

PRESS RELEASE

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KIRKBI Acquires BrainPOP, A Leading Educational Technology Platform for Kids, Educators, and Families

KIRKBI A/S, the family-owned holding and investment company of the LEGO® brand, makes first acquisition in digital learning

BILLUND, DENMARK / NEW YORK CITY, U.S., October 11, 2022 – KIRKBI A/S, the family-owned holding and investment company of the LEGO brand ('KIRKBI'), and BrainPOP, a leading educational technology business (the 'Company'), today announced they have entered into a definitive agreement for KIRKBI to acquire 100% ownership of BrainPOP.

BrainPOP is a trusted digital education brand grounded in research and the science of learning. It has a presence in over two thirds of U.S. school districts and an estimated reach of 25M students annually, as well as an international presence. The Company was founded in 1999 by U.S.-based former pediatrician and immunologist Avraham Kadar, M.D., who coined its mission to empower kids to shape the world around them and within them.

BrainPOP's core products provide short, animated movies that spark kids' innate curiosity, build their knowledge, and make complicated and sometimes intimidating ideas simple, clear, and thought-provoking, alongside learning activities to help educators and parents build kids' higher-order thinking and life skills. The Company is also expanding its product lines. BrainPOP recently launched its first subject-specific offering, BrainPOP Science, a new supplemental, student-driven instructional and assessment solution for middle school classrooms.

Transaction Rationale

In the next ten years, the LEGO brand has an ambitious vision to become a global force for learning through play, be it physically or digitally. KIRKBI, as the long-term family owner of the LEGO brand, intends to invest in high-growth companies within digital play and digital learning that complement the existing LEGO branded entities.

Through further investment from KIRKBI, BrainPOP will continue to support the ongoing digital transformation of K–12 education, a trend accelerated by the pandemic, and expand their reach into the direct-to-consumer market.

Transaction Highlights

- Under the terms of the agreement, KIRKBI has acquired 100% of the equity of BrainPOP.
- BrainPOP remains operationally independent of KIRKBI and the LEGO Group, with KIRKBI assuming full control and accountability for BrainPOP's performance and governance.

KIRKBI A/S

Koldingvej 2
DK-7190 Billund

T: + 45 75 33 88 33
F: + 45 75 33 89 44

E: KIRKBI@KIRKBI.com
W: www.KIRKBI.com

CVR No.
18591235



- BrainPOP will benefit from further investment from KIRKBI to accelerate its ambitious product roadmap and help realize its growth ambitions, as well as access to best-practice learnings from KIRKBI and the broader LEGO ecosystem.
- Jørgen Vig Knudstorp, Executive Chairman of LEGO Brand Group, becomes Chairman of BrainPOP.
- Founder Dr. Avraham Kadar remains on the BrainPOP board of directors and shall be invited to act as a senior advisor to the acquiring group with respect to the wider efforts within Learning Through Play.
- Scott Kirkpatrick continues as BrainPOP's CEO and joins the Company's board of directors.

Avraham Kadar, M.D., Founder, BrainPOP, said: "I cannot imagine a more authentically mission-aligned partner than KIRKBI, who will ensure that BrainPOP continues to reach, delight, and educate countless kids for many years to come. At BrainPOP, we have always put kids at the center of everything we do. This unique DNA is deeply rooted in my perspective as a father, pediatrician, and scientist. I attribute much of the BrainPOP ethos to my own children, who taught me some of the most important lessons of my life. I was receptive to their thoughts and ideas, and that made all the difference. My team, in turn, was receptive to my dream, and brought it to life through a truly revolutionary multidisciplinary approach to education. At this historic moment, my gratitude for them is beyond measure. The magic we created together is our legacy and our future."

Jørgen Vig Knudstorp, Chair, LEGO Brand Group, said: "BrainPOP's values and commitment to deliver engaging learning experiences responsibly to millions of children is closely aligned with the LEGO® Idea, which originated 90 years ago, and is all about enabling the development of all children through playful learning. With BrainPOP's digital-first learning approach in the growing edtech market, KIRKBI's strategic acquisition of the company complements the LEGO branded entities, which all help kids learn through play, digitally and physically. Under KIRKBI's active ownership, backed by further investment, and led by CEO Scott Kirkpatrick and its nearly 300 employees, BrainPOP will continue to deliver amazing online educational experiences, renowned for pedagogical rigor and product and operational excellence."

Scott Kirkpatrick, CEO, BrainPOP, said: "Education is going through a digital transformation in schools and at home, resulting in the growing demand for high quality, engaging digital learning experiences for kids. Joining the LEGO ecosystem will enable BrainPOP to pioneer new educational offerings and extend our reach globally. I am delighted that the Kadar family has entrusted BrainPOP to KIRKBI to accelerate our vision to be the authority that builds and measures the skills needed to thrive in tomorrow's world."

ENDS.



Media Contacts

Louise Klinge (KIRKBI A/S)
+45 2921 1749 / louise.klinge@kirkbi.com

Thomas Rodgers (BrainPOP)
+001 601.334.6655 / thomas@whiteboardadvisors.com

About BrainPOP

BrainPOP (<https://www.brainpop.com/>) offers online educational solutions that make rigorous learning experiences accessible and engaging for all. Proven to raise academic achievement, the BrainPOP® brand has been trusted by educators and parents worldwide for more than two decades. Through school and district subscriptions, BrainPOP has a presence in over two thirds of U.S. districts and an estimated reach of 25 million students annually. Beloved by kids, BrainPOP provides endless opportunities for them to take agency over their learning through playful, knowledge-building content and learner-driven experiences that strengthen critical, computational, and creative thinking across the entire curriculum. The company is committed to empowering kids to succeed and thrive in the classroom and beyond.

About KIRKBI A/S

KIRKBI A/S is the Kirk Kristiansen family's private holding and investment company founded to build a sustainable future for the family ownership of the LEGO® brand through generations. Our work is focused on three fundamental tasks all contributing to enabling the Kirk Kristiansen family to succeed with the mission to inspire and develop the builders of tomorrow: We work to protect, develop, and leverage the LEGO brand across all the LEGO branded entities. We are committed to a long-term and responsible investment strategy to ensure a sound financial foundation for the owner family's activities as well as contributing to a sustainable development in the world. And, we are dedicated to support the family members as they prepare for future generations to continue the active and engaged ownership as well as supporting their private activities, companies and philanthropic work.

KIRKBI's strategic activities include 75% ownership of the LEGO Group and 47.5% ownership of Merlin Entertainments. The company's investment activities also include investments in EPIC Games, renewable energy, significant long-term investments in companies such as ISS, Nilfisk, Falck, Armacell, Vålinge and Landis+Gyr as well as real estate investments in Denmark, Switzerland, Germany, and the UK. See www.KIRKBI.com.

