organic and a non-organic route to develop a steadily more comprehensive and synergetic offering of products and tools to all users of the Kahoot! platform.

To support its strategic goals Kahoot! will focus on product development, operational excellence, and people development initiatives. These initiatives are seen as crucial parts of the Group's strategy to secure profitable and sustainable growth. More details on the main risks and risk management principles are presented in the annual report, see also section 9 below.

Furthermore, sustainability and environmental, social, and governmental ("**ESG**") initiatives is central in Kahoot!'s business strategy. Kahoot! believes that engaging learning is the key to development and empowerment on an individual and group or team level, at school, at home and at work. Kahoot! focusses on operating in a sustainable way, in alignment with the United Nations Sustainable Development Goals and aims at having a positive impact on learning around the world. Furthermore, Kahoot! believes that learning should include everyone, and Kahoot! works to eliminate barriers to education. Kahoot! therefore foster partnerships with organisations and institutions that both share its vision for positive social impact and which have important content to offer the youth audience – our future game-changers. Partnerships include organizations as the United Nations, UNICEF, Common Sense Education, Amnesty International, the National Institutes of Health, the Marine Stewardship Council, and many more are examples of our strong shared commitment to this vision.

Kahoot! has implemented guidelines and procedures in accordance with section 3-3c of the Accounting Act, including a code of conduct and policy on anticorruption which are made available on the Kahoot! Trust webpage. Kahoot!'s Stakeholder Impact Report is provided on the Company's webpage.

Kahoot!'s objectives, strategy and financial targets are evaluated by the board of directors on an annual basis in connection with the annual risk assessment.

Kahoot! has developed guidelines to help maintain decent working conditions and prevent violation of human rights in accordance with the Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions. Further, by way of due diligence in accordance with the OECD guidelines for multinational enterprises, Kahoot! identifies risks for adverse impact, implements measures, monitors and communicates with stakeholders to ensure respect for human rights and decent working conditions.

The board also reviews the Group's performance in ESG and evaluates the risk profile and make assessments of these processes.

Deviations from the Code: No deviations from the Code.

3. EQUITY AND DIVIDENDS

Equity

As of 31 December 2022, the Group's equity was USD 608 million, which is equivalent to 77% of total assets and the share capital of Kahoot! amounted to NOK 49,283,604.90 divided into 492,836,049 shares, each with a nominal value of NOK 0.10. The Group did not have interest bearing debt. The board of directors considers that the Group has a capital structure that is appropriate for its objectives, strategy, and risk profile.

Dividends

The Company is in a growth phase and is not planning to pay any dividends for the next few years. The Company has not paid any dividends during the financial years ended 31 December 2019, 2020, 2021 and 2022. In deciding whether to propose a dividend and in determining the dividend amount, the Board will comply with the legal restrictions set out in the Norwegian Public Limited Liability Companies Act and take into account the Company's capital requirements, including capital expenditure requirements, the Company's financial condition, general business conditions and any restrictions that its contractual arrangements in place at the time of the dividend may place on its ability to pay dividend and the maintenance of appropriate financial flexibility.

The board of directors has not been granted any authorisation to approve distribution of dividends.

Board authorisations

At the annual general meeting on 27 May 2022, the board of directors was granted the following authorisations:

(i) In order for the board of directors to be able to resolve the issuance of new shares in connection with mergers and acquisitions, and to raise new equity, the board of directors was granted an authorisation to increase the share capital with an amount up to NOK 4,500,000 corresponding to 9.1% of the then current share capital. The authorisation covered share capital increases against contribution in kind and share capital increase in connections with mergers. The shareholders' preferential rights to new shares could be deviated from. This authorisation is valid until the earlier of the annual general meeting in 2023 and 30 June 2023.

(ii) The board of directors was granted an authorisation to increase the share capital up to NOK 4,500,000 to be used in connection with the issuance of new shares under the company's option and equity incentive rights program. The shareholders' preferential rights to new shares could be deviated from. The authorisation is valid until the earlier of the annual general meeting in 2023 and 30 June 2023.

(iii) The board of directors was granted an authorisation to acquire shares in the Company with a nominal value of up to NOK 1,500,000, corresponding to approx. 3% of the then current share capital. This authorisation can be used to fulfil the Company's obligations in connection with acquisitions, incentive arrangements for employees, fulfilment of earn-out arrangements, be sold to strengthen the Company's equity or be deleted. This authorisation is valid until the earlier of the annual general meeting in 2023 and 30 June 2023.

Deviations from the Code: Pursuant to the Code, authorisations to be granted to the board of directors shall be intended for a defined purpose and should be limited in time to no later than the date of the next general meeting.

The board of directors' authorisation to increase the share capital with an amount up to NOK 4,500,000 can be used for several purposes. Kahoot! believes that this authorisation is important in order to allow the board of directors, in the interest of time, to act quickly in connection with a transaction or other corporate events where it is in the shareholders and Kahoot!'s interest to increase the share capital. The authorisation has been used in connection with issuance of consideration shares in connection to the Group's acquisitions made in prior years.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS

All shareholders shall be treated on an equal basis unless there is just cause for treating them differently.

In the event of share capital increases through the issue of new shares, deviations from the existing shareholders' pre-emptive rights have been, and will continue to be, publicly disclosed in a stock exchange announcement issued in connection with the share issuance. In 2022, certain share issuances were made to meet its obligations to pay consideration shares in connection with its acquisitions and employee share incentive program, where existing shareholders' pre-emptive rights were waived. Kahoot! did not carry out any transactions in its own share in the financial year ended 31 December 2022.

Deviations from the Code: No deviations from the Code.

5. FREELY NEGOTIABLE SHARES

The shares in Kahoot! are freely negotiable and there are no restrictions on any party's ability to own, trade or vote for the share in Kahoot!. There are no general restrictions on the purchase or sale of shares by members of the Company's management and board members as long as they comply with the regulations on insider trading in applicable law.

In connection with the Kahoot! Group's acquisitions, a part of the consideration paid by the Company was settled by issuance of shares in Kahoot!. In this respect, the previous owners of these companies, which are existing shareholders of Kahoot!, have undertaken lock-up commitments in favour of Kahoot! that prevents these shareholders from carrying out a sale of the shares held by the respective shareholders. Any such lock-up arrangements have been publicly disclosed in stock exchange announcements. Kahoot! has only one class of shares. Each share grants the holder one vote and there are no structures granting disproportionate voting rights.

Deviations from the Code: No deviations from the Code.

6. GENERAL MEETINGS

The board of directors will ensure that as many of the Company's shareholders as possible can participate in the general meeting. The Covid-19 pandemic has necessitated electronic solutions due to restrictions on meetings and physical presence. In 2022, Kahoot! arranged for webcast solution for all participants attending the general meeting. The annual general meeting will take place on 30 May 2023 as published in the financial calendar via Oslo Børs and in the investor relations section of Kahoot!'s website.

The board of directors will further ensure that:

- notices for the general meetings are sent to all shareholders individually, or to their depository banks, at least 21 days in advance, that all matters to be considered by the meeting are specified and that relevant documents are made available on the Company's website;
- the resolutions and any supporting documentation are sufficiently detailed, comprehensive and specific, allowing shareholders to understand and form a view on all matters to be considered at the general meeting;
- the CEO, the chair of the board of directors and the chair of the nomination committee are present at the general meeting; and
- the general meeting is able to elect an independent chair for the general meeting.

The articles of association of Kahoot! does not provide for any deadline for the shareholders to give notice of their attendance at the general meeting. However, the articles of association give the board of directors the right to determine that shareholders who wish to participate in the general meeting must notify the Company of their attendance within a predetermined deadline (the deadline shall not expire earlier than three days prior to the date of the general meeting).

Shareholders who are unable to participate in the general meeting will be given the opportunity to vote by proxy or through written voting in a period prior to the general meeting. The Company will in this respect provide information on the procedure and prepare a proxy form/ written voting form. The Company will nominate a person to act as proxy.

All board members and members of the nomination committee are encouraged, but not obliged, to be present at the annual general meeting. Kahoot! has chosen not to follow the recommendation to vote separately on each candidate nominated for the board of directors and the nomination committee. The process of the nomination committee is focused on the combined qualification and experience of the proposed members to the board of directors and the nomination committee was therefore carried out as a combined vote.

At the annual general meeting in 2023, the election of board members will not be carried out as a combined vote, and the shareholders of Kahoot! will be able to vote separately on each nominated candidate to the board of directors.

Deviations from the code: Voting on members to the board of directors and the nomination committee took place as a combined vote on the annual general meeting in 2022. Pursuant to the Code, the board of directors should ensure that all board members attend the general meeting. Kahoot! does not require all board members to attend, however, in accordance with the Norwegian Public Limited Liability Companies Act, Kahoot! requires the CEO, the chair of the board of directors and the chair of the nomination committee to attend the general meeting.

7. NOMINATION COMMITTEE

According to section 8 of Kahoot!'s articles of association, the Company shall have a nomination committee consisting of two or three members in accordance with the decision of the general meeting. The members of the nomination committee are elected by the general meeting. The general meeting has also approved guidelines for the duties of the nomination committee, elected the chairperson and determined the remuneration of the members of the committee. The nomination committee comprises the following members, both of whom were elected on the annual general meeting held 8 June 2021:

- Harald Arnet / Chair / Elected in 2021 for the period until the annual general meeting in 2023; and
- Fredrik Cassel / Committee member / Elected in 2021 for the period until the annual general meeting in 2023.

The members of the nomination committee have been elected to take into account the interests of shareholders in general. The members are independent of the executive management.

The nomination committee shall make recommendations to the general meeting for the election of shareholder elected board members and members of the nomination committee, and the remuneration of the board of directors and the nomination committee. When nominating shareholder representatives to the board of directors, the nomination committee presents relevant information about the candidates, together with an evaluation of their independence.

In connection with the nomination committee's work with proposing candidates, and to ensure that the candidates represent a broad group of the company's shareholders, the nomination committee is in contact with the board of directors, the CEO and major shareholders. Furthermore, the nomination committee ensures that the board of directors is composed to comply with legal requirements and the corporate governance code.

The nomination committee have justified its proposal for the board of directors. While the nomination committee presents relevant information about each candidate separately, the nomination committee focuses on the combined qualifications and experience of the proposed members of the board of directors when presenting its proposal to the general meeting. Information on how to propose candidates is available on Kahoot!'s webpage and attached to the notice of the annual general meeting for 2023.

Deviations from the Code: The nomination committee justifies its proposals combined and not separately for each board member.

8. COMPOSITION AND INDEPENDENCE OF THE BOARD OF DIRECTORS

Pursuant to the articles of association, the board of directors shall consist of between four and eight board members, as decided by the general meeting. The board of directors currently has five shareholder-elected directors and two employee-appointed board members. Each employee-appointed board member also has an employee-appointed deputy. The chairperson of the board of directors and board members are currently elected by the general meeting for a one-year term.

The composition of the board of directors is considered to attend to the common interests of all shareholders and meet the company's need for expertise, capacity and diversity. Three of the board members are women, and none of the members of the Company's executive management are members of the board of directors. The annual report and the stakeholder impact report for 2022 provides further information on Kahoot!'s guidelines on, and efforts to promote, equal opportunities and diversity in relation to Kahoot!'s administrative, management and supervisory bodies, and its subcommittees.

The board of directors is composed so that it can act independently of any special interests. All board members are independent of the Company's executive management and no members of the executive management serves on the board of directors. Except for Chris Caulkin who is not considered independent from the Company's largest shareholder General Atlantic, all board members are independent of the Company's larger shareholders (shareholders holding more than 10% of the shares) and material business associates. Further information on each of the board members is presented at www.kahoot.com.

Members of the board of directors are encouraged to own shares in the Company. The shareholding of each board member can be found in Note 21 to the Group's consolidated financial statement for 2022.

Deviations from the Code: No deviations from the Code.

9. THE WORK OF THE BOARD OF DIRECTORS

The board of directors' work follows an annual plan, with particular focus on objectives and strategy in addition to operational implementation. The plan is evaluated and approved around the beginning of each calendar year. The board of directors annually assesses its performance and expertise, the assessment is presented to the nomination committee.

The board of directors has implemented instructions for the board of directors and the executive management, which are focused on determining allocation of internal responsibilities and duties. The objectives, responsibilities and functions of the board of directors and the CEO are in compliance with rules and standards applicable to the Group. The board of directors has also implemented procedures to ensure that members of the board of directors and executive personnel make the Company aware of any material interests that they may have in items to be considered by the board of directors. The board of directors will also be chaired by some other member of the board if the board is to consider matters of a material character in which the chair of the board is, or has been, personally involved.

The board of directors held 15 board meetings in 2022. A detailed overview of the board members' attendance may be found in the board of directors' report on salary and other remuneration to leading personnel in Kahoot!

In the event of a not immaterial transaction between the Company and its shareholders, a shareholder's parent company, members of the board, executive management, or closely related parties of any such parties, the board will arrange for a valuation to be obtained from an independent third party. In 2022, there were no transaction between the Company and related parties, except for ordinary commercial transactions at arm's length market terms. For information regarding related party transactions, please see Note 21 to the Group's consolidated financial statement for 2022.

The board of directors has established an audit committee and a remuneration committee and instructions for such committees have been implemented.

The audit committee's objectives are to act as a preparatory and advisory body in connection with the board of directors' supervisory roles in connection with financial reporting, financial audit, and the effectiveness of the Company's internal control system. The audit committee shall consist of two to three members, who shall be elected by, and among, members of the board of directors. Currently, Lori Wright is chair and Andreas Hansson is a member of the audit committee. The audit committee shall meet as often as it deems necessary, but minimum four times per year to prepare the approval of the interim financial reports by the board of directors.

The remuneration committee's objectives are to act as a preparatory and advisory body in relation to the Company's strategy for the remuneration of its executive management. The remuneration committee shall consist of two or three members. Currently, Stefan Blom is chair and Joanne Bradford is a member of the remuneration committee. The remuneration committee shall meet as it deems necessary.

Deviations from the Code: No deviations from the Code.

10. RISK MANAGEMENT AND INTERNAL CONTROL

It is ultimately the responsibility of the board of directors to ensure that the Company has sound and appropriate internal control systems and risk management systems reflecting the extent and nature of the Company's activities. Sound risk management is an important tool to create trust, ensure good environment, health and safety standards and enhance value creation. Internal control should ensure effective operations and prudent management of significant risks that could prevent the group from attaining its targets. Kahoot!'s internal controls and systems also cover the Company's corporate values, ethical guidelines and standards to ensure good performance in ESG.

Kahoot! complies with laws and regulations that apply to the Group's business activities. The Group's Code of Conduct sets out the overall ethical guidelines, which apply to all Kahoot! employees, members of the board of directors as well as those acting on Kahoot!'s behalf.

The Company has procedures covering all material aspects of managing the operational business. The procedures are revised annually, unless circumstances initiate more frequent revision, such as regulatory amendments, to reflect best practice derived from experience or adopted through regulations.

The board of directors assesses the management's annual in-depth review of the Company's most important areas of exposure to risk and such areas' internal control arrangements. In addition, management presents quarterly updates on the most important areas of exposure to risk and the Company's mitigating actions towards these identified risks in addition to a bi-annual risk report. A summary of the main risks is presented in the annual report for 2022.

The board of directors describes the main features of the Company's internal control and risk management systems connected to the Company's financial reporting in the Company's annual report. This covers the culture of control, risk assessment, controlling activities and information, communication and follow-up. The board of directors is obligated to ensure that it is updated on the Company's financial situation, and to continuously evaluate whether the Company's equity and liquidity are adequate in terms of the risk from, and the scope of, the Company's activities, and shall immediately take necessary actions if it is demonstrated at any time that the Company's capital or liquidity is inadequate. The Company focuses on management reporting to the board of directors on a continuous and on-going basis. The reports contain matters related to health and safety, market development, operations and financial performance. The purpose is to ensure that the board of directors has sufficient information for decision making and can respond quickly to changing conditions or important incidents. Board meetings are held regularly, and when otherwise required. Management reports and updates are provided to the board monthly.

Kahoot! ASA has purchased and maintains a Directors and Officers Liability Insurance. The insurance policy is issued by a reputable, specialised insurer with appropriate rating.

Deviations from the Code: No deviations from the Code.

11. REMUNERATION OF THE BOARD OF DIRECTORS

The remuneration to the board of directors is determined by the shareholders at the annual general meeting based on a proposal from the nomination committee. The remuneration to the board of directors for 2022 was resolved by the general meeting based on a proposal from the nomination committee. The level of remuneration to the board of directors is considered to reflect the board of directors' responsibility, expertise, the complexity of the Company and its business, as well as time spent and the level of activity in both the board of directors and any board committees.

The remuneration of the board of directors is not linked to the Company's performance.

On 27 May 2022, the general meeting resolved to grant restricted share units ("**RSUs**") to each of the board members

Andreas Hansson, Christer Stefan Blom, Lori Wright and Joanne Bradford, which at the time of the general meeting amounted to USD 100 thousand. Each RSU gives the right and obligation to subscribe for one new share at a subscription price equal to NOK 0.10, subject to satisfaction of the vesting conditions attached to the RSUs. The RSUs are non-transferable, except for transfers to wholly owned companies. One board member (Christer Stefan Blom) was in 2020 granted 300,000 share options in connection with work performed by him as a consultant prior to being appointed board member. None the board members, or companies associated with board members, have been engaged in specific assignments for the Company in addition to their appointments as members of the board of directors.

The remunerations for the period from the annual general meeting in 2022 until the annual general meeting in 2023 are as follows:

Board of directors:

- Andreas Hansson: USD 75,000 and RSUs worth USD 100,000
- Stefan Blom: USD 50,000 and RSUs worth USD 100,000
- Lori Wright: USD 50,000 and RSUs worth USD 100,000
- Joanne Bradford: USD 50,000 and RSUs worth USD 100,000
- Christopher Caulkin: USD 21,000
- Alexander Remen and Sarah Blystad (employee-appointed board members): Each NOK 150,000
- Patrik Jandusik and Emilia Samborska (employee-appointed deputy board members): NOK 10,000 per board meeting attended.

Deviations from the Code: Stefan Blom holds share options in the Company which he received by virtue of his position as a consultant in 2020 prior to being appointed board member in the Company.

12. REMUNERATION OF LEADING PERSONNEL

The board of directors prepares guidelines for the remuneration of leading management which support Kahoot!'s prevailing strategy and values. These guidelines include the main principles for the Company's remuneration policy and contribute to aligning the interests of the shareholders and the executive management. The guidelines were approved by the annual general meeting in 2022. A report on the remuneration of executive personnel for 2022 has been prepared, setting out how the Company adhered to the approved guidelines.

The executive personnel may be offered performance based bonuses in addition to their fixed remuneration. Such performance-based bonus shall be agreed on an individual basis if applicable.

Currently, the Group does not have any general bonus schemes for its employees or executive personnel. However, the chief revenue officer and employees working in the Group's sales team have entered into sales commission and bonus agreements. Commission and bonus are calculated on the basis of achieved sales, provided that the sales team has reached a predetermined budget and the respective employee achieves predetermined sales goals, and is paid on a monthly and quarterly basis, respectively.

Deviations from the Code: No deviations from the Code.

13. INFORMATION AND COMMUNICATION

Kahoot! is under an obligation to continuously provide its shareholders, Oslo Børs and the financial markets in general with timely and precise information about the Company and its operations. Relevant information is given in the form of annual reports, quarterly reports, press releases, notices to the stock exchange and investor presentations in accordance with what is deemed appropriate from time to time. Kahoot! maintains an open and proactive policy for investor relations and has given regular presentations in connection with annual and quarterly results. The goal is that Kahoot!'s information work shall be in accordance with best practice at all times and all communications with shareholders shall be in compliance with the provisions of applicable laws and regulations and in consideration of the principle of equal treatment of the Company's shareholders.

The Company publishes an annual, electronic financial calendar with an overview of dates for important events, such as the annual general meeting, interim financial reports, public presentations and payment of dividends, if applicable.

In addition to the board of directors' dialogue with the Company's shareholders at general meetings, the board of directors promotes suitable arrangements for shareholders to communicate with the Company at other times. The board of directors have delegated this task to the executive management team. Kahoot! has held regular presentations in connection with each of the quarterly presentations in 2022 and participated on several investor conferences. Most of the investor meetings and conferences have taken place on various electronic platforms. The plan is to continue to arrange regular presentations to keep the market up-to-date about the Company's development, goals and strategies.

Deviations from the Code: No deviations from the Code.

14. TAKE-OVERS

Kahoot! has no shareholder controlling more than approx. 15% of the shares as of 31 December 2022. Kahoot! has not been subject to any takeover bids in 2022.

In the event of a takeover bid, the board of directors and executive management each have an individual responsibility to ensure that the Company's shareholders are treated equally and that there are no unnecessary interruptions to the Company's business activities. The board of directors has a particular responsibility in ensuring that the shareholders have sufficient information and time to assess the offer.

In the event of a take-over process, the board of directors shall abide by the principles of the Code, and also ensure that the following take place:

- the board of directors will not seek to hinder or obstruct any takeover offer for the Company's operations or shares unless they have valid and particular reasons for doing so;
- the board of directors shall not exercise mandates or pass any resolutions with the intention of obstructing the takeover offer unless this is approved by the general meeting following announcement of the offer;
- the board of directors shall not undertake any actions intended to give shareholders or others an unreasonable advantage at the expense of other shareholders or the company;
- the board of directors shall not enter into an agreement with any offeror that limits the Company's ability to arrange other offers for the Company's shares, unless it is self-evident that such an agreement is in the common interest of the Company and its shareholders;
- the board of directors and executive management shall not institute measures with the intention of protecting the personal interests of its members at the expense of the interests of the shareholders; and
- the board of directors must be aware of the particular duty it has for ensuring that the values and interests of the shareholders are protected.

In the event of a take-over offer, the board of directors will, in addition to complying with relevant legislation and regulations, seek to comply with the recommendations in the Code. This includes obtaining a valuation from an independent expert. On this basis, the board of directors will make a recommendation as to whether or not the shareholders should accept the offer.

A takeover process gives rise to a particular duty of care to disclose information, where openness is an important tool for the board of directors to ensure equal treatment of all shareholders. The board of directors shall strive to ensure that neither inside information about the Company, nor any other information that must be assumed to be relevant for shareholders in a bidding process, remains unpublished.

There are no other written guidelines for procedures to be followed in the event of a takeover offer. The Company has not found it appropriate to draw up any explicit basic principles for Kahoot!'s conduct in the event of a take-over offer, other than the actions described above. The board of directors otherwise concurs with what is stated in the Code regarding this issue.

Deviations from the Code: No deviations from the Code.

15. AUDITOR

The board of directors is responsible for ensuring that the board and the audit committee are provided with sufficient insight into the work of the auditor. In this regard, the board of directors and management ensured that the auditor submitted the main features of the plan for the audit of the Company to the audit committee in 2022.

Further, the board of directors invited the auditor to participate in the board meeting that dealt with the annual accounts. At these meetings, the auditor (i) reports on any material changes in the Company's accounting principles and key aspects of the audit, (ii) comments on any material estimated accounting figures, and (iii) reports material matters, if any, on which there have been disagreement between the auditor and the executive management of the Company.

Once a year, the board of directors reviews the Company's internal control procedures with the auditor, including potential weaknesses identified by the auditor and proposals for improvement. In this regard, a review of the Company's internal control procedures with the auditor, including potential weaknesses identified by the auditor and proposals for improvement, was carried out by the board of directors in 2022.

In order to ensure the auditor's independence of the Company's executive management, the board of directors has established guidelines in respect of the use of the auditor by the management for services other than the audit.

Deviations from the Code: No deviations from the Code.

THE BOARD OF DIRECTORS
OF KAHOOT! ASA

19 April 2023

Sign
ANDREAS HANSSON
Chair

Sign
CHRIS CAULKIN
Board member

Sign
LORI WRIGHT
Board member

Sign
JOANNE BRADFORD
Board member

Sign
STEFAN BLOM
Board member

Sign
ALEXANDER REMEN
Board member, employee appointed

Sign
CHARLOTTE KRISTIANSEN
Board member, employee appointed

Sign
EILERT HANOA
CEO

BOARD OF DIRECTORS REPORT

OVERVIEW

The Kahoot! Group is on a mission to improve lifelong learning by building the leading learning and engagement platform in the world. We want to empower every employee, student and child 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.

Kahoot! ASA is the parent company of the Kahoot! Group and is listed on the Oslo Stock Exchange. The Kahoot! Group is headquartered in Oslo, Norway with offices in the US, the UK, France, Finland, Estonia, Denmark, Spain and Poland.

Kahoot! is a global learning and engagement platform, with universal solutions used for all kinds of learning and in a variety of settings – in school classrooms or university auditoriums , corporate offices, social settings, and cultural events. 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.

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 suite than ever. Our commitment to continuous innovation and product-led growth proves to yield strong momentum, and launched through the year a host of new features and functionality to improve the learning experience for millions of users.

Leaving the pandemic behind, our learning platform showed comparative resilience through the year, with our user base finding ever new ways to engage their audience both in-presence, virtual or hybrid.

The products and services made available by the Kahoot! Group are all connected to the main categories Commercial, Education and Consumer & Experience.

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.

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 schools in the U.S. 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.

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.

MARKET DEVELOPMENT

The market environment in 2022 was naturally influenced by the macroeconomic slowdown and the volatile geopolitical situation. International conflicts and the war in Ukraine, accelerating energy prices and global inflation, as well as concerns about looming recession, caused uncertainty in global markets and disruptions to people's everyday lives and well being. As a result the market saw more cautious decision making and longer sales cycles, affecting many industries and companies, including Kahoot!, through 2022.

Still, the fundamental and longer-term development trends remain the same. The necessity of lifelong learning grows in the face of unrelenting demand for up and reskilling, putting tertiary education on the cusp of significant transformation. The adoption of digital tools continued both in the educational and corporate sector, with our user base finding ever new ways to engage their audience both in-presence, virtual or hybrid.

Leaving the pandemic behind, we saw a normalization in free social use of the platform, particularly in single-player usage vs live multiplayer sessions. Simultaneously, we continued to see commercial momentum driven by growth in engagement, conversion and sales to professional users, especially corporations.

REVIEW OF THE CONSOLIDATED ANNUAL ACCOUNTS

The consolidated financial statements of Kahoot! ASA are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU) and additional disclosure requirements in the Norwegian Accounting Act as effective 31 December 2022.

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. Please see the separate chapter on APMs for further details.

During 2022, there were no business combinations, and the legal structure of the Kahoot! Group remained unchanged with the exception of the establishment of a wholly owned subsidiary in Poland at the end of the year.

Income statement

Total revenues and operating income in 2022 for the Group were $146.0 million, up 60% from $91.3 million for the financial year 2021. The revenue growth was driven mainly by increased number of paid subscriptions for the Group's products and full year effect from companies acquired in the prior year.

Cost of sales were $7.0 million which is in-line with 2021 due to stable third-party sales and distribution cost, resulting in a gross margin improvement to 95% for 2022 compared to 92% in 2021.

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. For 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. The operational payroll and employee related benefit expenses were $62.5 million 2022 compared to $35.2 million for 2021. The increase is attributable to full year cost effect from acquisitions the prior year, 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.

Other operating expenses accounted for $46.4 million in 2022, up from $36.4 million in 2021. The increase is mainly attributable to the full year effect from companies acquired in the prior year.

EBITDA in 2022 was $9.6 million compared to $4.7 million for 2021. EBITDA adjusted for calculated share-based compensation expenses and related payroll taxes, acquisition-related expenses and listing cost preparations was $30.3 million, up 57% from $19.3 million in 2021.

Depreciation and amortization expenses amounted to $14.7 million for 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 expenses amounted to $0.8 million in 2022, and the positive effect from income tax for the full year 2022 was $8.1 million mainly due to recognition of deferred tax assets. Profit for the year was $2.3 million compared to -$1.9 million for 2021.

Balance sheet

During 2022, total assets decreased by $9.0 million to $787.1 million compared to total assets of $796.1 million by the end of 2021. Non-current assets accounted for $658.4 million by the end of 2022, down $12.9 million from the end of 2021 primarily related to amortization of intangible assets from acquisitions. Current assets were $128.7 million by the end of 2022 whereof cash and cash equivalents accounted for $104.8 million.

Total liabilities decreased during 2022 by $35.7 million to $178.9 million compared to total liabilities of $214.6 million by the end of 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) $78.3 million.

Equity ratio for the Kahoot! Group per the end of 2022 was 77%. Expensed cost related to research and development amounted to $18.5 million in 2022.

Cash Flow

Cash flow from operating activities amounted to $41.9 million for 2022, up $21.0 million from 2021. Cash flow from investing activities was -$43.1 million for 2022 due to payment for deferred and contingent consideration for prior years' acquisitions. Cash flow from financing activities of -$0.6 million for 2022 due to payments of lease liabilities.

The liquidity for the Kahoot! Group is satisfactory with cash and cash equivalents of $104.8 million per the end of 2022.

REVIEW OF THE PARENT COMPANY'S ANNUAL ACCOUNTS

The annual accounts for the parent company have been prepared according to Norwegian Generally Accepted Accounting Principles (NGAAP). The functional currency of Kahoot! ASA is USD. All figures within the financial statement are presented in USD unless otherwise noted.

Revenue for the parent company Kahoot! ASA was $71.5 million for the financial year 2022 compared to $55.0 million for the financial year 2021. Operating results (EBITDA) for the financial year 2022 was $25.8 million compared to $18.2 million for the financial year 2021. Total equity for the parent company was $674.4 million as of 31 December 2022.

ALLOCATION OF PROFIT IN THE PARENT COMPANY

The parent company Kahoot! ASA recorded a net profit of $16.0 million for the financial year 2022. The Board of Directors (the "Board") proposes the net profit to be allocated to other equity.

GOING CONCERN

In the view of the Board, the Kahoot! Group has a solid financial position. In accordance with Section 3-3a of the Norwegian Accounting Act, the Board confirms that the prerequisites for the going-concern assumption exist and that the financial statements have been prepared based on a going-concern basis.

EXECUTIVE COMPENSATION REPORT

The Board of Directors' guidelines for determination of salary and other remuneration to executive personnel in Kahoot! ASA pursuant to section 6-16a the Norwegian Public Limited Liability Companies Act was presented to the Annual General Meeting on 27 May 2022. Kahoot!'s report on salary and other remuneration to executive personnel for 2022 pursuant to section 6-16b the Norwegian Public Limited Liability Companies Act is published as a separate document, available on kahoot.com/investor.

WORKING ENVIRONMENT

The working environment is considered good. Relying on highly skilled and motivated employees to succeed, Kahoot! is constantly working to maintain an attractive and rewarding working environment. For the financial year 2022, the registered level of absence due to sickness in the parent company was 2%. No accidents or injuries occurred during the year.

EQUAL OPPORTUNITIES, DISCRIMINATION, IMPACT ON EXTERNAL ENVIRONMENT AND TRANSPARENCY

At the end of 2022, the parent company Kahoot! ASA had 104 employees, of which 36% were women vs. 33% women at the end of 2021.

The market in which Kahoot! operates is somewhat overrepresented by male employees, however, the Kahoot! Group is actively working towards a diversified working environment. Women are represented in most of the company's departments and the ratio between men and women will continue to be monitored. Kahoot! strongly respects and supports diversity in general and see this as a competitive advantage to create value for the company and its shareholders. Kahoot! has a policy that includes the principle of equal opportunities for equal work, implying that every employee will have the same rights, salary and career options in the same position, all other factors being equal which will continue to be monitored. Inclusivity is one of Kahoot!'s core values, and the Company is committed to team diversity as a driver of success. The Group's employees includes members of more than 50 nationalities with different cultural and ethnic backgrounds. Kahoot!'s reporting pursuant to chapter 4 of the Gender Equality and Discriminatory Act

(Equality Report 2022) and the Transparency Act is included in the Stakeholder Impact Report.

For a description of Kahoot!'s impact on external environment, please see Kahoot!'s Stakeholder Impact Report, which is published as a separate document, available on kahoot.com/investor which also complies with Kahoot!'s compliance obligations pursuant to section 3-3c of the Norwegian Accounting Act (corporate social responsibility).

RISK AND RISK MANAGEMENT

The Kahoot! Group is exposed to risks and uncertainty factors that may affect some or all activities. Risk management for the Group is based on the principle that risk evaluation is an integral part of all business activities, where the ability to implement the Group's strategic and operational plans is influenced by various commercial, technological, and operational risk factors summarized below.

Market risk

The Kahoot! Group is exposed to several market related risks, including but not limited to; access and ability to keep qualified employees, access to technology used in product development, cyber threats, reputation, user generated content, ability to keep the user engagement and brand awareness, change in user pattern for existing and new users of the products offered by the Group, ability to convert non-paying users to paying subscribers, relative competitiveness in the markets where the Group operates, global or regional economic market conditions.

Credit risk

The Group's credit risk arises from cash and cash equivalents as well as outstanding receivables. The Group does not have significant credit risk associated by a single counterparty. The Group does not have a specific procedure for assessing credit risk for its customers before transactions are entered as the majority of customers are either invoiced through automated sales with immediate credit card payments or subscriptions invoiced with credit terms are mostly prepaid upfront. The counterparties for the Group's main cash deposits are large banks considered to be low credit risk. The Group's assessment is that there are no material credit risks associated with these cash deposits.

Currency risk

The Group presents its financial statements in USD. The Group operates in Denmark, Estonia, Finland, France, Norway, Poland, Spain, United Kingdom and the United States and has costs in local currencies while a major part of the Group's revenues are in USD. With different functional currencies, the Group will be exposed to currency gains and losses on receivables between the companies, which will affect its reported profit or loss. Fluctuations in exchange rates between NOK, USD, DKK, EUR and GBP could materially and adversely affect the Group's business, results of operations, financial condition, cash flow and prospects. The Group does not currently have any currency hedging arrangements in place to limit the exposure to exchange rate fluctuations.

Interest risk

The Group holds no long-term borrowings and no interest-bearing debt. Lease contracts resulting in a recognized lease liability are not subject to change in payments derived from interest fluctuations, and the Groups exposure to interest rate fluctuations is therefore limited.

Liquidity risk

The Group monitors liquidity centrally across the Group. It is the Group's strategy to have sufficient cash and cash equivalents to at any time fund operations and investments according to the Group's strategic plans. The Group monitors its liquidity risk through a short-term and a long-term liquidity forecast to manage the target of a minimum position of cash imposed by the Board of Directors. Kahoot! Group has positive cash flow from operations and does not have any interest-bearing debt.

Cybercrime and IT security risk

The Group is exposed to the risk of cybercrime that could harm the Groups' business operations. The Group and its end-users may be subject to cyber-attacks from cybercriminals, hackers, and other parties. Rapid changes in attack vectors make it difficult to stop attacks and adapt to new threats. Further, increased social hacking creates a cyberthreat risk for the Group. IT security breaches could lead to shutdowns or disruptions of the Group's IT systems and potential unauthorized disclosure of data.

DIRECTORS ' & OFFICERS' LIABILITY INSURANCE

Kahoot! ASA has purchased and maintains a Directors and Officers Liability Insurance. The insurance policy is issued by a reputable, specialized insurer with appropriate rating.

OUTLOOK 2023 AND EVENTS AFTER THE END OF THE FINANCIAL YEAR

The Kahoot! Group's main markets are characterized by continued digitalization across sectors and the need for lifelong learning still stands strong. Companies are investing in reskilling and upskilling while striving to find new ways to engage their employees, and teachers are leveraging technology to improve learning outcomes. Kahoot! will stay attractive and relevant for its users through maintaining a persistent focus on innovation and creativity to retain its users' brand loyalty and attract further interest within all user categories. Kahoot! is thus well positioned for continued growth and success.

THE BOARD OF DIRECTORS
OF KAHOOT! ASA

19 April 2023

Sign

ANDREAS HANSSON
Chair

Sign

CHRIS CAULKIN
Board member

Sign

LORI WRIGHT
Board member

Sign

JOANNE BRADFORD
Board member

Sign

STEFAN BLOM
Board member

Sign

ALEXANDER REMEN
Board member, employee appointed

Sign

CHARLOTTE KRISTIANSEN
Board member, employee appointed

Sign

EILERT HANOA
CEO

CONSOLIDATED GROUP ANNUAL FINANCIAL STATEMENTS 2022

Consolidated statement of profit or loss

USD in thousands	Note	2022	2021
Revenue from contracts with customers	5	145,610	91,016
Other operating income	5	350	249
Total revenue and other operating income		145,960	91,265
Distribution and content expenses	3	7,012	7,029
Employee benefit expenses	4, 6, 17	82,967	43,235
Other operating expenses	7	46,418	36,351
Amortization of intangible assets	10	12,570	8,848
Depreciation	12, 13	2,081	1,357
Operating profit/(loss)		(5,088)	(5,555)
Financial income		820	432
Financial expenses		(327)	(205)
Net change in fair value of financial instruments	19	3,415	2,594
Net foreign exchange gains (losses)	20	(4,681)	(984)
Net financial income (expenses)		(773)	1,837
Profit/(loss) before income tax		(5,861)	(3,718)
Income tax	8	(8,149)	(1,838)
Profit/(loss) for the year		2,288	(1,880)
Profit/(loss) for the year attributable to:			
Equity holders of Kahoot! ASA		2,288	(1,880)
Earnings (loss) per share in USD			
Basic earnings (loss) per share	9	0.00	(0.00)
Diluted earnings (loss) per share	9	0.00	(0.00)

Consolidated statement of comprehensive profit or loss

USD in thousands	2022	2021
Profit/(loss) for the year	2,288	(1,880)
Other comprehensive profit/(loss):		
Items that might be subsequently reclassified to profit or loss:		
Exchange differences on translation of foreign operations	(4,614)	(8,751)
Total comprehensive profit/(loss) for the year	(2,326)	(10,631)
Total comprehensive profit/(loss) attributable to:		
Equity holders of Kahoot! ASA	(2,326)	(10,631)

Consolidated balance sheet

USD in thousands	Note	31.12.2022	31.12.2021
ASSETS			
Non-current assets			
Goodwill	11	487,161	494,430
Intangible assets	10	158,757	173,284
Property, plant and equipment	12	1,372	633
Right-of-use assets	13	6,072	2,928
Deferred tax asset	8	5,051	-
Total non-current assets		658,413	671,275
Current assets			
Trade receivables	14	18,478	11,764
Other current assets	15	5,428	5,304
Cash and cash equivalents	16	104,799	107,765
Total current assets		128,705	124,833
TOTAL ASSETS		787,118	796,108
EQUITY AND LIABILITIES			
Equity			
Share capital	18	5,773	5,707
Share premium	18	662,780	651,581
Share-based payments reserves	18	34,739	16,963
Foreign currency translation reserves	18	(15,342)	(10,728)
Accumulated deficit	18	(79,720)	(82,008)
Total equity	**18**	608,230	581,515
Non-current liabilities			
Lease liabilities	13	4,337	2,044
Deferred tax liability	8	42,673	46,288
Contract liabilities	5	3,353	-
Other non-current liabilities	19,20	9,709	40,565
Total non-current liabilities		60,072	88,897
Current liabilities			
Lease liabilities	13	2,083	1,007
Current tax liabilities		11	4
Trade payables	19, 20	4,654	5,359
Contract liabilities	5	74,964	60,772
Other current liabilities	19, 20	37,104	58,554
Total current liabilities		118,816	125,696
Total liabilities		178,888	214,593
TOTAL EQUITY AND LIABILITIES		787,118	796,108

THE BOARD OF DIRECTORS
OF KAHOOT! ASA

19 April 2023

Sign
ANDREAS HANSSON
Chair

Sign
CHRIS CAULKIN
Board member

Sign
LORI WRIGHT
Board member

Sign
JOANNE BRADFORD
Board member

Sign
STEFAN BLOM
Board member

Sign
ALEXANDER REMEN
Board member, employee appointed

Sign
CHARLOTTE KRISTIANSEN
Board member, employee appointed

Sign
EILERT HANOA
CEO

Consolidated statement of changes in equity

USD in thousands	Note	Share capital	Share premium	Share-based payments 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 year		-	-	-	-	(1,880)	(1,880)
Currency translation differences 1		-	-	-	(8,751)	-	(8,751)
Total comprehensive profit/(loss) for the year		-	-	-	(8,751)	(1,880)	(10,631)
Issuance of shares	18	479	302,700	-	-	-	303,179
Transaction costs on equity issues	18	-	(8,502)	-	-	-	(8,502)
Share option program	17	-	-	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 year		-	-	-	-	2,288	2,288
Currency translation differences 1		-	-	-	(4,614)	-	(4,614)
Total comprehensive profit/(loss) for the year		-	-	-	(4,614)	2,288	(2,326)
Issuance of shares	18	66	11,238	-	-	-	11,304
Transaction costs on equity issues	18	-	(39)	-	-	-	(39)
Share option program	17	-	-	17,776	-	-	17,776
Balance at 31 December 2022		5,773	662,780	34,739	(15,342)	(79,720)	608,230

Consolidated statement of cash flows

USD in thousands	Note	2022	2021
Cash flows from operating activities			
Profit/(loss) before income tax		(5,861)	(3,718)
Adjustments for:			
Depreciation and amortization	10, 12, 13	14,651	10,205
Share-based payments expense	4, 6	17,776	11,421
Change in trade receivables		(7,058)	(781)
Change in contract liabilities		18,357	15,757
Change in trade payables		(943)	2,752
Change in other current assets and other liabilities		4,459	(14,965)
Taxes paid		(13)	(6)
Interest received		820	432
Financial expenses		(327)	(205)
Net cash flow from operating activities		41,861	20,892
Cash flows from investing activities			
Payment for acquisition of subsidiary, net of cash acquired	4	(41,231)	(364,145)
Payment for intangible assets	10	(892)	(562)
Payment for property, plant and equipment		(946)	(216)
Net cash outflow from investing activities		(43,069)	(364,923)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares	18	860	205,077
Transaction costs on issuance of ordinary shares		(40)	(8,502)
Repayments of lease liabilities	13	(1,295)	(991)
Paid interest on lease liabilities	13	(161)	(89)
Net cash inflow from financing activities		(636)	195,495
Net increase in cash and cash equivalents		(1,844)	(148,536)
Cash and cash equivalents as of 1 January	16	107,765	256,120
Effects of exchange rate changes on cash and cash equivalents		(1,122)	181
Cash and cash equivalents as of 31 December		104,799	107,765

NOTE 1
GENERAL INFORMATION

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 Group is on a mission to make learning awesome! The Group wants to empower every child, student and employee to unlock their full learning potential. The Group's game-based learning platform makes it easy to create, share and play learning games driving compelling engagement. In addition, the Group's family of apps takes math learning to a new level and empowers children to learn to read through play. Launched in 2013, the Group's vision is to build the leading learning platform in the world.

These consolidated financial statements have been approved for issuance by the Board of Directors on 19 April 2023.

NOTE 2
SIGNIFICANT EVENTS IN THE CURRENT REPORTING PERIOD

There have not been any significant events in the current reporting period that affected the financial position and performance of the Group.

NOTE 3
GENERAL ACCOUNTING PRINCIPLES

The general accounting policies applied in the preparation of these consolidated financial statements are set out below. Specific accounting principles are described in the relevant notes.

Basis of preparation

The consolidated financial statements of Kahoot! ASA are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU) and additional disclosure requirements in the Norwegian Accounting Act as effective 31 December 2022.

The consolidated financial statements are presented in US dollars (USD) and have been rounded to the nearest thousand unless otherwise stated.

The financial statements are prepared on a going concern basis. The financial statements have been prepared on a historical cost basis.

Foreign currency

Functional currency, presentation currency and consolidation

The Group's presentation currency is USD, which is the parent company's functional currency.

For consolidation purposes, all subsidiaries with a different functional currency than the parent company (USD) are translated at the rate applicable at the reporting date. The statement of profit or loss are translated at the average exchange rate that approximates the prevailing rate at the date of transaction. The cumulative amount is reclassified to profit or loss when the net investment in disposed of.

Monetary balances in foreign currencies are translated into the functional currency at the exchange rates on the date of the balance sheet. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Principles of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Figures from subsidiaries with different accounting policies are amended to ensure consistent accounting policies for the Group are used.

If the Group loses control over a subsidiary it derecognizes the assets, liabilities, and non-controlling interest, and reclassifies to profit or loss, or transfers directly to accumulated deficit as appropriate, the amounts recognized in other comprehensive loss in relation to the subsidiary.

Classification of current and non-current items

An asset is classified as current when it is expected to be realized or sold, or to be used in the Group's normal operating cycle, or falls due or is expected to be realized within 12 months after the end of the reporting period. Other assets are classified as non-current assets. Liabilities are classified as current when they are expected to be settled in the normal operating cycle of the Group or are expected to be settled within 12 months of the end of the reporting period, or if the Group does not have an unconditional right to postpone settlement for at least 12 months after the balance sheet date.

Segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses. The Company has determined that the Board of Directors are the chief operating decision maker.

The segment information is reported in accordance with the reporting to the Board of Directors (the chief operating decision makers) and is consistent with financial information used for assessing performance and supporting the Group's direction and strategy, resource allocation and acquisition activities. The Group has identified one segment. The Group is monitored using the consolidated statement of profit or loss, balance sheet and statement of cash flows.

Cost of sales

Cost of sales relate directly to costs incurred on the Company's sales through the websites or through app stores. The Company partners with the payment gateway providers and app stores as a marketing channel to sell their products. The payment gateways charge fees for processing and collecting payments from website sales and app stores collect a percentage ranging from 6% to 30% of revenues earned from the Kahoot! app store sales as a fee for payment collections services provided to the Company.

Critical accounting judgements and key sources of estimation uncertainty in applying the Group's accounting policies

In applying the Group's accounting policies, which are described in the following notes below, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical accounting judgements

Critical accounting judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in financial statements, relate to the following area: Please refer to the note disclosure for additional details on the critical accounting judgements applied.

- *Financial assets and financial liabilities, note 19* *(b) Significant estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, relate to the following areas. Please refer to the respective note disclosures for additional details on the significant estimation uncertainty.

- *Goodwill and impairment, note 11*
- *Financial assets and financial liabilities, note 19*

NOTE 4
BUSINESS COMBINATIONS

Accounting principles

The acquisition method of accounting is used to account for all business combinations. The consideration transferred in a business combination comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value, or at the non-controlling interests proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

Goodwill arising on business combinations is recognized as an asset measured at the excess of the sum of the consideration transferred, the fair value of any previously held equity interests and the amount of any non-controlling interests in the acquired entity over the net amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the Group's interest in the net fair value of the acquired entity's identifiable assets, liabilities and contingent liabilities exceeds the total consideration of the business combination, the excess is recognized in profit or loss immediately.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the business combination is re-measured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognized in profit or loss.

Business combinations 2022

There were no business combinations in 2022.

Business combinations 2021

The business combinations required the use of critical accounting judgements and estimates when identifying and valuing the intangible assets of the acquired entities.

For Whiteboard, Motimate and Clever three possible intangible assets were identified: technology, brand and customer relationship. The customer relationship related to existing customers for Clever and Motimate and existing subscribers for Whiteboard.

Significant estimation uncertainty

The relief-from-royalty method was applied to measure the fair value of the technology and the brand. The relief-from-royalty method considered the discounted estimated royalty payments that were expected to be avoided as a result of the patents being owned. The valuation was based on projected cash flows for the next 5-10 years, which included estimated revenue growth. These cash flows were adjusted for assumptions about churn, attrition and multiplied by a royalty rate (cost saving from owning the technology and brand). The multi-excess earnings-method was applied to measure the fair value of the customer relationships. The multi-excess-earnings-method considered the contributory asset charge that an intangible asset would have been charged by a hypothetical third-party to use the intangible asset. The valuation was based on projected cash flows for the next 10 years, which included estimated revenue growth. These cash flows were adjusted for the assumptions about churn, attribution and contributory asset charge (costs of renting intangible assets from a hypothetical third-party).

In estimating the fair value of the technology and the brand, cost savings were discounted using a discount rate between 8.5%-12.8%. The royalty rate for technologies was assumed to be between 10.0%-30.0% and for the brands between 2.0%-4.0%. In estimating the fair value of the customer relationships, estimated net cash flows after contributory asset charges were discounted using a discount rate between 8.5%-12.8%. The brands were assumed to indefinite useful life, technologies a useful life of seven to eight years and customer relationship a useful life of ten years.

The valuation of intangible assets in business combinations were particularly sensitive to changes in royalty rates, churn and discount rates.

Description

Clever

Clever Inc ("Clever") was acquired by a purchase of 100% of the shares effective from 1 September 2021. Clever, one of the most widely-used digital learning platforms in U.S. K-12 education was acquired for enterprise value (EV) of $435 – 500 million on a cash and debt-free basis, including a performance-based element for 2021-2022 of which elements were compensation for Clever employees' whom prior to the acquisition was part of the Clever Inc. share-based payment plan ("Clever Options"). This element of compensation vest according to the historical share-based payment plan of Clever. The first part of the initial consideration was settled by a combination of cash ($254,842 thousand) and issuance of 7,300,765 shares in Kahoot! ASA at a subscription price of NOK 64.77 per share.

The performance-based element (see also note 19) relating to Clever was determined based on certain operational metrics at the end of 2021 and end of 2022. With respect to the elements of compensation to employees who were part of the Clever Options, they will also need to continue to be employees of Clever at the time the performance-based elements are met. If an employee should forfeit on the Clever Options, the amount forfeited are to be redistributed between the prior shareholders of Clever. In other words, the vesting condition in the case of the Clever Options has no impact on the total amount to be paid in connection with the business combination.

Given the contingent consideration will be determined and settled in the future, the nominal value is discounted to present value. Present value of the contingent consideration relating to the acquisition was initially recognized 1 September 2021 at $63,033 thousand, whereof $47,877 thousand was current. The main three factors used in assessing the fair value of the earnout is forecast of probability, cash flow and discount rate. The discount rate applied for Clever was 8.5%. As of 31 December 2022, the fair value of the contingent consideration relating to the acquisition was $16,135 thousand, whereof $16,135 thousand was current (2021: $47,524 thousand, whereof $32,144 thousand was current). The amount attributable to the Clever Options was $14,874 and related to the portion of unvested share-based payment awards, subject to forfeitures. The amount accretes over time (included as part of employee benefit expense) following the vesting plan for the Clever Options. With respect to the portion not related to the unvested Clever Options, the changes in fair value from initial recognition to year-end are recognized as net change in fair value of financial instruments in the consolidated statement of profit or loss. The performance-based elements attributable to 2021 were settled in December 2021 and February 2022. The performance-based elements attributable to 2022 targets were settled in March 2023.

In December 2021, the second payment was settled by a combination of cash ($100,427 thousand) and issuance of 3,121,747 shares in Kahoot! ASA, whereof 2,605,887 shares at a subscription price of NOK 64.77 per share, and 515,860 shares at a subscription price of NOK 48.08 per share.

In February 2022, the third payment was settled by a combination of cash ($27,737 thousand) and issuance of 1,617,710 shares in Kahoot! ASA, whereof 1,571,345 shares at subscription price of NOK 31.63 per share, 43,650 shares at subscription price at NOK 64.77 per share and 2,715 shares at subscription price at NOK 48.08 per share.

In June 2022, the fourth payment was settled by a combination of cash ($2,945 thousand) and issuance of 39,379 shares in Kahoot! ASA, whereof 6,160 shares at subscription price of NOK 31.63 per share, 31,196 shares at subscription price at NOK 64.77 per share and 2,023 shares at subscription price at NOK 48.08 per share.

In September 2022, the fifth payment was settled by a combination of cash ($2,948 thousand) and issuance of 39,183 shares in Kahoot! ASA, whereof 6,179 shares at subscription price of NOK 31.63 per share, 30,974 shares at subscription price at NOK 64.77 per share and 2,030 shares at subscription price at NOK 48.08 per share.

In December 2022, the sixth payment was settled by cash ($2,215 thousand).

In March 2023, the seventh payment was settled by cash ($17,693 thousand).

Purchase price allocation - assets acquired and liabilities assumed

The amounts recognized at the date of business combinations in respect of identifiable assets acquired and liabilities assumed are set out in the table below, using the exchange rate as of 1 September 2021 for Clever.

Goodwill from the business combinations with Clever were attributable to synergies leading to additional value for the Group's subscription-based product offering when combined with the Kahoot! products and marketing as one product going forward.

Transaction costs of $2,877 thousand arose as a result of the acquisition. These were recognized as part of other operating expenses in the statement of profit or loss.

With respect to the Clever Options, there were specific accounting requirements following IFRS 3 – Business Combinations paragraph B55(a) and associated IFRIC ("IFRS Interpretation Committee) agenda decision, requiring that amounts that an individual employee would forfeit were they to leave service immediately after the acquisition were not part of the business combination, and should instead be recognised as a post-combination expense. The amount attributable to the Clever Options was $14,874, related to the portion of unvested share-based payment awards, subject to forfeitures, was therefore not included in the purchase consideration below, but accretes over time (included as part of employee benefit expense) following the vesting plan for the Clever Options.

There were no adjustments to the provisional purchase price allocation in 2022.

From the acquisition date 1 September 2021, Clever contributed $15,305 thousand to the Group's revenue and negative net income contribution of $6,625 thousand to the Group's total profit in 2021.

USD in thousands	**Clever**
Purchase consideration	
Cash consideration	368,212
Shares issued	76,128
Contingent consideration liability / earnout [1]	48,159
Total purchase consideration	492,499
Brand	72,647
Technology	31,339
Customer relationships	32,172
Property, plant and equipment	344
Trade and other receivables	8,480
Cash and cash equivalents	9,657
Deferred tax liability	(40,629)
Trade payables and other current liabilities	(16,855)
Total net identifiable assets acquired at fair value	97,154
Total purchase consideration	492,499
Goodwill	395,345
Net cash outflow arising on acquisition	
Cash consideration	254,842
Less: cash and cash equivalents acquired	9,657
Total cash consideration	245,185

[1] The earn-out was and will be settled by a combination of cash and shares. The liabilities incurred included the earned portion of unvested share-based payment awards of $20,575 thousand. These liabilities were incurred by compensating, upon acquisition, equity-settled share-based payment awards held by employees of Clever Inc. with cash-settled and equity settled share-based payment awards, which were subject to forfeiture. The respective liabilities represented the portion of the replacement awards that related to pre-acquisition services provided by the acquiree's employees and were measured at the fair value and was settled by a combination of cash and shares.

Motimate

Motimate AS ("Motimate") was acquired by a purchase of 100% of the shares effective from 22 April 2021. Motimate, an employee engagement and learning app provider for organizations of all sizes was acquired for a total consideration reflecting an enterprise value (EV) of $25 – $27 million on a cash and debt-free basis, including a 2021 performance-based element. The initial consideration was settled by a combination of cash ($9,759 thousand) and issuance of 1,104,994 shares in Kahoot! ASA at a subscription price of NOK 93.90 per share.

The performance-based element (see also note 19) relating to Motimate was determined based on certain operational metrics at the end of 2021. Given the contingent consideration liability was determined and settled in the future, the nominal value was discounted to present value. Present value of the contingent liability (earnout) relating to the acquisition was initially recognized 22 April 2021 at $1,814 thousand, whereof all is current (As of 31 December 2021: $1,972 thousand, whereof all was current). The main level three inputs used in assessing the fair value of the earnout is forecast of probability, cashflow and discount rate. The discount rate applied for Motimate was 12.5%. The change in fair value from initial recognition to year-end is recognized as net change in fair value of financial instruments in the consolidated statement of profit or loss. The performance-based element was fully settled in February 2022.

In December 2021, the second payment (deferred consideration payment) was settled by a combination of cash ($1,978 thousand) and issuance of 274,357 shares in Kahoot! ASA at a subscription price of NOK 93.90 per share.

In February 2022, the final payment was settled by a combination of cash ($800 thousand) and issuance of 277,599 shares in Kahoot! ASA at a subscription price of NOK 38.24 per share.

Purchase price allocation – assets acquired and liabilities assumed

The amounts recognized at the date of business combinations in respect of identifiable assets acquired and liabilities assumed are set out in the table below, using the exchange rate as of 22 April 2021 for Motimate.

Goodwill from the business combinations with Motimate are attributable to synergies, and will lead to additional value for the Group's subscription-based product offering when combined with the Kahoot! products and marketing as one product going forward.

Acquisition costs of $275 thousand arose as a result of the transaction. These have been recognized as part of other operating expenses in the statement of statement of profit or loss.

There were no adjustments to the provisional purchase price allocation in 2022.

From the acquisition date 22 April 2021, Motimate contributed $2,999 thousand to the Group's revenue and negative net income contribution of $1,010 thousand to the Group's total profit in 2021.

USD in thousands	**Motimate**
Purchase consideration	
Cash consideration	11,866
Shares issued	15,050
Contingent consideration liability / earnout [1]	1,814
Total purchase consideration	28,730
Brand	4,085
Technology	3,448
Customer relationships	998
Property, plant and equipment	4
Trade and other receivables	476
Cash and cash equivalents	2,522
Deferred tax liability	(1,361)
Trade payables and other current liabilities	(1,225)
Total net identifiable assets acquired at fair value	8,947
Total purchase consideration	28,730
Goodwill	19,783
Net cash outflow arising on acquisition	
Cash consideration	9,759
Less: cash and cash equivalents acquired	2,522
Total cash consideration	7,237

[1] The earn-out was settled by a combination of cash and shares in February 2022.

Digital Teaching Tools Finland Ltd (Whiteboard.fi)

Digital Teaching Tools Finland Ltd ("Whiteboard.fi", hereafter referred to as Whiteboard.fi or Whiteboard) was acquired by a purchase of 100% of the shares effective from 23 February 2021. Whiteboard.fi, an online whiteboard tool for teachers and classrooms that helps engage students both in the physical classroom and through remote learning was acquired for an initial consideration of $6 million, in addition to a performance-based element up to $6 million depending on Whiteboard's performance in 2021-2022. The initial consideration was settled by a combination of cash ($3,600 thousand) and 184,892 new Kahoot! ASA shares at a subscription price of NOK 110.39 per share.

The performance-based element (see also note 19) relating to Whiteboard.fi was determined based on invoiced revenue targets in 2021 and 2022 subject to EBITDA margin and a net cash flow conversion condition. Given the contingent consideration liability were determined and settled in the future, the nominal value was discounted to present value. Present value of the contingent consideration liability (earnout) relating to the acquisition was initially recognized 23 February 2021 at $4,314 thousand, of which $2,702 thousand was non-current. The main level three inputs used in assessing the fair value of the earnout is forecast of probability, cashflow and discount rate. The discount rate applied for Whiteboard.fi was 12.8%. %. The change in fair value from initial recognition to year-end is recognized as net change in fair value of financial instruments in the consolidated statement of profit or loss. The performance-based elements attributable to 2021 was settled in February 2022 and the performance-based elements attributable to 2022 targets did not trigger any further consideration in 2023. The contingent consideration was fully settled as of 31 December 2022 (As of 31 December 2021, the fair value of the contingent consideration related to the acquisition was $2,975 thousand, whereof $1,227 thousand was current) .

In February 2022, the final payment was settled by a combination of cash ($768 thousand) and issuance of 139,653 shares in Kahoot! ASA at a subscription price of NOK 32.34 per share.

Purchase price allocation - assets acquired and liabilities assumed

The amounts recognized at the date of business combinations in respect of identifiable assets acquired and liabilities assumed are set out in the table below, using the exchange rate as of 23 February 2021 for Whiteboard.

Goodwill from the business combinations with Whiteboard are attributable to synergies, and will lead to additional value for the Group's subscription-based product offering when combined with the Kahoot! products and marketing as one product going forward.

Acquisition costs of $241 thousand arose as a result of the transaction. These have been recognized as part of other operating expenses in the statement of statement of profit or loss.

There were no adjustments to the provisional purchase price allocation in 2022.

From the acquisition date 23 February 2021, Whiteboard.fi contributed $697 thousand to the Group's revenue and positive net income contribution of $21 thousand to the Group's total profit in 2021.

USD in thousands	**Whiteboard.fi**
Purchase consideration	
Cash consideration	3,600
Shares issued	2,402
Contingent consideration liability / earnout [1]	4,314
Total purchase consideration	10,316
Brand	982
Technology	1,188
Customer relationships	341
Property, plant and equipment	12
Trade and other receivables	68
Cash and cash equivalents	293
Deferred tax liability	(502)
Trade payables and other current liabilities	(312)
Total net identifiable assets acquired at fair value	2,069
Total purchase consideration	10,316
Goodwill	8,246
Net cash outflow arising on acquisition	
Cash consideration	3,600
Less: cash and cash equivalents acquired	293
Total cash consideration	3,307

[1] The earn-out was settled by a combination of cash and shares.

Unaudited pro-forma business combinations 2021:
If the acquisitions in 2021 had occurred on 1 January 2021, the revenue for the Group would have been $118,027 thousand and the Group's unaudited pro-forma loss would have been $5,627 thousand in 2021.

NOTE 5
REVENUE

Accounting principles

The revenue in the Group is generated from different subscriptions. The accounting principles for the different categories of revenue are described below.

Sale of subscriptions
Subscriptions are sold either through the Group's websites or through apps. The app itself is for free, but it is possible to sign up for different subscriptions based on a monthly price (through an in-app purchase). These subscriptions are cloud-based. They are presented in different ways for the different customer-types, but the underlying products are the same.

The subscriptions are not customized to the individual customers. Subscriptions are mostly prepaid, typically by twelve months or on a monthly basis. Certain subscriptions are sold with a lifetime payment. Life-time payment means a one-time payment for lifetime access. The subscriptions are mainly paid upfront by credit cards based on the contractually agreed subscription period.

The Group has the right to change or withdraw features, specifications, services and content without notifying the customers and customers are exposed to any positive or negative effects from these possible changes.

The transaction price is the agreed subscription fee. The subscriptions are the only performance obligation. The design and the content might change during the subscription period and the customers have an expectation that the products will be updated. The Group delivers a subscription which gives the customer access to the subscribed services. Revenue from the subscriptions is recognized over time, over the subscription period. Revenue from lifetime subscriptions is recognized over time based on the customer use period of a lifetime subscription. The Group has estimated the expected customer use period to be two years. The expected use period of an active user has been calculated based on the history of the annual subscriptions and customer retention. The Group has determined there is no significant financing element related to the lifetime subscriptions.

As the Group develop and acquire new businesses, these products are over time integrated in relevant subscriptions as part of a customer's access to the Kahoot! platform.

Sale of access to a digital platform - app providers
Clever provide app providers access to a digital platform used by schools to provide the students a digital classroom. The customer of Clever is the app provider, who get access to their users through the Clever platform. The access to the platform is the only performance obligation.

The transaction price is a monthly fee (prepaid 12 months up-front) based on the number of schools that are connected to the customer's (i.e. the app providers) application. The fee is determined based on the number of included connections. If actual connections exceed the number of included connections, Clever will invoice the app provider for the actual number of connections and for the remaining number of months in the subscription period.

Revenue is recognized over time and in total is equal to the amount that the Group has the contractual right to invoice.

Sale of access to a digital platform – corporate
The Group has subscriptions on different products that grant the customers access to platforms that enables the corporate customer to educate, communicate and support their employees. The subscriptions are invoiced through a subscription fee (either invoiced as prepaid 12 months or invoiced on a monthly basis).

The services include several performance obligations such as SaaS services, SMS-services, customer support services support, content production and consultancy hours. Setup services differs between the products. Where the set-up services cannot be performed by other providers, the set-up is not a separate performance obligation, but included in the subscription. If the set-up services can be performed by other providers, set-up services are considered to be a separate distinct performance obligation.

The subscriptions delivered are cloud-based and the service cannot be used without access to the platforms through the internet. The transaction price is allocated to the different performance obligation according to their fair value. Variable consideration relates to additional services. Revenue from the subscriptions is recognized over time according to the subscription period. SMS services and customer support services are recognized over time according to consumption. Revenue related to any additional SMS services, set-up services, content production, support or consultancy services are recognized when the service is performed (point in time recognition).

Partner sales

Subscriptions are also sold via a third party (though a Partner agreement). The Group provides its subscription to customers from the Partner's network in exchange for a fixed percentage fee charged by the Partner. As the Group maintains control over the services provided to the end customer the Group is considered as the principal the service delivered. Revenue from partner sales is recognized on a gross basis with any related expenses recognized separately as cost of sales.

Sale of apps

Kahoot! offers stand-alone apps that customers can purchase through app stores. At the time of purchase the apps are sold and customers have access to the apps with no time limit. The customer can benefit from the software from the time of purchase (apps received at delivery). The value of future upgrades is regarded as insignificant by the management and are not considered a separate performance obligation. Customers are granted a right to use the subscription and the revenue is recognized at a point in time. The sales price is the amount paid in the app store. The app stores are collecting the payment on behalf of the Group.

The revenue related to app purchases is recognized at a point in time

Sale to schools

The Group provides a learning tool to schools. The subscription includes a locally installed software and a SaaS service that enable the teachers to analyze progress, providing online learning and interaction, including managing access. Further, the student can store its progress and continue working at any computer. Without the cloud functionality the school will not be able to train and follow up their students in a digital way. The contract has been determined to have one performance obligation.

The subscriptions are recognized over time according to the subscription period.

Contract liabilities

Contract liabilities relate to advances from customers for licenses paid in advance.

Description

Disaggregating of revenue

USD in thousands	2022	2021
Subscription revenue - recognized over time	144,622	90,081
Other revenue - recognized at point in time	988	935
Total revenue from contracts with customers	145,610	91,016
Other operating income	350	249
Total revenue and other operating income	145,960	91,265

Contract assets and contract liabilities

USD in thousands	2022	2021
Contract liabilities at 1 January	60,772	30,686
Acquisition of business (note 4)	-	15,075
New contract liabilities	162,977	105,853
Revenue recognized in current year	(144,622)	(90,081)
Exchange differences	(810)	(761)
Contract liabilities at 31 December	78,317	60,772

No contract assets were recognized for the years then ended.

Information about major customers

The Company does not have single customers that generate 10% or more of the entity's total revenue.

Revenue by geography

In presenting the geographic information, revenue has been based on the geographic location of customers.

USD in thousands	2022	2021
USA and Canada	95,660	49,305
Europe	34,600	28,594
Asia Pacific	9,348	8,185
Latin America and The Caribbean	3,884	3,523
Africa, The Middle East, and India	2,468	1,658
Total revenue and other operating income	145,960	91,265

NOTE 6

EMPLOYEE BENEFIT EXPENSE

Accounting principles

Pension plans

The Group has a defined contribution plan for some of its employees. The Group's payments are recognized in the profit or loss as an employee benefit expenses for the year to which the contribution applies.

The Group's Norwegian entities are obligated to follow the stipulations in the Norwegian Mandatory Occupational Pensions Act. The Group's pension scheme adheres to the requirements, as set in the Act.

The pension rights of the Group's employees vary between the legal entities. However, all plans are defined contribution plans. The defined contribution plans had 267 members in 2022 and 246 in members in 2021.

Specification of employee expenses

USD in thousands	2022	2021
Salaries and wages	51,783	29,910
Social security tax [1]	2,823	(4,267)
Share based payments [2]	16,427	10,517
Share based payments Clever Options [3]	7,494	5,023
Pension expenses	670	595
Other benefits	3,770	1,457
Total	82,967	43,235
[1] Of which social security tax related to share based payments	(3,412)	(7,552)
Average full-time employees	444	291

[2] See note 17 for further description of share-based payments.

[3] See note 4 for further description of Clever Options.

NOTE 7

OTHER OPERATING EXPENSES

Other operating cost consists of the following:

USD in thousands	2022	2021
IT and hosting services	15,153	8,847
Consulting services	16,278	11,062
Other operating expenses	14,792	9,824
Transaction costs	20	3,608
Listing preparation cost	175	3,011
Total other operating expenses	46,418	36,351

Specification of auditors' fees:

USD in thousands	2022	2021
Statutory audit (Deloitte)	2,336	1,646
Statutory audit (Others)	18	11
Other assurance services (Deloitte)	25	53
Tax advisory services (Deloitte)	-	4
Other advisory services (Deloitte)	57	196
Total	2,436	1,910

NOTE 8

INCOME TAX

Accounting principles

Income tax expenses consist of taxes payable and changes to deferred tax. Tax is recognized in the profit or loss, except to the extent that it relates to items recognized in other comprehensive loss or directly in equity.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax

Deferred tax assets and liabilities are calculated on the basis of temporary differences between the carrying amount of assets and liabilities in the financial statement and their tax basis, together with tax losses carried forward at the balance sheet date. Deferred tax assets and liabilities are calculated based on the tax rates and tax legislation that are expected to apply when the assets are realized or the liabilities are settled, based on the tax rates and tax legislation that have been enacted or substantially enacted on the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available, against which the assets can be utilized. Deferred tax assets and liabilities are not discounted. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. The entities included in the consolidated financial statements are subject to income tax in the countries where they are domiciled.

Uncertain tax positions

The Company is subject to income taxes in numerous jurisdictions. Judgment is sometimes required in determining the provision for income taxes. There may be transactions for which the ultimate tax determination is uncertain and may be challenged by the tax authorities. The Company recognizes liabilities for anticipated or actual tax audit issues based on estimates of whether additional taxes will be due. Where an outflow of funds to a tax authority is considered probable and material and the Company can make a reliable estimate of the outcome of the dispute, management calculates the provision using the most likely amount or the expected value approach, depending on which is most appropriate for the uncertain tax provision. In assessing its uncertain tax provisions, management takes into account the specific facts of each dispute, the likelihood of settlement and professional advice where required. Where the ultimate liability in a dispute varies from the amounts provided, such differences could impact the current and deferred income tax assets and liabilities in the period in which the dispute is concluded.

Descriptions

Specification of income tax

USD in thousands	2022	2021
Current tax expense	28	(260)
Deferred tax expense	(8,177)	(1,578)
Total income tax	(8,149)	(1,838)

Specification of deferred tax assets/liabilities recognized in the Statement of Financial Position

USD in thousands	Opening balance 2022	Charged to income	Business combination	Foreign exchange	Closing balance 2022
Fixed assets	(158)	(55)	-	-	(213)
Receivables	(1)	18	-	-	17
Soc. sec. cost share based payments	1,558	(915)	-	(183)	460
Tax losses carried forward	23,042	(8,336)	-	(845)	13,861
Intangible assets	(46,288)	3,091	-	524	(42,673)
Net deferred tax assets/(liabilities)	(21,847)	(6,197)	-	(504)	(28,548)
Non-recognized deferred tax assets	(24,441)	14,339	-	1,028	(9,074)
Net tax liability	(46,288)	8,142	-	524	(37,622)

USD in thousands	Opening balance 2021	Charged to income	Business combination	Foreign exchange	Closing balance 2021
Fixed assets	(3)	(53)	(102)	-	(158)
Receivables	18	(21)	2	-	(1)
Soc. sec. cost sharebased payments	3,982	(2,357)	-	(67)	1,558
Tax losses carried forward	16,104	(2,246)	9,739	(555)	23,042
Intangible assets	(5,843)	1,568	(42,493)	480	(46,288)
Net deferred tax assets/(liabilities)	14,258	(3,109)	(32,854)	(142)	(21,847)
Non-recognized deferred tax assets	(20,101)	4,677	(9,639)	622	(24,441)
Net tax liability	(5,843)	1,568	(42,493)	480	(46,288)

Deferred tax assets

Deferred tax assets have been recognized as of 2022 following Kahoot! has proven its ability to generate taxable income. The recognized deferred tax asset relates primarily to tax losses carried forward in jurisdictions where Kahoot! has generated taxable income in the past few years.

Non-recognized deferred tax assets are presented in the table below.

Deferred tax assets

USD in thousands	2022	2021
Fixed assets	(213)	(158)
Receivables	17	(1)
Soc. sec. cost share based payments	460	1,558
Tax losses carried forward	8,810	23,042
Non-recognized deferred tax assets	9,074	24,441

The non-recognized deferred tax assets will expire as follows:

USD in thousands	2022	2021
0-10 years	320	306
10-20 years	2.,188	4,114
Without time limit	6,566	20,021
Total	9,074	24,441

Reconciliation of effective tax rate

USD in thousands	2022	2021
Profit/(loss) before income tax	(5,861)	(3,718)
Expected income tax assessed at the tax rate for the Parent company of 22 % (2021: 22%)	(1,289)	(818)
Adjusted for the tax effect of the following items:		
Non-deductible expenses	60	973
Non-taxable income	(994)	(965)
Income tax credit	-	(270)
Share based payments	5,263	3,419
Change in unrecognized deferred tax assets	(11,132)	(4,158)
Other	(57)	(19)
Income tax	(8,149)	(1,838)
Effective tax rate	139,0 %	49,4 %

Remaining lifetime of tax losses (net tax value)

USD in thousands	2022	2021
Denmark	1,156	1,128
Finland	320	306
Norway	4,833	10,808
UK	1,228	1,382
US	6,324	9,418
Total	13,861	23,042

USD in thousands	2022	2021
0-10 years	320	306
10-20 years	2,188	4,114
Without time limit	11,353	18,622
Total	13,861	23,042

Out of $13.9 million in tax losses in the tables above, $5.0 million has been recognized as deferred tax assets as of 2022 (2021: $0 million).

NOTE 9

EARNINGS (LOSS) PER SHARE

Accounting principles

Basic earnings (loss) per share is calculated by dividing the net profit/(loss) attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the period.

The calculation of diluted earnings per share is consistent with the calculation of the basic loss per share, but at the same time gives effect to all dilutive potential ordinary shares that were outstanding during the period, by adjusting the net profit/(loss) and the weighted average number of shares outstanding for the effects of all dilutive potential shares, for example:

- The net profit/(loss) for the period attributable to ordinary equity holders of the parent company shares is adjusted for changes that would result from the conversion of the dilutive potential ordinary shares.
- The weighted average number of shares is increased by the weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares.

Description

The calculations of earnings (loss) per share attributable to the ordinary equity holders of Kahoot! ASA are based on the following net loss and share data:

(USD in thousands except share and per share amounts)	2022	2021
Basic earnings (loss) per share	0.00	(0.00)
Diluted earnings (loss) per share	0.00	(0.00)
Profit/(loss) for the year		
Used for calculating basic earnings (loss) per share	2,288	(1,880)
Used for calculating diluted earnings (loss) per share	2,288	(1,880)
Weighted average number of shares used as the denominator in calculating basic earnings (loss) per share	489,207,380	465,851,001
Weighted average number of shares outstanding for diluted earnings (loss) per share [1]	499,062,183	465,851,001

[1] The Company has 32,672,717 potential dilutive shares from share options outstanding, that can become dilutive in future periods (2021: 25,098,471).

NOTE 10

INTANGIBLE ASSETS

Accounting principles

Intangible assets acquired separately that have a finite useful life are carried at cost less accumulated amortization and any impairment charges. Amortization is calculated on a straight-line basis over the assets' expected useful life and adjusted for any impairment charges. Brands with an indefinite useful life will be tested annually for impairment.

Internally generated intangible assets

Expenditures on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, are recognized in profit or loss as incurred.

Expenditures on development activities are capitalized, if, and only if, all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

Capitalized development costs include costs directly attributable to development of the intangible, such as personnel expenses and consultancy services. Otherwise, such expenses are expensed as and when incurred.

The amount initially recognized for the internally generated asset is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in the income statement in the period in which it is incurred.

The continual enhancement of the Kahoot! platforms is a key strategy to achieve the Group's goals, as the Kahoot! Group operates in a competitive environment, with well-funded and innovative competitors. Failure to maintain the pace of change and technology development would lead to a reduction in economic returns. The Kahoot! Group continues to invest in the functionality of its products and to improve the experience for all of its users and there is judgment in how to account for this subsequent expenditure on its existing intangible assets.

Judgment is required in evaluating whether subsequent development expenditure is to be capitalized as an internally generated intangible asset or expensed as incurred. The key elements of judgment are whether the development project will generate incremental probable future economic benefit and which projects result in substantial improvements that increase the functionality of the asset. Economic benefit is determined as either an increase in revenues or reduction in costs. Only those projects that are a substantial improvement and that result in direct and incremental economic benefit will be capitalized.

The expensed cost related to research and development of the technology amounted to USD 18,525 thousand in 2022 (USD 10,329 thousand in 2021).

USD in thousands	Internally generated intangible assets	Technology	Brands	Customer relationships	Other	Total
Cost						
Cost at 1 January 2021	4,528	30,186	3,614	-	274	38,602
Additions	1,477	1,801	-	-	-	3,278
Acquisition of business (note 4)	-	35,975	77,714	33,511	104	147,304
Exchange differences	(159)	(2,394)	(469)	(77)	(1)	(3,100)
Cost at 31 December 2021	5,846	65,568	80,859	33,434	377	186,084
Additions	528	-	-	-	-	528
Exchange differences	1	(2,240)	(759)	(118)	-	(3,116)
Cost at 31 December 2022	6,375	63,328	80,100	33,316	377	183,496
Amortization and impairment						
Accumulated at 1 January 2021	2,717	1,330	30	-	152	4,229
Amortization for the year	1,718	5,723	218	1,164	25	8,848
Exchange differences	(19)	(243)	(12)	(3)	-	(277)
Accumulated at 31 December 2021	4,416	6,810	236	1,161	177	12,800
Amortization for the year	576	8,432	194	3,334	34	12,570
Exchange differences	(204)	(405)	(11)	(11)	-	(631)
Accumulated at 31 December 2022	4,788	14,837	419	4,484	211	24,739
Carrying amount at 31 December 2021	1,430	58,758	80,623	32,273	200	173,284
Carrying amount at 31 December 2022	1,587	48,491	79,681	28,832	166	158,757
Amortization method	Linear	Linear	Linear	Linear	Linear	
Estimated useful life	3-5 years	5-8 years	5 years - Indefinite	10 Years	10 Years	

NOTE 11
GOODWILL AND IMPAIRMENT

Accounting principles
Goodwill

Goodwill does not generate cash flows independently from other assets or groups of assets, and is allocated to the cash-generating units expected to benefit from the synergies of the combination that gave rise to the goodwill. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

As of 31 December 2022, goodwill relates entirely to the acquired companies. Goodwill in the acquisitions of Dragonbox, Poio, Actimo, Drops, Whiteboard and Motimate are all allocated to Kahoot! Group level. Synergies from these acquisitions are expected to be realized at Kahoot! Group level through the integration of these products in the Kahoot! subscriptions. Goodwill in the acquisition of Clever is allocated to Clever and Kahoot! Group level.

As of 31 December 2022 Actimo, Drops, Whiteboard and Motimate are separate cash-generating units, but for the purpose of goodwill impairment testing, they form a group of cash-generating units together with the inflows stemming from the Kahoot! product (Kahoot! excluding acquired business). Clever is a separate cash-generating unit that is tested separately.

Impairment of assets

Cash-generating units to which goodwill has been allocated, are tested for impairment annually or more frequently if there is any indication that the cash-generating unit may be impaired.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit to which the asset belongs. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

If it is not possible to estimate the recoverable amount of an individual asset, the group determines the recoverable amount of the cash-generating unit to which the asset belongs. An impairment loss recognized for goodwill is not reversed in a subsequent period.

Intangible assets with a definite useful life and property plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment annually by comparing its carrying amount with its recoverable amount. And whenever there is an indication at the end of a reporting period that the asset may be impaired.

Description
The Group had goodwill and intangible assets related to the acquisitions of DragonBox and Poio in 2019, Actimo and Drops in 2020 and Whiteboard, Motimate and Clever in 2021, see note 4.

The Group has also acquired brands as part its intangible assets. Brands are considered to have an indefinite useful life as the Group expects to continually sell products under the respective acquired brands.

The carrying amounts of goodwill and intangible assets with an indefinite useful life are as follows:

USD in thousands	2021	Exchange difference	2022
Kahoot!	219,731	(7,269)	212,462
Clever	274,699	-	274,699
Total goodwill	494,430	(7,269)	487,161
Intangible assets - brands	79,524	(681)	78,843

Impairment test 2022

Goodwill was tested for impairment at the end of 2022. No impairment losses were identified in 2022, as the determined recoverable amount was above the carrying value.

Significant estimation uncertainty

When testing goodwill, management used a four-year (2021: five-year) board approved forecast projection of discounted cash flows (2023-2026) plus terminal value (calculated using Gordon's growth model with the perpetual growth of 2.0%). The net discounted cash flows were calculated after tax. The projected cash flows were derived from the business plans set up by the management based on the business plans resulting in the group's strategic long-term plans, adjusted for relevant recent changes in internal short-term forecasts. The main input parameters in the model were:

- Invoiced revenue
- Operational cost base.

Invoiced revenue is the amount invoiced to customers in the relevant period. The model input uses Invoiced revenue with implied compound annual growth rate in the period 2023 to 2026 exceeding 20%. The revenue growth thereafter is captured in the terminal value, see description above on applied method and assumptions. The operational cost base is defined as cost of sales, employee benefit expenses and other operating expenses with cash outflow effect in the relevant period. The operational cost base is derived from the internal business plan set up by management adjusted for relevant changes in internal short-term forecasts, such as actual operational cost base at year-end 2022. The implied cash-margin pre-tax (defined as invoiced revenue for the relevant period minus the operational cost base for the relevant period) for 2023 through 2026 is converging to exceed 40%.

The required rate of return was calculated using the WACC method. The input data of the WACC was chosen by an individual assessment of each parameter. Information from representative sources and peer groups was used to determine the best estimate. The WACC was calculated to be 10.5% (2021: 8.6%). The same WACC was used for both CGUs, the reason being that the long-term risk profiles of the CGUs are not considered to be significantly different. The key parameters were set to reflect the underlying long-term period of the assets and time horizon of the forecast period of the business cases. The following parameters were applied:

- Risk-free interest rate: 3.9% (2021: 1.4%). Based on weighted 10-year governmental bond derived and weighted from the markets in which Kahoot! derives its revenue from
- Beta: 1.1 (2021: 1.2). Based on an estimated unlevered beta for peer companies chosen on basis of industry sector levered to the group's structure.
- Market Risk Premium: 6.0% (2021: 6.0%) (post tax). Based on market sources.

Sensitivity analysis

The Group has prepared a sensitivity analysis of the impairment tests to changes in the key assumptions which are terminal growth rate and discount rate. Any reasonably possible changes in the key assumptions would not cause the aggregate carrying amount exceeding the recoverable amount.

NOTE 12

PROPERTY, PLANT AND EQUIPMENT

Accounting principles

Property, plant and equipment are stated at historical cost, less accumulated depreciation and any impairment charges. Depreciation is calculated on a straight-line basis over the assets' expected useful life and adjusted for any impairment charges. Ordinary repairs and maintenance costs are charged to the consolidated statement of profit or loss during the financial period in which they are incurred. Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in operating profit. Major assets with different expected useful lives are reported as separate components.

Property, plant and equipment are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount.

The difference between the asset's carrying amount and its recoverable amount is recognized in the profit or loss statement as an impairment loss. Property, plant and equipment that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Description

USD in thousands	Equipment and fixtures
Cost at 1 January 2021	729
Additions	216
Acquisition of business (note 4)	361
Exchange differences	(12)
Cost at 31 December 2021	1,294
Additions	1,280
Acquisition of business (note 4)	-
Exchange differences	(1)
Cost at 31 December 2022	2,573
Depreciation	
Accumulated at 1 January 2021	320
Depreciations for the year	351
Exchange differences	(10)
Accumulated at 31 December 2021	661
Depreciations for the year	540
Exchange differences	-
Accumulated at 31 December 2022	1,201
Carrying amount at 31 December 2021	633
Carrying amount at 31 December 2022	1,372
Depreciation method	Linear
Estimated useful life	3 to 5 years

NOTE 13
LEASING

Accounting policies

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. The lease agreements do not impose any covenants.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments. Currently the company has one long-term lease contract, which relates to the head-office.

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses a build-up approach that starts with a risk-free interest rate similar to the length of the lease adjusted for margin relevant for the company and the assets held by the Group.

The Group is exposed to potential future increases in variable lease payments based on an index, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The right-of-use assets are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

The head office lease agreements include termination option and extension options. The termination option includes a significant fee. It is the management intention to not early terminate the contract. Further, due to the significant growth, they will need more space going forward and no extension is expected.

IT and hosting services are expensed as part of other operating expenses. Hosting agreements for physical servers are within scope of IFRS 16 and deemed to be short-term leases as the contracts can be cancelled within a few months by both parties with no substantial economic penalty. Cloud storage agreement contracts have been evaluated by management as outside the scope of IFRS 16 as leases, as there is no identifiable asset. The service purchased is cloud storage capacity not connected to any specific server location.

Description

The Group's lease agreements include the offices, cars and hosting agreements for specific servers. The head office lease was entered into in December 2018 and was recognized using an incremental borrowing rate of 2.9%. Other office leases have been recognized using incremental borrowing rate ranging from 2.4% to 5.1%. Hosting agreements are defined as short-term leases and not recognized as part of the right-of-use assets and lease liabilities.

Carrying amount of right-of-use assets by class of underlying asset

USD in thousands	31.12.2022	31.12.2021
Buildings	6,067	2,904
Cars	5	24
Total right-of-use assets	6,072	2,928

Useful life	2-7 years	2-7 years
Depreciation method	Straight-line	Straight-line

Lease liabilities

USD in thousands	31.12,2022	31.12,2021
Current	2,083	1,007
Non-current	4,337	2,044
Total lease liabilities	6,420	3,051

Amounts recognized in the consolidated statement of profit or loss

USD in thousands	2022	2021
Depreciation of right of use asset	1,541	1,006
Interest expense	161	89
Expenses relating to short-term leases	1,902	1,247
Expenses relating to leases of low-value	14	10

The total cash outflow for leases including short-term and low value leases in 2022 was $3,372 thousand (2021: $2,337 thousand). Additions to right-of use assets were $4,652 thousand in 2022 (677 thousand in 2021).

Maturity profile lease liability

USD in thousands	Less than 1 year	1-3 years	3-5 years	Over 5 years	Total contractual cash flows
Lease liabilities 31 December 2022	2,572	4,612	1,649	-	8,832
Lease liabilities 31 December 2021	2,152	4,358	3,518	1,164	11,192

Reconciliation of lease financing liabilities cash and non-cash changes activities:

USD in thousands	2022	2021
Opening balance 1 January	3,051	3,276
Cash changes		
Repayments of lease liabilities	(1,295)	(991)
Paid interest on lease liabilities	(161)	(89)
Non-cash changes		
Initial recognition of new leases	4,652	677
Index regulation	154	172
Accrued interest	161	89
Currency translation effects	(142)	(83)
Closing balance 31 December	6,420	3,051

NOTE 14

TRADE RECEIVABLES

Accounting policies

Trade receivables are initially measured at fair value. Trade receivables are non-interest bearing and trading terms range from 0 to 60 days and therefore classified as current. The receivables are subsequently measured at amortized cost using the effective interest method, if the amortization effect is material, less loss allowance.

Due to the short-term nature of the trade receivables, their carrying amount is considered to be the same as the transaction price.

Loss allowance and risk exposure

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on payments profiles and customer contracts in the previous years. The majority of the Group's revenue is invoiced annually in advance with immediate payment through automated sales.

Receivables are grouped into categories and the expected loss rates reflect the Group's ability on collecting once receivables are overdue.

Description

Trade receivables are generated primarily from sales of Kahoot! school to schools and municipalities.

USD in thousands	2022	2021
Trade receivables	18,896	12,187
Loss allowance	-418	-423
Total trade receivables, net	18,478	11,764

The basis for the loss allowance was determined as follows:

31 December 2022

USD in thousands	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected loss rate	1.0 %	2.0 %	5.0 %	30.0 %	
Gross carrying amount - trade receivables	16,169	848	1,293	586	18,896
Loss allowance - trade receivables	162	17	64	175	418

31 December 2021

USD in thousands	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected loss rate	1.0 %	2.0 %	5.0 %	50.0 %	
Gross carrying amount - trade receivables	10,427	610	598	553	12,187
Loss allowance - trade receivables	104	12	30	277	423

Movements in the provision for expected credit losses:

USD in thousands	2022	2021
Balance at the beginning of the year	423	47
Provision for expected credit losses	628	550
Business combinations (note 4)	-	254
Amounts written off during the year as uncollectable	(554)	(426)
Impairment losses reversed	(79)	(1)
Balance at the end of the period	418	423

NOTE 15

OTHER CURRENT ASSETS

Other current assets consist of the following:

USD in thousands	2022	2021
Deferred cost of sales	1,421	1,706
Inventory	118	103
Prepaid expenses	2,597	2,200
Other receivables	1,292	1,295
Total other current assets	5,428	5,304

Deferred cost of sales relates to app store costs where the related revenue is deferred.

NOTE 16

CASH AND CASH EQUIVALENTS

Accounting policies

Cash and cash equivalents include bank deposits. Cash and cash equivalents in foreign currencies are translated at closing rate. The consolidated statement of cash flows is presented using the indirect method.

Description

USD in thousands	2022	2021
Bank deposits	104,799	107,765
Total cash and cash equivalents	104,799	107,765
Restricted cash included in the above:		
Withholding tax in relation to employee benefits	698	698
Deposits	1,621	703

NOTE 17

SHARE-BASED PAYMENTS

Accounting policies

Share-based payment (share options and restricted share units ("RSUs"))

Share-based compensation benefits are provided to employees.

Equity-settled, share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the grant date. The fair value is expensed over the vesting period as an employee benefit expense, with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest, based on the non-market vesting conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The fair value of the share options at the grant date is determined using the Black-Scholes-Merton option pricing model, which takes into account the exercise price, the life of the option, the current price of the underlying shares, the expected volatility of the share price, any dividends expected on the shares and risk-free interest rate for the life of the option. The expected share price volatility is based on historical volatility for a selection of comparable listed companies adjusted with a premium taking into account the maturity of the peers compared to the Group. The risk-free interest rate is based on zero-coupon government bonds with a term equal to the expected term of the option being valued. The fair value of the restricted share units (“RSUs”) at grant date is determined using the exercise price and the current price of the underlying shares.

Social security contributions payable in connection with an option and RSU grant are considered an integral part of the grant itself. The charges are treated as cash-settled, share-based payments and re-measured at each reporting date.

When the options and RSUs are exercised, the appropriate number of shares are transferred to the employee. The proceeds received from the exercise of the options (net of any directly attributable transaction costs) are credited directly to equity.

Share-based payment Clever Options

With respect to the Clever Options (see note 4 for further details), there are specific accounting requirements following IFRS 3 – Business Combinations paragraph B55(a) and associated IFRIC (“IFRS Interpretation Committee”) agenda decision, requiring that amounts that an individual employee would forfeit were they to leave service immediately after the acquisition are not part of the business combination, and should instead be recognised as a post-combination expense. The amount attributable to the Clever Options $14,874, related to the portion of unvested share-based payment awards, subject to forfeitures, is therefore not included in the purchase consideration, but are to accrete over time (included as part of employee benefit expense) following the vesting plan for the Clever Options.

Components of share-based payments in profit or loss:

USD in thousands	2022	2021
Share options - equity settled (note 6)	10,919	10,517
Restricted Share Units - equity settled (note 6)	5,508	-
Share options - Clever options (note 4)	7,494	5,023
Social security tax related to share based payments (note 6)	(3,412)	(7,552)
Total	20,509	7,988

Share options

Kahoot! has had long-term share incentive schemes in place since 2015. The share incentive schemes have since the start been broad schemes and includes all employees in the Group and selected contractors in-line with our core company value of inclusiveness.

To further align the interests of the employees by those of the Company, the Board of Directors on 21 May 2020, resolved to implement a long-term share incentive scheme, (the “2020 Share Option Rules”). The 2020 Share Option Rules was implemented following expiry of the share incentive scheme implemented by the Board of Directors on 10 August 2017 (the “2017 Share Option Rules”).

Rights to acquire shares in the Company (the “Options”) are granted by the Company on an individual basis to participants in the scheme (each an “Option Holder”). Each Option gives the Option Holder the right, but not the obligation, to subscribe for or purchase (at the Company’s choice) one Share in the Company at a strike price defined in the individual share option agreement.

Options issued under the 2017 Share Option Rules vest as follows: (i) 25% of the Options are vested 12 months after grant date; and (ii) 1/36 of the remaining Options shall vest each month thereafter.

Options issued under the 2020 Share Option Rules vests according to one of the three following vesting schedules, or a combination of all three; (A): (i) 50% of the Options are vested 12 months after grant date; and (ii) the remaining 50% of the Options are vested 24 months after grant date, and the last possible exercise is four years after grant date; (B): (i) 1/3 of the Options are vested 12 months after grant date; (ii) the next 1/3 of the Options are vested 24 months after grant date; and (iii) the remaining 1/3 of the Options are vested 36 months after grant date, and the last possible exercise is four years after grant date; or (C): (i) 1/3 of the Options are vested 24 months after grant date; (ii) the next 1/3 of the Options are vested 36 months after grant date; and (iii) the remaining 1/3 of the Options are vested 48 months after grant date, and the last possible exercise is five years after grant date.

The Options will be adjusted for share splits, reverse share splits and dividends, but not for rights offerings. The Company shall reserve the right to cash settle the Options. Specific terms pertaining to the Options are set out in agreements between Option Holders and the Company.

Parameters connected to share options granted:

Granted Share Options	2022	2021
Quantity 31.12 (instruments)	10,341,500	9,082,000
Quantity 31.12 (shares)	10,341,500	9,082,000
Contractual life [1]	4.01	4.71
Exercise price (NOK) [1]	21.93	48.42
Share price (NOK) [1]	20.01	55.69
Expected lifetime [1]	2.78	3.04
Volatility [1]	42%	45%
Interest rate [1]	2.68%	0.91%
Fair Value per instrument (NOK) [1]	5.31	20.53
Vesting conditions	Service	Service

[1] Weighted average parameters at grant of instrument.

Outstanding Share options:

		31 December 2022		31 December 2021	
Grant Year	Exercise price (NOK)	Number of instruments outstanding	Remaining contractual life [1]	Number of instruments outstanding	Remaining contractual life [1]
2017	1.67	4,363,530	0.75	7,548,675	0.75
2018	3.33	173,000	0.75	223,000	1.75
2018	6.67	503,637	0.86	855,130	1.87
2019	8.33	433,300	1.67	467,000	2.67
2019	10.00	37,500	1.84	51,000	2.92
2019	16.00	855,250	1.25	904,250	2.25
2019	16.67	75,000	1.92	150,000	2.92
2020	20.00	1,217,250	1.37	1,248,750	2.37
2020	22.00	732,482	2.07	-	0.00
2020	28.00	300,000	2.42	300,000	3.43
2020	31.00	19,751	1.57	76,000	3.51
2020	36.00	-	-	50,416	3.69
2020	37.00	466,916	1.98	1,403,495	3.76
2020	50.00	13,750	1.86	208,998	3.87
2020	56.00	411,000	2.92	2,042,083	3.92
2020	58.30	487,584	2.00	685,674	3.92
2021	21.00	883,500	2.98	-	0.00
2021	22.00	2,023,222	2.74	-	0.00
2021	41.00	315,500	2.93	1,688,250	4.54
2021	48.00	530,000	3.25	4,575,000	4.25
2021	50.00	56,250	2.94	296,250	4.92
2021	59.00	507,500	2.89	1,247,250	4.44
2021	[2]	-	0.00	1,077,250	3.69
2022	21.00	7,485,000	3.52	-	-
2022	22.00	1,518,543	3.36	-	-
2022	24.00	243,000	3.54	-	-
2022	25.00	320,000	3.46	-	-
2022	27.00	105,000	3.32	-	-
2022	32.00	110,000	3.28	-	-
Total		24,187,465		25,098,471	

[1] Weighted average remaining contractual life of options outstanding at end of period.

[2] Exercise price was determined to be NOK 21 on the basis of price quoted for trades in the Company's shares in the period prior to the Company's annual general meeting in 2022.

Quantity and weighted average prices

Share options:

	2022		2021	
Activity	Number of instruments	Weighted average exercise price (NOK)	Number of instruments	Weighted average exercise price (NOK)
As of 1 January	25,098,471	31.37	20,081,975	19.68
Granted during the year	10,341,500	21.59	9,082,000	48.42
Exercised during the year [1]	(3,583,225)	2.47	(3,195,100)	2.77
Forfeited during the year	(3,427,278)	41.44	(870,404)	44.82
Modified during the year [2]	(4,242,003)	22.04	-	-
Outstanding at 31 December	24,187,465	20.43	25,098,471	31.37
Vested per 31 December	9,989,729		11,050,863	

[1] The instruments were exercised at a share price of NOK 21.00 in 2022 and NOK 64.00 in 2021.

[2] In 2022, share option holders were offered to convert certain share options granted prior to 2022 into a revised lower number of share options with a reduced strike price. The conversion criteria were calculated and performed at the equilibrium where the fair value of the instruments before and after the modification remained unchanged. As such, the modification of the share options was cost neutral for Kahoot! The fair value of the modified share options was calculated in accordance with the principle described above for share option granted during the year. The following parameters were used to calculate fair value of the (connected to the) modified share options: Contractual life (2.85 years), exercise price (NOK 22), share price (NOK 19.64), expected lifetime (2.85 years), volatility (74.83%) and interest rate (3.06%). The weighted average fair value per instrument was NOK 8.97.

Restricted Share Units

To further align the interests of the relevant persons with those of the Group, Restricted Share Units (RSUs) may be offered to employees, consultants and members of the board of directors as part of the total compensation package.

The RSUs are granted by the Company on an individual basis to selected recipients as mentioned above (each an "RSU Holder") The number of RSUs issued to each of the RSU Holders will be calculated on the basis of an amount determined for the RSU Holder and the volume weighted average price for the Company's shares the last thirty trading days prior to the grant date. Except for internal transfers to the RSU Holder's holding company, each RSU will be non-transferrable and each RSU will give the right and obligation to acquire one share in the Company for a price of NOK 0.10 (the nominal value) subject to satisfaction of the applicable vesting conditions.

RSUs will vest over a period of three years after grant date, and the last possible exercise is four years after grant date. The RSUs will vest in accordance with the above unless early vesting is approved by the Company's board of directors.

The terms and conditions of the RSUs shall include leaver provisions for the RSU Holders. For Board Members is a condition for exercise of RSUs that (i) the RSU Holder is engaged at the Company at the exercise date and (ii) the RSU Holder not having notified the Company prior to the exercise date of the RSU Holder's intention leave the Company in his/her capacity. Other terms and conditions for RSUs to Board Members may be determined by the general meeting.

The RSUs will be adjusted for share splits and reverse share splits, but not for dividends or rights offerings. Additional terms pertaining to the RSUs are set out in an agreement between the RSU Holder and the Company.

Parameters connected to RSUs granted:

Granted Restricted Share Units ("RSUs")	2022	2021
Quantity 31.12 (instruments)	8,852,752	-
Quantity 31.12 (shares)	8,852,752	-
Contractual life[1]	4.00	-
Exercise price (NOK)[1]	0.10	-
Share price (NOK)[1]	19.21	-
Dividend[1]	-	-
Fair Value per instrument (NOK)[1]	19.11	-
Vesting conditions	Service	-

[1] Weighted average parameters at grant of instrument.

Outstanding Restricted Stock Units ("RSUs):

		31 December 2022		31 December 2021	
Grant Year	Exercise price (NOK)	Number of instruments outstanding	Remaining contractual life [1]	Number of instruments outstanding	Remaining contractual life [1]
2022	0.10	8,485,252	3.51	-	-
Total		8,485,252		-	

[1] Weighted average remaining contractual life of RSUs outstanding at end of period.

Quantity and weighted average prices

Restricted Share Units ("RSUs"):

	2022		2021	
Activity	Number of instruments	Weighted average exercise price (NOK)	Number of instruments	Weighted average exercise price (NOK)
As of 1 January	-	0.00	-	-
Granted during the year	8,852,752	0.10	-	-
Exercised during the year	-	0.00	-	-
Forfeited during the year	(367,500)	0.10	-	-
Modified during the year	-		-	-
Outstanding at 31 December	8,485,252	0.10	-	-
Vested per 31 December	-		-	

NOTE 18

EQUITY

Share capital and share premium

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.

	Total number of shares authorized, issued and outstanding	Share capital (NOK)	Share capital (USD)
Balance at 1 January 2021	446,091,967	44,609,197	5,228,090
Issued during the year	40,489,512	4,048,951	479,265
Balance at 31 December 2021	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.

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.

The table below shows the development in the Company's share capital in 2021 and 2022:

Date of registration	Type of change	Change in share capital (NOK)	New share capital (NOK)	Nominal value (NOK)	Total number of shares authorized, issued and outstanding	Subscription price per share (NOK)
24 Feb 21	Share capital increase	12,162	44,621,359	0.1	446,213,585	116.30
9 Mar 21	Share capital increase	18,489	44,639,848	0.1	446,398,477	110.39
27 Apr 21	Share capital increase	110,499	44,750,347	0.1	447,503,471	93.90
3 May 21	Share capital increase	18,604	44,768,951	0.1	447,689,510	86.62
20 May 21	Share capital increase	2,500,000	47,268,951	0.1	472,689,510	68.00
10 Sep 21	Share capital increase	319,510	47,588,461	0.1	475,884,610	1)
17 Sep 21	Share capital increase	730,077	48,318,538	0.1	483,185,375	64.77
16 Dec 21	Share capital increase	339,610	48,658,148	0.1	486,581,479	2)
01 Mar 22	Share capital increase	256,967	48,915,115	0.1	489,151,150	3)
10 Jun 22	Share capital increase	6,249	48,921,364	0.1	489,213,641	4)
14 Sep 22	Share capital increase	3,918	48,925,282	0.1	489,252,824	5)
17 Nov 22	Share capital increase	358,323	49,283,605	0.1	492,836,049	6)

[1]) Share option exercise with NOK strike price: 31/20/17.13/16.06/16/13.3333/10/8.3333/6.6667/1.6667

[2]) Share issue with NOK subscription price: 93.90/64.77/48.08

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

[4]) Share issue with NOK subscription price: 64.77/48.08//31.63/0.10

[5]) Share issue with NOK subscription price: 64.77/48.08/31.63

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

Share-based payments reserves

The share-based payments reserve represents the offsetting amount to employee expense and any related foreign translation effects. The reserve is fully distributable.

Foreign currency translation reserves

Exchange differences arising from the translation of the foreign entities are recognized in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss upon disposal of the net investment.

NOTE 19

FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Accounting principles

Financial liabilities regularly give rise to a redemption obligation in cash or another financial asset. These include, among others, trade payables.

Upon initial recognition, financial liabilities are measured at fair value. Trade payables and other non-derivative financial liabilities are subsequently measured at amortized cost using the effective interest method. A financial liability is derecognized when the obligation underlying the liability is discharged, canceled or expired.

Determination of fair value of financial instruments

The fair value of financial instruments are based on quoted prices as at the balance sheet date in an active market, if such markets exist. If an active market does not exist, fair value is established by using valuation techniques that are expected to provide a reliable estimate of the fair value. Financial instruments measured at fair value are classified according to the degree to which the fair value is observable:

- Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are unobservable market data.

Changes in fair value are presented in profit or loss in the line-item Net change in fair value of financial instruments.

Critical accounting estimates and significant estimation uncertainty

Measurement of the contingent consideration liabilities relating to the business combinations in 2021 (note 4) required the use of critical accounting estimates when valuing the fair value of the liability. The fair value of contingent liabilities is determined by certain criteria and thresholds achieved after the close of the business combination.

The earnout relating to Whiteboard is determined based on invoiced revenue targets in 2021 and 2022 subject to EBITDA-margin and net cash flow conversion conditions. The earnout relating to Motimate is determined based on achieving a pre-specified threshold of active and paying licenses and a pre-specified threshold of revenue churn on existing customer base at the time of acquisition. The earnout relating to Clever is determined based on invoiced revenue and cash-from-operations targets in 2021 and 2022 and pre-specific product achievement milestones in 2021, such as launching an updated version of the messaging system within the Platform. The earnout relating to Actimo (acquired in 2020) is determined based on the Annual Recurring Revenue (ARR) as of 31 March 2021. The earnout relating to Drops (acquired in 2020) is determined based on invoiced revenue targets in 2020, 2021 and 2022 subject to a net cash flow conversion condition.

Given the contingent consideration liability will be settled in the future, the discounted cash flow method was used to capture the fair value of the contingent liability. The discount rate is estimated using the risk-free rate in which the acquired companies operate, market premium, asset beta, small stock and country risk premium. It is assumed that equity financing is the optimal capital structure as of reporting date.

Description

Specification of Trade payables, Other current liabilities and Other non-current liabilities

USD in thousands	2022	2021
Trade payables	4,654	5,359
Other current liabilities:		
Contingent consideration	20,805	40,983
Deferred consideration	4,763	3,056
Provision for social security tax share based-payment (note 17)	2,093	7,080
Other current payables	9,443	7,435
Total trade payables other current liabilities	41,758	63,913

Other current liabilities:		
Contingent consideration	-	24,998
Deferred consideration	9,418	15,323
Other non-current liabilities	291	244
Total other non-current liabilities	9,709	40,565

Contingent consideration is presented within other current liabilities and other non-current liabilities. The contingent liability is measured at fair value through profit and loss. Net change in fair value for the year ended 2022 was $3,415 thousand (2021: $2,594 thousand) and presented in the consolidated statement of profit or loss as net change in fair value of financial instruments. The contingent consideration liability is measured according to level 3 in the hierarchy.

Deferred consideration is presented within other current liabilities and other non-current liabilities. The recognized, unpaid portion of Clever Options (note 4) is presented within deferred consideration liability. The deferred consideration liability is measured at amortized cost.

The main level 3 inputs used in assessing the fair value of the contingent consideration (earnout) is forecast of probability of different cash outflow scenarios and discount rate. The discount rates applied range between 4.5% and 12.8%, whereas the probability of the different cash outflows scenarios varies from 0% to 100%. All the remaining contingent consideration was settled in the first quarter of 2023.

Sensitivity analysis

The sensitivity of the fair value of the earnout based on a 25% increase or decrease of the probability of cash outflow or discount rate is as follows:

USD in thousands	25% increase	25% decrease
Change in probability of cash outflow	1,168	(4,018)
Change in discount rate	(63)	64

Financial instruments

USD in thousands	2022	2021
Financial instruments measured at amortized cost:		
Trade receivables	18,478	11,764
Cash and cash equivalents	104,799	107,765
Other current assets	5,428	5,304
Trade payable	(4,654)	(5,359)
Other non-current liabilities (see note 19)	(9,709)	(7,587)
Other current liabilities (see note 19)	(16,299)	(25,551)
Net financial instruments measured at amortized cost	98,043	86,336
Financial instruments measured at amortized cost:		
Other non-current liabilities (see note 19)	-	(24,998)
Other current liabilities (see note 19)	(20,805)	(40,983)
Net financial instruments measured at fair value through profit or loss	(20,805)	(65,981)
Total net financial instruments	77,238	20,355

NOTE 20

FINANCIAL RISK MANAGEMENT

The most significant financial risks which affect the Group are credit risk, liquidity risk and market risk related to foreign exchange rate risk, described further below. Management performs continuous evaluations of these risks and related processes established to manage them within the Group.

Risk	Exposure arising from	Risk management policy
Market risk - foreign exchange	Future commercial transactions. Recognized financial assets and liabilities not denominated in the functional currency.	Cash flow forecasting. Sensitivity analysis.
Credit risk	Cash and cash equivalents and trade receivables	Aging analysis. Credit ratings.
Liquidity risk	Current liabilities	Rolling cash flow forecasts

Market Risk

Market Risk - Foreign exchange

The Group presents its financial statements in USD. The Group operates in Denmark, Estonia, Finland, France, Norway, Poland, Spain, United Kingdom and the United States and have costs in local currencies while a major part of the Group's revenues are in USD. With different functional currencies, the Group will be exposed to currency gains and losses on receivables between the companies, which will affect its reported profit or loss. Fluctuations in exchange rates between NOK, USD, DKK, PLN, EUR and GBP could materially and adversely affect the Group's business, results of operations, financial condition, cash flow and prospects. The Group does currently not have any currency hedging arrangements in place to limit the exposure to exchange rate fluctuations.

The carrying amounts of the foreign currency denominated monetary assets and liabilities at the reporting date are presented in the table below. Foreign currency denominated monetary assets and liabilities are defined as monetary assets and liabilities that are held in a currency different than the functional currency of the respective consolidated entities. Monetary assets comprise of trade receivables, other current assets and cash and cash equivalents. Monetary liabilities comprise of trade payables and other liabilities (current and non-current).

USD in thousands	2022	2021
DKK	8	-
EUR	10,725	4,416
GBP	3,278	2,655
NOK	4,446	9,536
PLN	161	-
SEK	644	64
USD	568	98
Total monetary assets	19,830	16,769

USD in thousands	2022	2021
DKK	9	18
EUR	724	995
GBP	419	306
NOK	8,128	10,069
PLN	75	-
SEK	62	75
USD	4,670	12,993
Total monetary liabilities	14,087	24,456

The aggregate net foreign exchange gains/(losses) recognized in profit or loss were:

USD in thousands	2022	2021
Exchange gains	13,435	17,451
Exchange loss	(18,116)	(18,435)
Total net foreign exchange (losses) recognized in profit before income tax for the period	(4,681)	(984)

Sensitivity analysis

If the following currencies had strengthened/weakened against the functional currency of the respective consolidated entities, it would have had the below effect on the Group's profit (loss) and equity:

Effect on profit or loss:

		USD in thousands	
Currency	Change in rate	2022	2021
DKK	+/- 7%	(0)	(1)
EUR	+/- 7%	700	239
GBP	+/- 7%	200	164
NOK	+/- 7%	(258)	(37)
PLN	+/- 7%	6	-
SEK	+/- 7%	41	(1)
USD	+/- 7%	(287)	(903)

Effect on equity:

		USD in thousands	
Currency	Change in rate	2022	2021
DKK	+/- 7%	(0)	(1)
EUR	+/- 7%	546	187
GBP	+/- 7%	156	128
NOK	+/- 7%	(201)	(29)
PLN	+/- 7%	5	-
SEK	+/- 7%	32	(1)
USD	+/- 7%	(224)	(704)

Credit risk

The Group's credit risk arises from cash and cash equivalents as well as outstanding receivables. The Group does not have significant credit risk associated by a single counterparty. The Group does not have a specific procedure for assessing credit risk for its customers before transactions are entered as the majority of customers are either invoiced through automated sales with immediate credit card payments or subscriptions invoiced with credit terms are mostly prepaid upfront. Historic credit losses are low, see also note 14.

Cash and cash equivalents: The counterparties for the Group's cash deposits are large banks which are considered to be very low credit risk. The Group's assessment is that there are no material credit risks associated with these cash deposits.

Liquidity risk

The Group monitors liquidity centrally across the group. It is the Group's strategy to have sufficient cash and cash equivalents to at any time fund operations and investments according to the company's strategic plans. The Group monitors its liquidity risk through a short-term and a long-term liquidity forecast to manage the target of a minimum position of cash imposed by the Board of Directors. The Group's financial liabilities are mainly trade payables and other current liabilities. Public duties relate to accrued payroll expenses and social security taxes payable on employee stock options, where most trade payables and accrued payroll expenses are paid within one year. The maturity of social security taxes payable is dependent on the exercise of employee stock options, for additional details see note 6.

Capital management

The Group's objectives for capital management are to ensure that it maintains sufficient free liquidity with regards to cash and cash equivalents in order to support its business and obligations as well as having sufficient flexibility to invest in attractive investment opportunities. The Group manages its capital structure in light of changes in economic and actual conditions, and the development in the Group's business. The Group's equity ratio was 77% as of 31 December 2022 (73% as of 31 December 2021). The equity ratio is calculated as total equity divided by total assets. The Group does not have any interest-bearing loans or capital requirements defined by third parties.

NOTE 21

RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties to the Company, have been eliminated on consolidation, and are not disclosed in this note. Transactions with related parties are carried out on an arm's length basis, as also required the Public Limited Liability Companies Act, Sections 3-8 and 3-9 respectively.

Profit or loss items

USD in thousands

Related party	Relationship	Type of services	2022	2021
Glitrafjord AS	Owned by the CEO	Consulting services	246	304
Hermia AS	Owned by member of nomination committee	Consulting services	-	29
Total related party profit or loss items			246	333

Glitrafjord AS, a company wholly owned by Kahoot! CEO, Eilert Hanoa, provided services amounting to a total of USD 246 thousand, across several projects. The services included support relating to enterprise partnerships and sales, compliance, as well as vendor assessment and negotiations, delivered by staff employed by Glitrafjord and were not performed by Eilert Hanoa. In 2022, the Kahoot Group acquired services from more than 100 contractors through more than 30 vendors.

The amounts in the table above are presented within other operating costs.

The Group did not have any related party transactions that are recognized in the balance sheet at the end of each year presented herein.

Key management personnel remuneration

	2022		2021	
USD in thousands	CEO	Other key mgmt.	CEO	Other key mgmt.
Short-term employee benefits	302	1,311	290	1,123
Post-employment benefits	3	35	3	37
Other benefits	1	33	1	105
Share based payments received	34	0	0	720
Total key management comp.	339	1,380	294	1,985

The CEO has 6 months' notice period and 6 months' severance pay.

Share-based payments presented in the table above relate solely to the benefit resulting from exercise of share options in the respective years.

Paid remuneration to the Board of directors were $318 thousand in 2022 (2021: $246 thousand). The remuneration includes the annual fee reflecting the role in the Board and applicable remuneration for any board committee the respective director takes part in.

Number of shares held by key management personnel and the Board of Directors

	2022 Shares	2021 Shares
Eilert Hanoa (CEO) [1]	41,283,910	41,208,910
Åsmund Furuseth (CPO) [2]	7,606,000	7,606,000
Jostein Håvaldsrud (CTO) [3]	460,097	370,097
Lars Erik Grønntun (COO-CMO) [4]	1,119,960	1,119,960
Ken Østreng (CFO)	45,000	45,000
Mads Rebsdorf (CRO) [5]	100,000	100,000
Andreas Hansson (Chairman of the Board)	100,000	-
Chris Caulkin (Member of the Board)	-	-
Lori Wright (Member of the Board)	11,556	-
Joanne Bradford (Member of the Board)	11,556	-
Stefan Blom (Member of the Board)	50,000	50,000
Sarah Blystad (Employee representative member of the Board)	-	-
Alexander Remen (Employee representative member of the Board)	-	-

[1]) Hanoa holds shares through Glitrafjord AS, which is controlled by Hanoa.

[2]) Furuseth holds shares through Newbrott AS, which is controlled by Furuseth.

[3]) Håvaldsrud holds shares personally and through Jems Holding AS, which is controlled by Håvaldsrud.

[4]) Grønntun holds shares through Eikum AS, which is controlled by Grønntun.

[5]) Rebsdorf holds shares through MREB Invest AS, which is controlled by Rebsdorf.

Board members:

Stefan Blom holds 300,000 options and 37,563 Restricted Share Units ("RSUs) (2021: 300,000 options). Andreas Hansson holds 37,563 RSUs (2021: 0 RSUs), while Lori Wright and Joanne Bradboard each holds 37,563 RSUs (2021: 11,556 RSUs). Alexander Remen holds 270,000 options and 75,000 RSUs (2021: 195,000 options and 0 RSUs), while Sarah Blystad holds 45,000 options and 45,000 RSUs (2021: 0 options and 0 RSUs)

Share options issued to management

For a description of the share-option program, see note 17.

Share options 2022	Granted	Vested	Exercised	Total outstanding	Weighted average exercise price	Remaining contractual life [1]
Eilert Hanoa (CEO)	250,000	487,500	75,000	925,000	26.5	2.05
Åsmund Furuseth (CPO)	125,000	100,000	-	225,000	37.1	3.24
Jostein Håvaldsrud (CTO)	125,000	166,666	-	625,000	44.0	2.68
Lars Erik Grønntun (COO-CMO)	125,000	656,250	-	875,000	24.4	1.71
Ken Østreng (CFO)	125,000	525,000	-	725,000	21.4	1.68
Mads Rebsdorf (CRO)	125,000	299,999	-	525,000	34.8	2.23

Restricted Share Units 2022	Granted	Vested	Exercised	Total outstanding	Weighted average exercise price	Remaining contractual life [1]
Eilert Hanoa (CEO)	250,000	-	-	250,000	0.1	3.50
Åsmund Furuseth (CPO)	125,000	-	-	125,000	0.1	3.50
Jostein Håvaldsrud (CTO)	125,000	-	-	125,000	0.1	3.50
Lars Erik Grønntun (COO-CMO)	125,000	-	-	125,000	0.1	3.50
Ken Østreng (CFO)	125,000	-	-	125,000	0.1	3.50
Mads Rebsdorf (CRO)	125,000	-	-	125,000	0.1	3.50

Share options 2021	Granted	Vested	Exercised	Total outstanding	Weighted average exercise price [2]	Remaining contractual life [1]
Eilert Hanoa (CEO)	-	237,500	-	750,000	27.0	2.48
Åsmund Furuseth (CPO)	-	50,000	100,000	100,000	56.0	3.92
Jostein Håvaldsrud (CTO)	500,000	-	-	500,000	59.0	4.39
Lars Erik Grønntun (COO-CMO)	-	312,500	-	750,000	24.8	2.37
Ken Østreng (CFO)	-	250,000	-	600,000	21.3	2.25
Mads Rebsdorf (CRO)	-	133,333	-	400,000	42.3	3,75

[1] Weighted average remaining contractual life of options outstanding at end of period.

[2] For outstanding share options where the share option exercise price is determined. Exercise price for remaining share options were based on 20 days weighted average exercise price (VWAP) prior to the date of the Company's annual general meeting in 2022.

NOTE 22
INVESTMENTS IN SUBSIDIARIES

Company	Year of acquisition/ incorporation	Registered office	Voting share	Ownership share
Kahoot! EDU Ltd.	2014	United Kingdom	100%	100%
Kahoot! EDU Inc.	2015	United States	100%	100%
Poio AS	2019	Norway	100%	100%
Kahoot DragonBox AS	2019	Norway	100%	100%
Dragonbox Finland Oy	2019	Finland	100%	100%
We Want to Know S.a.r.l	2019	France	100%	100%
Kahoot! Denmark ApS	2020	Denmark	100%	100%
Kahoot Spain SL	2020	Spain	100%	100%
PlanB Labs Oü	2020	Estonia	100%	100%
Kahoot! International AS	2020	Norway	100%	100%
Kahoot! International 2 AS	2021	Norway	100%	100%
Motimate AS	2021	Norway	100%	100%
Digital Teaching Tools Finland Ltd	2021	Finland	100%	100%
Clever, Inc	2021	United States	100%	100%
Kahoot! Poland Sp. Z.o.o.	2022	Poland	100%	100%

NOTE 23
SHAREHOLDER INFORMATION

Ownership structure

All shares have equal voting rights.

Largest shareholders as of 31 December 2022:

Shareholders	Number of shares	% of shares
JPMorgan Chase Bank	73,742,080	15.0 %
Glitrafjord AS	41,283,910	8.4 %
Datum AS	28,000,000	5.7 %
Folketrygdfondet	20,357,446	4.1 %
Creandum III LP	20,000,000	4.1 %
Citigroup Global Markets Inc.	13,500,000	2.7 %
State Street Bank and Trust Comp	12,302,655	2.5 %
The Northern Trust Comp	8,864,698	1.8 %
Newbrott AS	7,606,000	1.5 %
State Street Bank and Trust Comp	7,341,250	1.5 %
Versvik Invest AS	7,331,562	1.5 %
Nordnet Bank AB	6,091,978	1.2 %
J.P. Morgan SE	5,780,421	1.2 %
Datum Invest AS	5,499,011	1.1 %
JPMorgan Chase Bank, N.A.	5,495,168	1.1 %
Citibank, N.A.	5,132,495	1.0 %
Gamification AS	5,130,277	1.0 %
J.P. Morgan SE	5,000,000	1.0 %
J.P. Morgan SE	4,918,149	1.0 %
UBS Switzerland AG	4,513,365	0.9 %
Total remaining shareholders	204,945,584	41.6 %
Total number of shares	492,836,049	100%

NOTE 24

CONTINGENCIES AND LEGAL CLAIMS

Accounting principles

Contingent liabilities are not recognized in the financial statements. Material contingent liabilities are disclosed, with the exception of contingent liabilities where the probability of the liability occurring is remote.

Description

Kahoot! and other companies within the Group may from time to time be party to various legal claims and proceedings that arise in the ordinary course of business, including customer, employee, tax and related actions, in which third parties may seek monetary and/or equitable relief. Furthermore, like many technology companies with international presence, Kahoot!'s operations expose the Group to differences in foreign trademark, trade dress, copyright, patent and other laws concerning proprietary rights and degree of protection, which may subject it to claims of infringement of third-party intellectual property rights in the jurisdictions where it operates. Management with the assistance of legal counsel in various jurisdictions periodically reviews the status of such matters and assesses potential financial exposure.

Kahoot! Group is not involved in or received notice of any legal or regulatory action that may be of material adverse effect for the Group.

NOTE 25

EVENTS AFTER THE REPORTING PERIOD

There were no events outside of ordinary business after the reporting period.

NOTE 26

NEW AND AMENDED STANDARDS NOT YET ADOPTED BY THE GROUP

The amendments to IFRS and new IFRS standards applicable to Kahoot! that have been issued but were not yet effective as of the balance sheet date are listed below. Kahoot! will implement the new standards from their effective date, subject to endorsement by the EU. At the date of the Board approval of these financial statements, Kahoot! has not identified any significant impact to the consolidated financial statements as a result of any new amendments or standards that are effective for 2023. The impact of changes which are effective from 2024 and beyond are not yet assessed.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies
The amendment is effective for annual periods beginning on or after 1 January 2023. IAS 1 is amended to require entities to disclose their *material* rather than their *significant* accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. The IASB amended *IFRS Practice Statement 2 Making Materiality Judgements* to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Amendments to IAS 8 – Definition of accounting estimates The amendments are effective for annual periods beginning on or after 1 January 2023. The amendment clarifies how companies should distinguish changes

in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction The amendments are effective for annual periods beginning on or after 1 January 2023. The amendment requires companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. The cumulative effect of recognizing these adjustments is recognized in retained earnings, or another component of equity, as appropriate.

IFRS 17 Insurance Contracts IFRS 17 will be effective for annual periods beginning on or after 1 January 2023. IFRS 17 covers the recognition, measurement, presentation, and disclosures for insurance contracts. Once effective, IFRS 17 will replace *IFRS 4 Insurance contracts*.

Amendments to IAS 1 – Non-current liabilities with covenants On 31 October 2022 the IASB issued this amendment in response to concerns raised on applying previous amendments to the classification of liabilities as current or non-current that would have become effective for reporting periods beginning on or after 2023.

The new amendments are effective for annual reporting periods beginning on or after 1 January 2024 and override the previous amendments. The new amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period. Earlier application is permitted.

IAS 1 Presentation of financial statements requires that, for an entity to classify a liability as non-current, the entity must have the right at the reporting date to defer settlement of the liability for at least twelve months after that date. This amendment clarifies that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification as current or non-current, even if the covenant is only assessed after the entity's reporting date. This amendment also introduces additional disclosure requirements to enable users of financial statements to understand the risks related to whether the liability could become repayable within twelve months of the reporting period.

Amendment to IFRS 16 – Leases on sale and leaseback This amendment was published in September 2022 and will be effective for annual periods beginning on or after 1 January 2024.

These amendments include requirements for sale and leaseback transactions that are within the scope of IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Management anticipates that these standards and interpretations will be adopted at the dates stated above provided that the standards and interpretations are approved by the EU with no material impact or significant changes.

FINANCIAL STATEMENTS KAHOOT! ASA 2022

Parent company statement of profit or loss

USD in thousands

Note	Operating revenue and operating expenses	2022	2021
3	Operating revenue	71,506	55,032
4	Distribution and content expenses	4,067	3,452
5	Payroll and related expenses	15,047	10,867
6	Other operating expenses	26,555	22,465
	Total operating expenses	45,669	36,784
	Operating profit/(loss) before depr. and amortiz. (EBITDA)	25,837	18,248
8	Depreciation tangible assets	212	158
7	Depreciation intangible assets	926	1,008
	Operating profit/(loss) (EBIT)	24,699	17,082
	Financial income and expenses		
	Financial income	2,425	1,219
9	Interest income from group companies	15,176	4,497
	Financial expenses	(42)	(15)
	Net foreign exchange gains (losses)	(3,799)	(1,433)
	Net financial income (expense)	13,760	4,268
	Profit/(loss) before income tax	38,459	21,350
13	Income tax	22,454	9,509
	Profit/(loss) for the year	16,005	11,841
	Allocations and transfers		
2	Transferred to/from other equity	16,005	11,841
	Total allocations transfers	16,005	11,841

Parent company balance sheet

USD in thousands

Note	ASSETS	2022	2021
7	Research and development	683	1,120
7	Technology	1,801	1,801
7	Domain	82	102
13	Deferred tax assets	339	6,680
	Total intangible assets	2,905	9,703
8	Fixtures and fittings	742	326
	Total tangible fixed assets	742	326
9	Investments in subsidiaries	215,890	112,634
9	Loans to group companies	423,118	471,107
	Total financial non-current assets	639,008	583,741
	Total non-current assets	642,655	593,770
10	Accounts receivables	2,650	2,817
	Prepaid expenses and other current assets	2,259	1,794
9	Receivables from group companies	133	-
11	Cash and cash equivalents	73,151	84,150
	Total current assets	78,193	88,761
	TOTAL ASSETS	**720,848**	**682,531**

Note	EQUITY AND LIABILITIES	2022	2021
2,12	Share capital	5,773	5,707
2,12	Share premium	667,189	655,991
2	Other paid-in equity	33,026	17,366
	Total paid-in equity	705,988	679,064
2,12	Other equity	(31,595)	(47,600)
	Total equity	674,393	631,464
14	Other non-current liabilities	-	1,748
	Total non-current liabilities	-	1,748
3	Deferred revenue	36,386	31,729
9	Liabilities payable to group companies	220	234
14	Accounts payable	3,150	3,083
14	Public duties payable	3,945	6,879
14	Other current liabilities	2,754	7,394
	Total current liabilities	46,455	49,319
	Total liabilities	46,455	51,067
	TOTAL EQUITY AND LIABILITIES	**720,848**	**682,531**

THE BOARD OF DIRECTORS
OF KAHOOT! ASA

19 April 2023

Sign

ANDREAS HANSSON
Chair

Sign

CHRIS CAULKIN
Board member

Sign

LORI WRIGHT
Board member

Sign

JOANNE BRADFORD
Board member

Sign

STEFAN BLOM
Board member

Sign

ALEXANDER REMEN
Board member, employee appointed

Sign

CHARLOTTE KRISTIANSEN
Board member, employee appointed

Sign

EILERT HANOA
CEO

Parent company statement of cash flows

USD in thousands

	Note	2022	2021
Cash flow from operating activities			
Profit/(loss) before tax		38,459	21,351
Depreciation and amortization	7,8	1,138	1,166
Share-based payments expense	5	4,846	4,093
Change in trade receivables	10	167	(1,873)
Change in trade payables		(266)	1,559
Changes in public duties payable		1,286	(9,643)
Changes in intercompany balances		(139)	(1,174)
Changes in deferred revenue		4,656	8,401
Changes in other current assets		(465)	(571)
Changes in other liabilities		(1,854)	476
Net cash flow from operating activities		47,828	23,785
Cash flow from investing activities:			
Purchases of fixed assets	8	(296)	(154)
Outflows due to purchases of intangibles	7	(832)	(562)
Cash payments acquisitions subsidiaries		(1,573)	(20,751)
Net cash flow from investing activities		(2,701)	(21,467)
Cash flow from financing activities:			
Change in intercompany loan financing	9	(56,334)	(366,901)
Net proceeds from equity issue	2	821	196,575
Net cash flow from financing activities		(55,513)	(170,326)
Effects of currency rate changes on cash and cash equivalents		(613)	884
Net change in bank deposits, cash and equivalents		(10,999)	(167,124)
Bank deposits, cash and equivalents at 1 January	11	84,150	251,274
Bank deposits, cash and equivalents at 31 December		73,151	84,150

NOTE 1

PARENT COMPANY ACCOUNTING PRINCIPLES

General information

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

Basis of preparation

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The financial statement is presented in USD.

Functional currency

The functional currency of Kahoot! ASA is USD. All figures within the financial statement is presented in USD unless otherwise noted.

Classification and evaluation of balance sheet Items

Current assets as well as current liabilities include items which fall due for payment within one year after time of acquisition. The remaining items are classified as fixed assets / long-term debt. Current assets are evaluated to the lowest sum of acquisition cost and fair value. Fixed assets are evaluated to acquisition cost and depreciated over the expected economic lifetime. In case of permanent impairment testing fixed assets are written down to recoverable amounts.

Tangible assets

Tangible assets are stated at historical cost less depreciation and adjustments for impairment losses.

Acquisition cost of fixes assets includes fees, taxes and other direct purchase expenses necessary to prepare the fixed asset for operation. Accrued expenses for spare parts of fixed assets are included in the balance value when these kinds of expenses are considered to represent future economical benefits in excess of the originally assessed functional standard of the asset, and the expenses can be measured reliably. All other costs are expensed in the income statement as they occur.

Depreciations are charged to the income statement using the straight-line method over estimated utilized lifetime.

The remaining value of a fixed asset is evaluated annually unless the value is considered insignificant.

Intangible assets

Expenses relating to the development of intangible assets, including research and development expenses, are capitalized when it becomes probable that the future economic benefits arising from the assets will accrue to the company, and the cost of the assets can be reliably measured.

Intangible assets that are acquired separately, are recognized at historical cost.

Intangible assets with a limited economic life are amortized on a systematic basis. Intangible assets are written down to the recoverable amount if the expected economic benefits are not covering the carrying amount and any remaining development costs.

Subsidiaries

Subsidiaries are valued by the cost method. The investment is valued as cost of acquired shares in the subsidiary, providing that write down is not required. Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental. Write downs are reversed when the cause of the initial write down are no longer present. Dividend and other distributions are recognized in the same year as accrued for in the subsidiary.

Accounts receivables

Accounts receivables and other receivables are recognized at their anticipated realizable value, which is the original invoice amount less an estimated allowance for impairment loss on these receivables. Individual considerations are made with respect to customer receivables and other receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank, inclusive of restricted holdings.

Foreign currency

Foreign currency receivables and liabilities are converted using the year-end exchange rates. Foreign currency transactions are recorded at the exchange rate on the transaction date.

Revenue recognition
Revenues from software licenses (subscriptions) are recognized in the income statement based on the duration of the contract period.

Operational leases
Leases for which most of the risk rests with the other contracting party, are classified as operating leases. Lease payments are classified as operating costs and charged to the income statement over the contract period.

Pension contributions
Commitments to contribute pension arrangements to employees are charged to the income statement when they occur.

Provisions
A provision is recognized when the Company has a present liability (legal or implicit) resulting from a past event and it is probable that a contribution of resources entailing economic payment will be required to settle the liability, and a reliable estimate of the amount of the liability can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. When the effect of time is insignificant, the provisions will be equal to the size of the expense necessary to be free of the liability. When the effect of time is significant, the provisions will be the present value of future payments to cover the liability.

Income tax expense
The income tax consists of tax payable and changes to deferred tax. Income taxes are recognized in the income statement with exception of taxes from items recognized directly to equity. Taxes payable amounts to expected payable tax from taxable profit for the year at applicable tax rates at the balance date, and adjustments (if any) of payable taxes from previous years. Provisions are made for deferred taxes based on the balance-oriented liability method, considering temporary differences between the carrying amount and the tax bate of assets and liabilities. Provisions for deferred taxes are based on expected settlements of balance values of assets and liabilities and are calculated with the tax rates approved for future periods at the balance date.

Deferred tax assets are recognized when it is probable that the Company will have a sufficient profit for tax purposes to utilize the tax asset. Deferred tax assets are reduced if it is no longer likely that the asset may be utilized.

Cash flow statement
Cash flow statement is prepared according to the indirect method.

Use of estimates
The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts in the profit and loss statement, the measurement of assets and liabilities and the disclosure of contingent assets and liabilities on the balance sheet date. Actual results can differ from these estimates.

Share-based payments
Share-based compensation benefits are provided to employees. For details and description of accounting policy regarding the share option program in Kahoot! Group, see note 17 in the consolidated Group financial statement.

NOTE 2

EQUITY

USD in thousands

Equity	Share capital	Share premium	Other paid-in equity	Other equity	Total equity
Equity at 1 January 2021	5,228	359,977	8,497	(59,441)	314,261
Share issuance	479	296,014	-	-	296,493
Share-based payments	-	-	8,869	-	8,869
Profit/(loss) of the year	-	-	-	11,841	11,841
Equity at 31 December 2021	5,707	655,991	17,366	(47,600)	631,464
Share issuance	66	11,198	-	-	11,264
Share-based payments	-	-	15,660	-	15,660
Profit/(loss) of the year	-	-	-	16,005	16,005
Equity at 31 December 2022	5,773	667,189	33,026	(31,595)	674,393

NOTE 3

REVENUE

Over 90% of revenue in Kahoot! is prepaid annual contracts on software licenses (subscriptions).

Revenues from software licenses (subscriptions) are recognized in the income statement based on the duration of the contract period. All deferred revenue will recognized as operating revenue in within twelve months following the sale.

USD in thousands	2022	2021
Subscription revenue	71,506	55,032
Total operating revenue	71,506	55,032

USD in thousands	2022	2021
USA and Canada	39,466	29,211
Europe	18,654	15,202
Asia Pacific	7,857	6,576
Latin America and The Caribbean	3,423	2,558
Africa, The Middle East, and India	2,106	1,485
Total operating revenue	71,506	55,032

NOTE 4

DISTRIBUTION AND CONTENT EXPENSES

Distribution and content expenses relate directly to costs incurred on the Company's sales through the websites or through app stores. The Company partners with payment gateway providers and app stores as a marketing channel to sell their products. The payment gateways charge fees for processing and collecting payments from website sales and app stores collect a percentage ranging from 15% to 30% of revenues earned from the Kahoot! app store sales as a fee for payment collections services provided to the Company.

NOTE 5

PAYROLL COSTS, NUMBER OF EMPLOYEES AND BENEFITS

USD in thousands	2022	2021
Wages and salaries	10,910	10,695
Social security tax	(1,529)	4,553
Pension costs	230	221
Share-based payment	4,846	(5,081)
Other personnel costs	590	479
Total payroll expenses	15,047	10,867
Average full-time employees	111	106

The CEO has 6 months' notice period and 6 months' severance pay.

The CEO was granted 250,000 share options and 250,000 Restricted Share Units ("RSUs") in 2022 (2021: 0 options and 0 RSUs) and has 925,000 share options and 250,000 RSUs outstanding as of 31 December 2022 (2021: 750,000 share options and 0 RSUs). The average exercise price for the outstanding share options is NOK 26.50 and NOK 0.10 for the outstanding RSUs. The CEO vested 250,000 share options in 2022 (2021: 237,500) and 0 RSUs. Further, the CEO exercised 75,000 share options in 2022 (2021: 0 share options).

Remuneration paid to the Board of directors were $318 thousand in 2022 (2021: $246 thousand).

For details regarding the share option program in Kahoot! Group, see note 17 in the consolidated Group financial statement.

The company is obligated to follow the stipulations in the Norwegian Mandatory Occupational Pensions Act. The company's pension scheme adheres to the requirements, as set in the Act. The defined contribution plans had 111 members in 2022 (2021: 106).

NOTE 6
OPERATING EXPENSES

Other operating cost consists of the following:

USD in thousands	2022	2021
Consulting	9,357	9,227
Office rent	1,275	1,102
IT and hosting services	6,646	5,713
Other operating expenses	2,988	2,797
Intercompany expenses	6,289	3,626
Total	26,555	22,465

Specification of auditors' fees

Remuneration to Deloitte AS is as follows:

USD in thousands	2022	2021
Statutory audit	2,027	1,585
Other assurance services	23	50
Other advisory services	57	194
Total	2,107	1,829

NOTE 7
INTANGIBLE ASSETS

USD in thousands	R&D	Technology	Domain	Total
Cost at 1 January 2021	4,528	-	204	4,732
Additions	215	1,801	-	2,016
Cost at 31 December 2021	4,743	1,801	204	6,748
Additions	469	-	-	469
Cost at 31 December 2022	5,212	1,801	204	7,217
Accumulated at 1 January 2021	2,717	-	-	2,717
Amortization for the year	906	-	102	1,008
Accumulated at 31 December 2021	3,623	-	102	3,725
Amortization for the year	906	-	20	926
Accumulated at 31 December 2022	4,529	-	122	4,651
Carrying amount at 31 December 2021	1,120	1,801	102	3,023
Carrying amount at 31 December 2022	683	1,801	82	2,566
Estimated useful life	3-5 years	3-5 years	10 years	
Amortization method	Linear	Linear	Linear	

In the second half of 2021, Kahoot! acquired Intellectual Property Rights (IPR) to extend the Kahoot! platform. The acquisition was capitalized and classified under technology in the table above. The acquired IPR was not ready for use at the end of 2022 and as such there has been no amortization charged in 2021 and 2022.

NOTE 8

PROPERTY, PLANT AND EQUIPMENT

USD in thousands	IT equipment	Fittings and fixtures	Total
Cost at 1 January 2021	272	264	535
Additions	154	-	154
Exchange differences	-	-	-
Cost at 31 December 2021	426	264	689
Additions	296	332	628
Cost at 31 December 2022	721	596	1,317
Accumulated depreciation at 1 January 2021	117	88	205
Depreciation for the year	105	53	158
Exchange differences	-	-	-
Accumulated depreciation at 31 December 2021	222	141	363
Depreciation for the year	159	53	212
Accumulated depreciation at 31 December 2022	381	194	575
Carrying amount at 31 December 2021	204	123	326
Carrying amount at 31 December 2022	340	402	742
Estimated useful life	3 years	5 years	
Depreciation method	Linear	Linear	

NOTE 9

INVESTMENT IN SUBSIDIARIES AND TRANSACTIONS AND BALANCES WITH RELATED PARTIES

USD in thousands

Company	Year of acquisition	Registered office	Ownership/ voting share	Equity 2022 [2]	Net result 2022 [1]	Book value
Kahoot! EDU Ltd	2014	UK	100%	225	23	181
Kahoot! EDU Inc	2015	US	100%	(1,967)	174	960
Poio AS	2019	Norway	100%	(580)	44	6,959
Kahoot Dragonbox AS	2019	Norway	100%	(1,860)	(1,461)	25,860
Kahoot! Denmark ApS	2020	Denmark	100%	2,288	(584)	39,691
Kahoot! International AS	2020	Norway	100%	34,386	1,133	33,753
Kahoot! International 2 AS	2021	Norway	100%	43,014	(6,755)	67,153
Motimate AS	2021	Norway	100%	2,278	(368)	30,505
Digital Teaching Tools Finland Ltd	2021	Finland	100%	134	(57)	10,825
Kahoot! Poland Sp. z.o.o.	2022	Poland	100%	1	0	3

[1] Net result included from the date of acquisition for companies acquired during the year. Net result is translated to USD using average foreign exchange rate for the year.

[2] Equity is translated to USD using the closing foreign exchange for the year.

USD in thousands

Company	Receivables	Liabilities	Interest
Clever Inc	-	(27)	-
Dragonbox Finland Oy	80	-	-
Kahoot! EDU Ltd	-	(193)	-
Kahoot! EDU Inc	138	-	-
Poio AS	590	-	18
Kahoot Dragonbox AS	326	-	32
Kahoot! Denmark ApS	-	-	-
Kahoot! International AS	-	-	813
Kahoot! International 2 AS	422,064	-	14,313
Kahoot! Poland Sp. z.o.o.	53	-	-
Total	423,251	(220)	15,176

Transactions with related parties are carried out on an arm's length basis; cf. also the Public Limited Liability Companies Act, Sections 3-8 and 3-9.

NOTE 10
TRADE RECEIVABLES

USD in thousands	2022	2021
Accounts receivables	2,720	2,857
Provisions for bad debt	(70)	(40)
Total	2,650	2,817

NOTE 11
CASH AND CASH EQUIVALENTS

USD in thousands	2022	2021
Cash and cash equivalents	73,151	84,150
Whereof restricted cash	(1,872)	(1,187)
Non restricted cash	71,279	82,963

NOTE 12
SHARE CAPITAL AND SHAREHOLDER INFORMATION

The share capital in the company as of 31 December 2022 consists of:

	Total number of shares authorized, issued and outstanding	Share capital (NOK)	Share capital (USD)
Balance at 1 January 2021	446,091,967	44,609,197	5,228,090
Issued during the year	40,489,512	4,048,951	479,265
Balance at 31 December 2021	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

For shareholder information, see note 23 in the consolidated Group financial statement.

NOTE 13
TAX

USD in thousands

Specification of income tax:	2022	2021
Income tax	16,113	-
Changes in deferred tax over profit and loss	6,341	9,509
Income tax	22,454	9,509

Reconciliation from nominal to real income tax rate:	2022	2021
Profit/(loss) before taxation	38,459	21,350
Estimated income tax according to nominal tax rate (22%)	8,461	4,697
The tax effect of the following items:		
Share-based payments	1,066	900
Non-deductible expenses	3	173
Change in valuation earn-out (non-taxable/non-deductible)	(366)	(175)
Prior year corrections 1	-	(471)
Other items 2	13,290	4,385
Income tax	22,454	9,509
Effective income tax rate	58%	45%

[1] Prior year correction for 2021 relates to the timing of taxable deduction of transactions costs arising between 2017 and 2019.

[2] As mandated in Norway, all taxable income in Norway must be converted and reported in NOK. Kahoot! ASA has USD as its functional currency (see note 1), as such foreign exchange currency translation difference occur when converting USD to NOK for tax reporting purposes. For 2022 the foreign exchange currency translation resulted in additional taxable income of $56.6 million. The effect on income tax was $12.5 million (2021: $19.5 million in additional taxable income and $4.4 million as tax effect). Further, $0.8 million was charged to changes in deferred tax over profit and loss to realign foreign exchange currency translations relating to temporary tax positions in 2022.

Specification of the tax effect of temporary differences and losses carried forward

		2022		2021
USD in thousands	Benefit	Liability	Benefit	Liability
Fixed assets		4	4	
Receivables	13		-	8
Social security contribution on share-based payments	330		1,301	-
Losses carried forward			5,383	-
Total	343	4	6,688	8
Off-balance sheet deferred tax benefits	-		-	
Net deferred benefit/liability in the balance sheet	339		6,680	

For 2021, changes in deferred taxes assets in the balance sheet is $7,693 thousand year-on-year. The change comprise changes in deferred tax over profit and loss of $9,509 thousand and changes in deferred tax over equity of negative $1,816 thousand.

In 2022, the company has achieved a strong revenue growth as result of successful commercial development of the Kahoot! offerings. Kahoot!'s net income and cash flow from operations in 2022 is positive. The deferred tax benefit is included in the balance sheet on the basis of future taxable income.

NOTE 14
FINANCIAL LIABILITIES

Specification of Trade payables, Other current liabilities and Other non-current liabilities

USD in thousands	2022	2021
Trade payables	3,150	3,083
Other current liabilities		
Contingent consideration	-	3,938
Provision for social security tax share-based payment	1,502	5,721
Other current payables	5,198	4,614
Total trade payables other current liabilities	9,850	17,356
Other non-current liabilities		
Contingent consideration	-	1,748
Total other non-current liabilities	-	1,748

As of 31 December 2022, there are no further cash outflows arising from the contingent considerations (earnout) relating to the acquisitions in 2021 and 2020. For details and description of accounting policy regarding the contingent considerations, see note 4 and note 19 in the consolidated Group financial statement.

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 include 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.

- 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.

AUDITOR'S REPORT

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To the General Meeting of Kahoot! ASA

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kahoot! ASA, which comprise:

- The financial statements of the parent company Kahoot! ASA (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Kahoot! ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

The Company was listed in March 2021. We were the independent auditor of the Company prior to the listing. We have been the independent auditor of the Company for 2 years after the listing, including the year of listing.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Goodwill

Key audit matter	How the matter was addressed in the audit
In the Group's consolidated financial statements as of December 31, 2022, the carrying value of goodwill amounted to USD 487.2 million. For further information and a description of estimates and judgments involved related to assessments of the carrying value of goodwill, refer to note 11 in the Group's consolidated financial statements. According to IFRS as adopted by the EU, the goodwill is required to be tested for impairment annually or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The recoverability of the goodwill is dependent on assumptions about forecast of future cash flows, specifically forecast revenue, operating margin and long-term growth rates along with discount rates. The outcome of impairment assessments could vary significantly if different assumptions were applied. We assessed goodwill to be a key audit matter due to the importance of assumptions and level of uncertainties and judgements involved.	We assessed the design and implementation of the controls established by management related to assessment of the recoverability of goodwill. We assessed and challenged, by reference to past performance, externally derived data and forecast for economic factors, the reasonableness of management's judgements, in particular: • the cash flow forecast; • the long-term growth rate; and We have evaluated the assumptions and methodologies used and tested the mathematical integrity of the models. We utilized our internal fair value specialists to assess the discount rates used. We have also reviewed the disclosures included in note 11 of the consolidated financial statements.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Kahoot! ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report with the file name 2549004957SZTRN8CW77-2022-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 19 April 2023
Deloitte AS

Reidar Ludvigsen
State Authorised Public Accountant

This document is signed electronically.

RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge, the consolidated financial statements for the year ended 31 December 2022 have been prepared in accordance with IFRS as adopted by the EU, that the financial statements for the parent company for the year ended 31 December 2022 have been prepared in accordance with the Norwegian Accounting Act, that they give a true and fair view of the Company's and Group's assets, liabilities, financial position and results of operations, and that the Report of the Board of Directors gives a true and fair review of the development, performance and financial position of the Company and the Group and includes a description of the principle risks and uncertainties that they face.

19 April 2023

Sign

ANDREAS HANSSON
Chair

Sign

CHRIS CAULKIN
Board member

Sign

LORI WRIGHT
Board member

Sign

JOANNE BRADFORD
Board member

Sign

STEFAN BLOM
Board member

Sign

ALEXANDER REMEN
Board member, employee appointed

Sign

CHARLOTTE KRISTIANSEN
Board member, employee appointed

Sign

EILERT HANOA
CEO

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Domicile: Norway