

Kahoot! Group Fourth Quarter 2022 Preliminary Results

Oslo, 10 January 2023 - Kahoot! ASA (KAHOT) today announces preliminary results for its fiscal quarter ending 31 December 2022.

Kahoot! Group reports a solid fourth quarter result with continued profitable growth adding 60K net new paid subscriptions. The continued macroeconomic slowdown has, however, translated into lower-than-expected invoiced revenue growth for the fourth quarter. Given Kahoot!'s scalable operating model, the company delivered all-time high operating cash flow in line with guidance for the full year.

Preliminary results for fourth quarter ending 31 December 2022:

- Recognized revenue of approx. \$39m for the fourth quarter, up 18% YoY. For the full year approx. \$146m, up 60% YoY.
- Invoiced revenue of approx. \$43.5m for the fourth quarter, up 10% YoY. For the full year approx. \$168.5m, up 57% YoY (up 21% YoY on a full-year pro forma basis).
 - Kahoot! Group excluding Clever invoiced revenue of approx. \$31m, up 15% YoY. For the full year approx. \$104.5m, up 17% YoY
 - Clever invoiced revenue of approx. \$12.7m, ~0% YoY. For the full year approx. \$64m, up 28% YoY on a pro-forma basis
- Adjusted EBITDA exceeding \$9m for the fourth quarter, representing a margin of 24% versus 17% in Q4 2021. For the full year approx. \$30m, up 55% YoY.
- Operating cash flow of approx. \$17m for the fourth quarter, up 27% YoY. For the full year approx. \$42m, up 34% YoY. Cash and cash equivalents increased to \$105m by end of the fourth quarter. The Kahoot! Group has no interest-bearing debt.
- Net new 60K paid subscriptions for the fourth quarter, of which 40K from professional user categories. The Kahoot! Group exceeded 1.3m paid subscriptions by the end of the year, up 18% YoY.

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

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

solutions and delivering cash-generative, sustainable and profitable growth,” said Eilert Hanoa, CEO.

“Despite the lower than expected growth in billings in the fourth quarter and more demanding market conditions, we maintained consistent cost levels in line with previous quarters, resulting in all-time high operating cash flow at approx. \$42m and adjusted EBITDA of approx. \$30m for the full year. This is achieved due to our scalable business model and effective unit economics, demonstrated both before, under and after the pandemic. Our current operating capacity can deliver even stronger results, enabling continued invoiced revenue growth on par with the 2022 proforma growth level, with modest operational cost increase yielding further improvements in operating cash flow and adjusted EBITDA,” said Ken Østreng, CFO.

The company will provide further information regarding guidance and long-term ambitions in conjunction with the fourth quarter report, scheduled for release on 16 February 2023.

Alternative Performance Measures:

In order to enhance the understanding of the Kahoot! Group's performance, the Group presents certain measures and ratios considered as alternative performance measures (APMs) as defined by the European Securities and Markets Authority, and these should not be viewed as substitutes for any IFRS financial measures. The APMs includes Invoiced Revenue, EBITDA, adjusted EBITDA and adjusted cash flow from operations. 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.

Description of alternative performance measures:

- Invoiced Revenue is defined as the amount invoiced to customers in the relevant period.
- 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 preparation and cash effects related to share-based payment.

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About Kahoot!

Kahoot! is on a mission to make learning awesome! We want to empower everyone, including children, students, and employees to unlock their full learning potential. Our learning platform makes it easy for any individual or corporation to create, share, and host learning sessions that drive compelling engagement. Launched in 2013, Kahoot!'s vision is to build the leading learning platform in the world. Since launch, Kahoot! has hosted hundreds of millions of learning sessions with over 8 billion participants (non-unique) in more than 200 countries and regions. The Kahoot! Group includes Clever, the leading US K-12 EdTech learning platform, together with the learning apps DragonBox, Poio, Drops, Actimo, Motimate, and Whiteboard.fi. The Kahoot! Group is headquartered in Oslo, Norway with offices in the US, the UK, France, Finland, Estonia, Denmark, Spain and Poland. Kahoot! is listed on the Oslo Stock Exchange under the ticker KAHOT. Let's play!