

Kahoot!

Company Presentation
June 12th 2019

Key achievements YTD - 2019



1

1.1BN participating players (23% YoY growth) & 14M Kahoot accounts hosting games (29% YoY growth)

2

20% revenue growth QoQ & 500% YoY, with 85K paid seats mid-quarter, up from 40K in 2018

3

Completing acquisitions of **poio** & **DRAGONBOX**

4

Solid operations with strong improvement in cash flow

The acquisition of Dragonbox and Poio extends the offering of learning products at school and at home, builds a stronger pedagogy and enables additional innovative teams

Educational gaming platform Kahoot acquires math app maker DragonBox for \$18M

Ingrid Lunden @ingridlunden / 1 month ago

Comment

“(Kahoot! is) the Netflix of Education”



Kahoot!, the popular e-learning platform that provides a range of games to teach subjects (it has described itself as the “Netflix of education”), has made its first acquisition: it has acquired

DragonBox, a startup that builds math apps, for \$18 million in a

f t in e d shares.

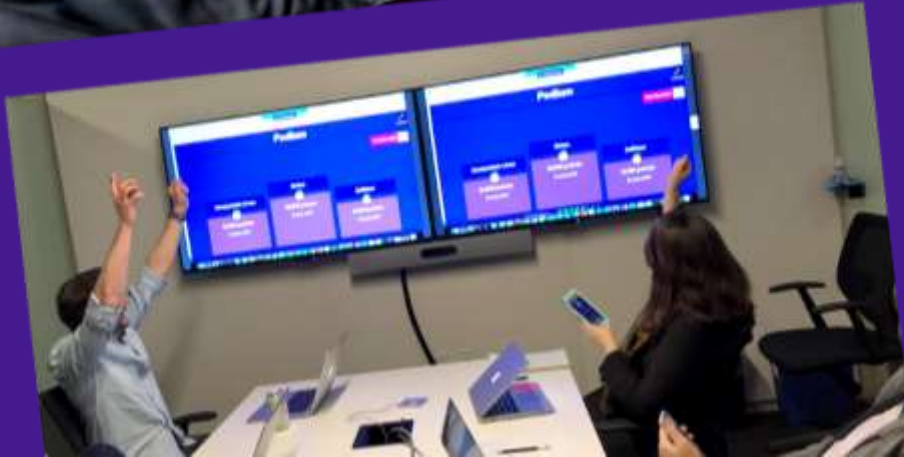
“The addition of DragonBox and Poio further the company’s collection of premium learning experiences”

“Kahoot! has made two acquisitions that will position it as a leading learning platform worldwide”

“(DragonBox titles) have racked up dozens of media accolades and industry awards”

“Kahoot said it now plans to bring DragonBox’s apps to its hundreds of millions of users.”

“Backed by Disney, Kahoot expands investment in new games”



Kahoot!

Make learning awesome

Our vision is to build
the leading learning
platform in the world



Introducing the Kahoot! areas

Kahoot! *at school*



Used in schools by teachers and students to increase classroom engagement and for formative assessment

Kahoot! *at home*



Ensures playful learning in a social setting, enabling parents to connect with their children's education - ad free!

Kahoot! *at work*



Provides engaging corporate learning used for training, presentations, events and team building



Revenue and user growth in all areas

Kahoot! *at school*



Over 5M teachers and hundreds of millions of students participating

Over 40K paying teachers and 15K class curriculum set (DragonBox)

Kahoot! *at home*



Over 5M parents and 100M games played LTM

1M users on premium apps: DragonBox Math & Chess, and Poio learn to read

Kahoot! *at work*



Over 500K registered business accounts, over 50K paying business users in all segments with 20M participants LTM



Strategic roadmap

Kahoot! *at school*



Premium editions for teachers to increase conversion, developing curriculum for key subject subscriptions for classes

Kahoot! *at home*



Building a learning suite for families combining the premium apps on subscription

Kahoot! *at work*



Launch additional products to expand inside corporate learning vertical reach, on subscription for presenters and all employees



Kahoot! *at school*



DRAGONBOX



245,068 views | Jul 1, 2013, 07:01am

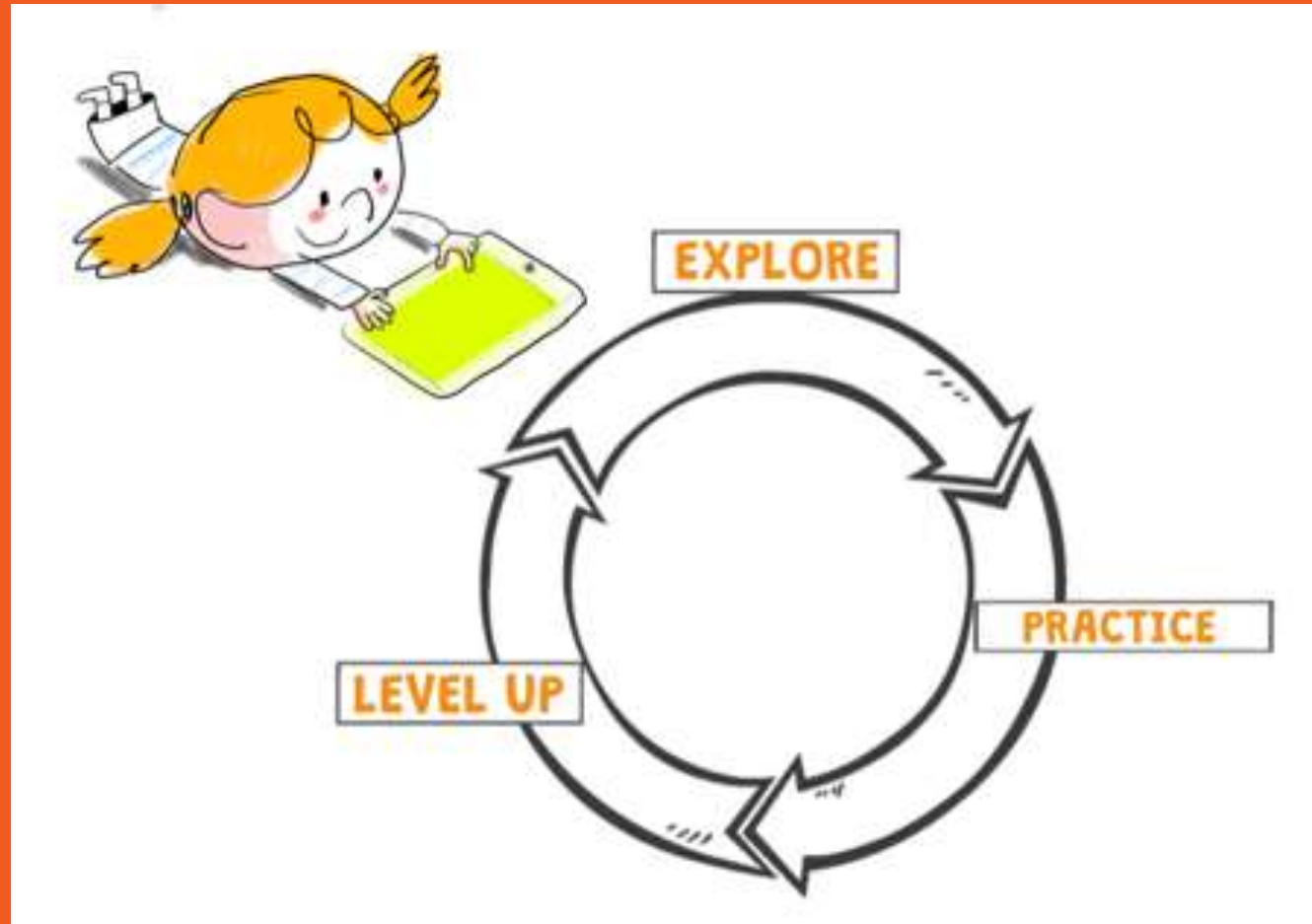
It Only Takes About 42 Minutes To Learn Algebra With Video Games

**Jordan Shapiro** Contributor*I write about global education, game-based learning, kids, & culture.*

On average, it took 41 minutes and 44 seconds for students to master Algebra skills during the Washington State Algebra Challenge using the [DragonBox](#)



The DragonBox Method



School Market: Complete Solution



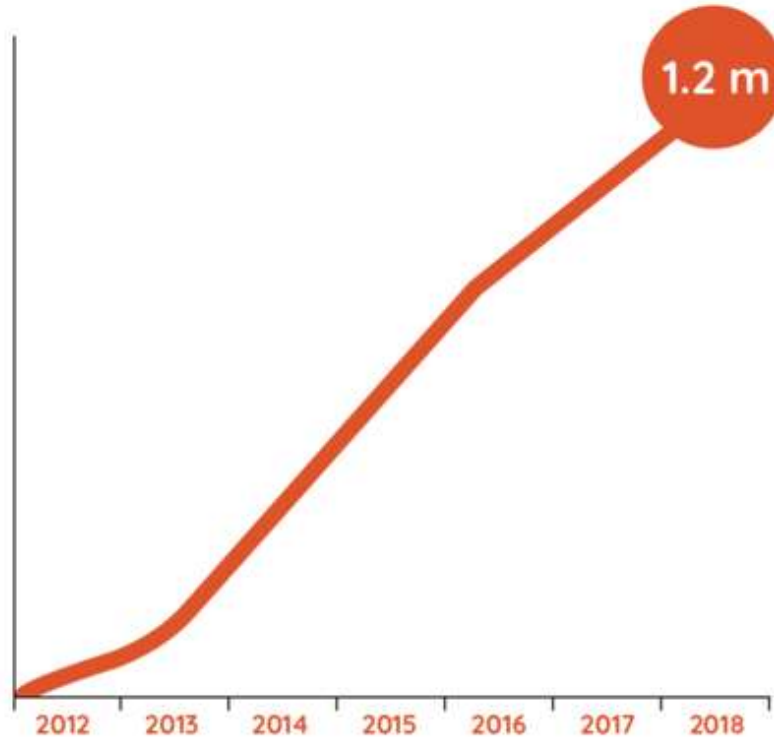
- Math curriculum for grades 1-3 (4-6 coming soon)
- Currently available in Finland and Norway
- Finland's Best e-learning Solution Award 2019

School Market: Complete Solution



- Research based
- Extreme attention to storytelling and universe
- Digital + Print Books + Physical Manipulatives

Home market: Apps



**"SO BRILLIANTLY DESIGNED THAT
IT MAKES LEARNING DIFFICULT
CONCEPTS SEEM EASY"**

USA TODAY

**"THE MOST IMPRESSIVE
MATH EDUCATION APP
THAT I'VE SEEN"**

The New York Times

**"DRAGONBOX IS MAKING ME RECONSIDER
ALL THE TIMES I'VE CALLED AN
EDUCATIONAL APP INNOVATIVE"**

WIRED



Home market: Apps



- Math and chess learning games
- Experts and world press: revolutionary
- Research based



Kahoot! *at school*

Embraced by teachers Loved by students

Kahoot! increases classroom engagement and is used as formative assessment

Create fun learning games in minutes or choose from over 30 million games

Over 5 million teachers in K-12 and higher education hosted a Kahoot! game LTM

Current offerings:

- Kahoot in classroom, all subjects
- Dragonbox school, math curriculum grades 1-3 in Norway and Finland
- Poio used in school pilot



Kahoot! *at school*

Road map



- 1 Continue to grow user base** and engagement of teachers and students
- 2 Developing curriculum** for key subjects such as math, literacy and languages based on the Dragonbox math curriculum and method including the Poio class kit pilots
- 3 Build on current subscriptions** for schools, both for teachers and students in classrooms @ \$1-5 per user/month. Expanding the Dragonbox School offering for math to grades 1-6 (NO, FI, and additional countries)



Kahoot! *at home*



Kahoot! *at home*

Trusted by parents Top 5 in US App Stores (EDU)

100M games played LTM making learning awesome in all settings and any topic

Current offerings:

- Kahoot! at Home
- DragonBox Math
- DragonBox Chess
- Poio - learn to read

Playful learning in a social setting, enabling millions of parents to connect with their children's education, ad free

Rewarding efforts, and making screen time fun and productive



Algebra 5+

Algebra 12+

Elements

Numbers

Big Numbers

Magnus Kingdom of Chess**



Kahoot! *at home*

Road map



1

Grow free and paid user base of parents/children through Kahoot and the Dragonbox & Poio offerings

2

Building a learning suite with apps on subscription @ \$3-5 per family / month

3

Launch complete "Kahoot! family subscription" for "back to school 2020",





#1 learn-to-read app from Scandinavia

A child wearing a yellow long-sleeved shirt and blue denim shorts is captured mid-jump, clearing a low barrier made of several red, cylindrical pillows. The child's arms are outstretched for balance. To the right, the legs and feet of another person, wearing pink shorts, are visible, suggesting they are assisting or watching. The entire scene is set against a solid, vibrant orange background.

**This game will teach
your child to read!**



The story of Poio

This 6 year old boy
has helped more than
100,000 children in
Scandinavia
learn how to read.

The Poio Method



Play before learning

Invite your child to explore a magical universe packed with letter and words.



Adapted to your child

The difficulty of the game automatically adapts to your child's skill levels over time



Take part in the Journey

Keep track of your child's improvement and get useful tips when it suits you.



The goal is to enjoy reading

Together we trigger the children's natural curiosity of learning how to read.

The Learning goals

- Alphabet letter shapes
- Phonics & letter sounds
- Phonological awareness
- Spelling irregular words
- Reading a real story





Why children love Poio

- They are in charge of the learning process
- Exploration triggers curiosity
- Adapts to their level of skill
- No negative feedback, just encouragement
- Play before learning

Why parents love Poio

- Triggers your child's curiosity for reading
- Adapts to your child's level of skill
- Enables quality screen time together
- Designed for both boys AND girls
- 100% safe. No ads or in-app purchases





Poio is today available in UK, Sweden and Norway.
International version launching in June

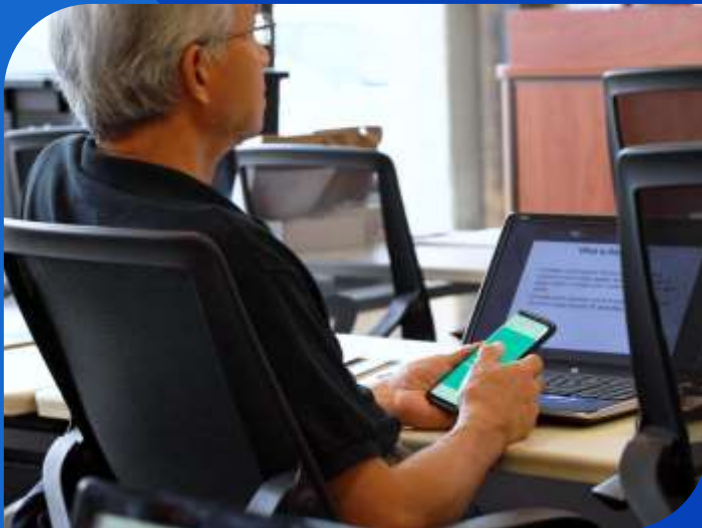


Kahoot! *at work*



Kahoot! *at work*

Valued by organizations



Who uses Kahoot!?

Organizations of all sizes

Why do they use Kahoot!?

- Increase engagement with learning
- Make information stick

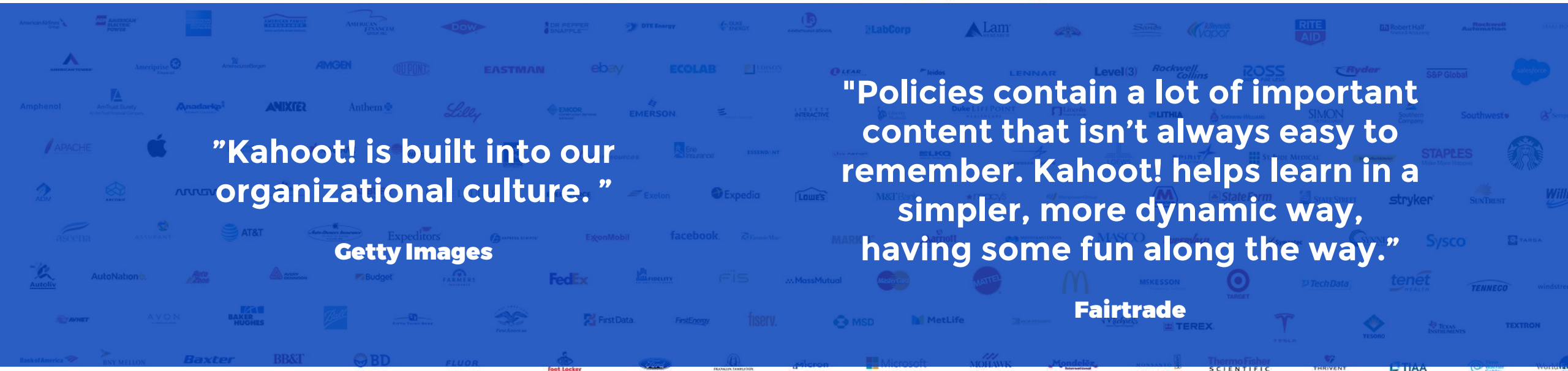
How do they use Kahoot!?

- Corporate learning/training: instructor-led & remote training, courses, and ongoing internal & customer training
- Events/presentations: large scale events (e.g., sales team conference) and one-off presentations (e.g., compliance)

Today

- 55K paid seats (hosts) end of Q2-19
- Commercial editions from \$10 to \$40 per user per month
- 20M participating employees in more than 2.5M kahoot games LTM from over 350k presenter accounts





"Kahoot! is built into our organizational culture."

Getty Images

"Policies contain a lot of important content that isn't always easy to remember. Kahoot! helps learn in a simpler, more dynamic way, having some fun along the way."

Fairtrade



Kahoot! *at work*

Road map



- 1 Growth in Automated Sales** with simplified commercial offering
- 2 Growth in Key Accounts** with shift to licensing for game participants as well as hosts
- 3 New Corporate Learning functionality** including Courses, advanced analytics, and remote training
- 4 Corporate Learning partnerships** for added value

A photograph of a computer lab or classroom. Several students are seated at desks, working on computers. The computers display a software interface with a grid of four colored squares (red, blue, green, yellow) and geometric shapes (triangle, diamond, circle, square). A large, bold, white text overlay reads "FINANCIAL UPDATE". In the bottom right corner, there is a small white logo that says "K!".

FINANCIAL UPDATE

K!

Kahoot - All Active Accounts - Last twelve months - World Wide

	LTM 31.05.2019		LTM 31.05.2019		LTM 31.05.2019	
	Kahoot Accounts (Unique)	YoY Growth	Hosted Games	YoY Growth	Participants (non unique)	YoY Growth
All Accounts (hosting)	14 035 808	29 %	193 862 658	40 %	1 100 628 641	23 %
By Territory						
USA and Canada	7 219 374	22 %	103 970 142	28 %	663 044 143	14 %
Europe	4 323 116	36 %	54 838 764	50 %	266 042 536	36 %
Asia Pacific	1 394 456	30 %	18 648 755	57 %	104 947 215	38 %
Latin America and The Caribbean	695 314	69 %	9 730 974	88 %	42 997 731	75 %
Africa, The Middle East, and India	403 548	33 %	6 674 023	60 %	23 597 016	44 %
	14 035 808	29 %	193 862 658	40 %	1 100 628 641	23 %
By Segment						
Teachers	5 074 702	24 %	73 888 812	20 %	772 202 819	17 %
Business	378 064	13 %	2 747 590	9 %	19 341 029	12 %
Students/Social	8 583 042	33 %	117 226 256	57 %	309 084 793	43 %
	14 035 808		193 862 658		1 100 628 641	

Kahoot! Usage LTM

Including only unique active accounts hosting games last twelve months (LTM), updated May 2019

Good continued growth in all territories and segments

Teacher segment represent approx. 70% of the activity on the Kahoot Platform (vs 74% last year)

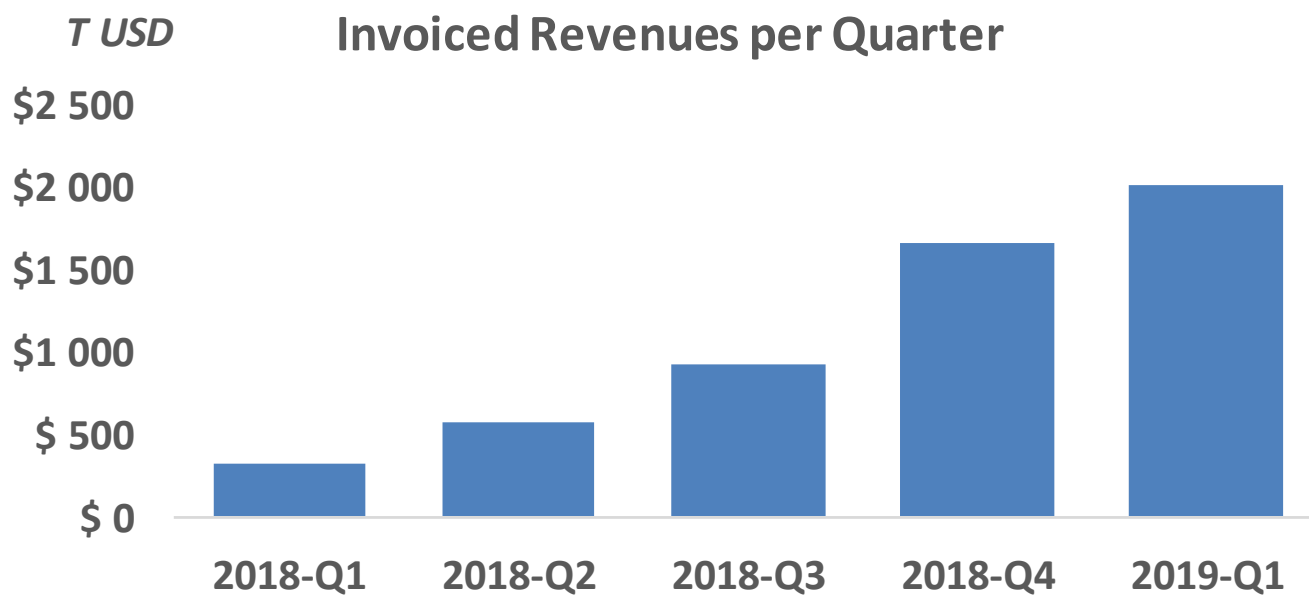
Business segment represent approx. 2% of the activity on the Kahoot platform



P&L - Kahoot! GROUP

All figures in thousands USD

	2019-Q1	2018-Q1	Growth	2018
Invoiced Revenue	\$2 008	\$318	531 %	\$3 480
Net change unrecognized revenues	-\$839	-\$157		-\$1 549
Total Recognized Revenue	\$1 169	\$161	626 %	\$1 932
COGS	-\$132	-\$12		-\$160
Payroll/Consulting	-\$2 189	-\$2 961		-\$8 104
Other OPEX	-\$1 021	-\$888		-\$3 455
Total Operating Expenses	-\$3 342	-\$3 860	-13 %	-\$11 719
EBITDA	-\$2 173	-\$3 699		-\$9 788



Profit & Loss Statement Q1-19

Q1-19 total invoiced USD 2.0m with recognized revenues of USD 1.2m, a 20% growth from 2018-Q4

The cost base for H1-19 is estimated to be +8-9% over H1-18, cost base in Q1-18 reflects the organizational changes taken place

Kahoot! had no ad marketing cost

Recurring revenue: 90% of all subscription revenues is on annual contracts, hence the net change in unrecognized revenues



Balance sheet - Kahoot! GROUP

All figures in thousands USD

	31.03.2019	31.03.2018	31.12.2018
Intangible fixed assets	\$6 501	\$7 195	\$6 486
Property and equipment	\$255	\$56	\$185
Financial fixed assets	\$0	\$0	\$0
Total fixed assets	\$6 756	\$7 251	\$6 671
Current assets	\$1 335	\$294	\$926
Cash and cash equivalents	\$26 463	\$18 803	\$28 127
Total current assets	\$27 798	\$19 097	\$29 053
Total assets	\$34 553	\$26 348	\$35 724
Total equity	\$31 023	\$24 478	\$33 178
Current liabilities	\$1 050	\$1 546	\$893
Unrecognized revenues	\$2 481	\$323	\$1 652
Total current liabilities	\$3 531	\$1 869	\$2 545
Total equity and liabilities	\$34 553	\$26 348	\$35 724

Balance sheet Q1-19

Cash and cash equivalents by 31.03.19 is USD 26.5, no long-term debt

Unrecognized revenues per Q1-19 is USD 2.5m, up from USD 1.7m per Q4-18

Closing and payment of both acquisitions (Dragonbox and Poio) will take place in Q3-19 (July). See more details on Timeline slide.



Shareholder	Shares	%
1 NORTHZONE VII L.P.	15 577 760	13.4 %
2 DATUM AS	14 295 870	12.3 %
3 CREANDUM III LP	11 044 420	9.5 %
4 AS REAL-FORVALTNING	8 309 720	7.1 %
5 MICROSOFT GLOBAL FINANCE	6 940 000	6.0 %
6 KAM HOLDING AS	4 779 020	4.1 %
7 Citigroup Global Markets Inc.	4 670 000	4.0 %
8 VERSVIK INVEST AS	4 630 692	4.0 %
9 BROOKER JAMIE	3 184 860	2.7 %
10 NEWBROTT AS	3 052 000	2.6 %
11 WESMANN HAWKINS AS	2 734 860	2.4 %
12 MP PENSJON PK	2 337 332	2.0 %
13 GLITRAFJORD AS	2 000 000	1.7 %
14 GAMIFICATION AS	1 866 600	1.6 %
15 NORDA ASA	1 825 030	1.6 %
16 SANDEN AS	1 624 000	1.4 %
17 DATUM VEKST AS	1 590 000	1.4 %
18 BULLRIS INVEST AS	1 500 000	1.3 %
19 MELESIO CAPITAL AS	1 230 000	1.1 %
20 K! INVEST AS	1 058 020	0.9 %
Other	22 087 016	19.0 %
Total outstanding shares	116 337 200	100.0 %
Employee option pool	9 245 000	
Total no. of shares (fully diluted)	125 582 200	

Financial Information

Kahoot has a total of 116.3m common shares. Kahoot! AS has 310 shareholders and is registered on the Norwegian OTC list with ticker code “KAHOOT”.

Employee option program: Four years annual vesting until Q4’22. 75% distributed.

Financial Timeline

June	June 12: Investor update June 27: Annual General Meeting
July	Closing/payment both acquisitions Consolidated from 01 July 2019
August	Investment memorandum including acquired units
Sept	Investor update Listing on Merkur Market



Forecast 2019

Gross revenue for both companies forecasted to reach USD 3M in 2019 (on a stand-alone basis).

Approx. USD 2M in gross revenue in App store (30% COGS) and Annual Recurring Revenue from Dragonbox School expected to reach USD 1M in 2019 (NO and FI).

Combined cost base both companies forecasted to USD 3.5M in 2019 (on a stand-alone basis).

Transaction details for both acquisition

Total purchase price USD 25.1M where of cash USD 9.7M and Kahoot shares USD 15.4M

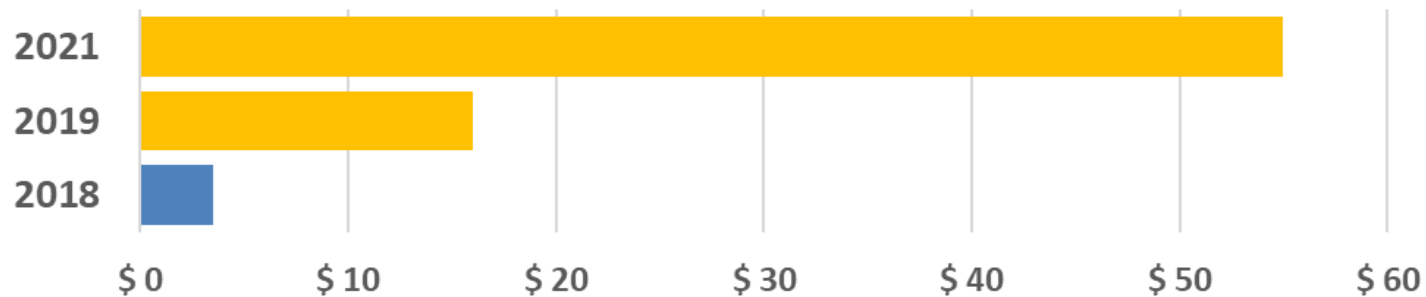
Approximately 5.2 million new kahoot shares will be issued on the two transaction at NOK 25 per share representing a 4.3% ownership in Kahoot! AS.

Acquisition of Dragonbox and Poio

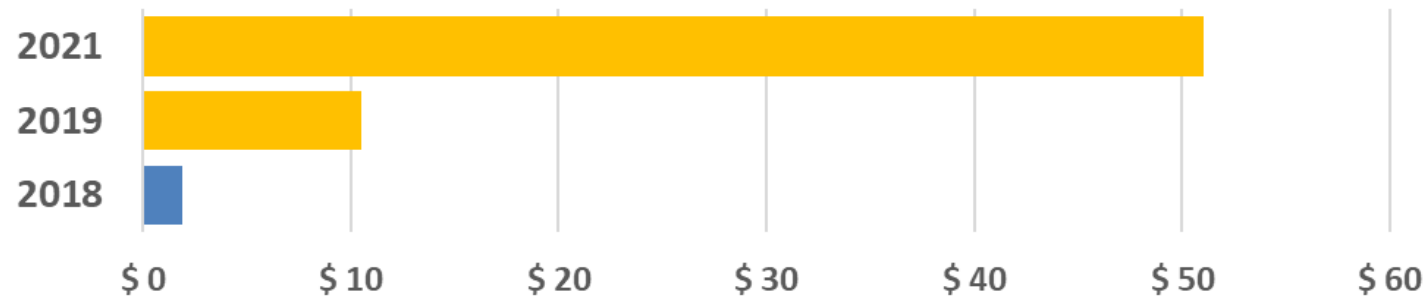
“The acquisition of DragonBox and Poio extends the offering of learning products at school and at home, builds a stronger pedagogy and enables additional innovative teams”



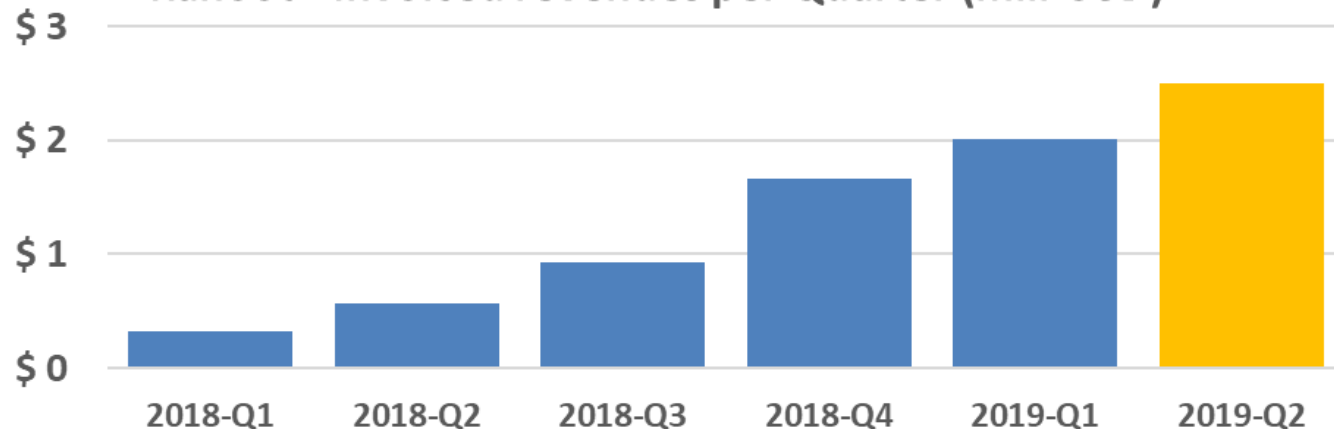
Kahoot - Invoiced revenues (mill USD)



Kahoot - Operating revenues (mill USD)



Kahoot - Invoiced revenues per Quarter (mill USD)



Forward looking statement (Kahoot!)

2021 Goal

Reach USD +50m in operating revenues

EBITDA margin over 40%

MRR USD 4.5m (Monthly Recurring Revenues)

450K paid seats end of 2021

2019 Guidance

Total invoiced revenues up to USD 14.0-17.5m

Operating revenues approx. USD 10m

Cost base increase 20% to USD 14m

MRR over USD 1m

150K paid seats end of 2019

Q2 2019 Forecast

Total invoiced revenues USD 2.3-2.5m

Cost base increase with 8-9% in H1 2019

95K paid seats end of Q2 2019



Increase Invoiced gross revenue in 2021 to USD 70M including acquired units. Goal to reach a customer base value of USD 100-125M in 2022 based on the following assumptions:

Kahoot! at school

- 5-8% of Active Teachers on a paid subscription (400-600K) with increased active teacher base (free and paid) with 50% (7.5M)
- Monthly price \$3-5 per teacher (ARR 18M-28M)
- Increase Students on full math curriculum to 200K
- Monthly price \$2-4 per student (ARR 5M-9M)

Kahoot! at home

- 600-800K subscriptions converted from today's Social accounts and premium app purchases
- Monthly price \$3-5 per user (families) (ARR 25M-38M)

Kahoot! at work

- 400-500K presenters on paid subscriptions
- Monthly price \$10-20 per user (ARR 54M-72M)
- 500K employees on corporate learning
- Monthly price \$1-5 per employee (ARR 10-15M)

Forward looking statement (new group)

Current offerings

Kahoot! at school

Teachers: 5m Active teachers whereof 40K paid Subscriptions (K!)

Student: 15K students on Dragonbox School curriculum subscriptions

Kahoot! at home

Free Kahoot! social web and app and premium apps from DragonBox and Poio

Kahoot! at work

Presenters: 500K registered accounts whereof 55K paid Subscriptions (K!)

Employees: To be announced H2-19



A photograph of a computer lab with several students sitting at desks, working on computers. The screens display a software interface with a 2x2 grid of colored squares (red, blue, yellow, green) and geometric shapes (triangle, diamond, circle, square). A large white text overlay 'Summary' is centered over the image. In the bottom right corner, there is a small white 'K!' logo.

Summary

K!

Strategic roadmap

Kahoot! *at school*



Premium editions for teachers to increase conversion, developing curriculum for key subject subscriptions for classes

Kahoot! *at home*



Building a learning suite for families combining the premium apps on subscription

Kahoot! *at work*



Launch additional products to expand inside corporate learning vertical reach, on subscription for presenters and all employees



Strategic roadmap

Kahoot! *at school*

Kahoot! *at home*

Kahoot! *at work*



- Improve growth and value proposition for all segments
- Accelerate growth to 2M subscribers / customer base value of \$100M in 2022
- Exploring additional M&A opportunities to secure the growth plan



A photograph of a computer lab or classroom. Several students are seated at long wooden tables, each with a computer monitor. The monitors display a software interface with a 2x2 grid of colored squares (red, blue, yellow, green) and geometric shapes (triangle, diamond, circle, square). A large white 'Q&A' text is overlaid in the center. In the bottom right corner, there is a small white 'K!' logo. The background shows posters on the wall and a door.

Q&A

K!

A photograph of a computer lab with several students sitting at desks, working on computers. The screens display a software interface with a 2x2 grid of colored squares (red, blue, yellow, green) and geometric shapes (triangle, diamond, circle, square). The word 'Appendix' is overlaid in large white text. A green backpack is on the floor in the foreground.

Appendix

K!

Summary



1

Building the leading learning platform

3

Growing revenues from all segments

2

Launching new and improved features for all segments

4

Expanding operations including non-organic growth

On a mission to make learning awesome

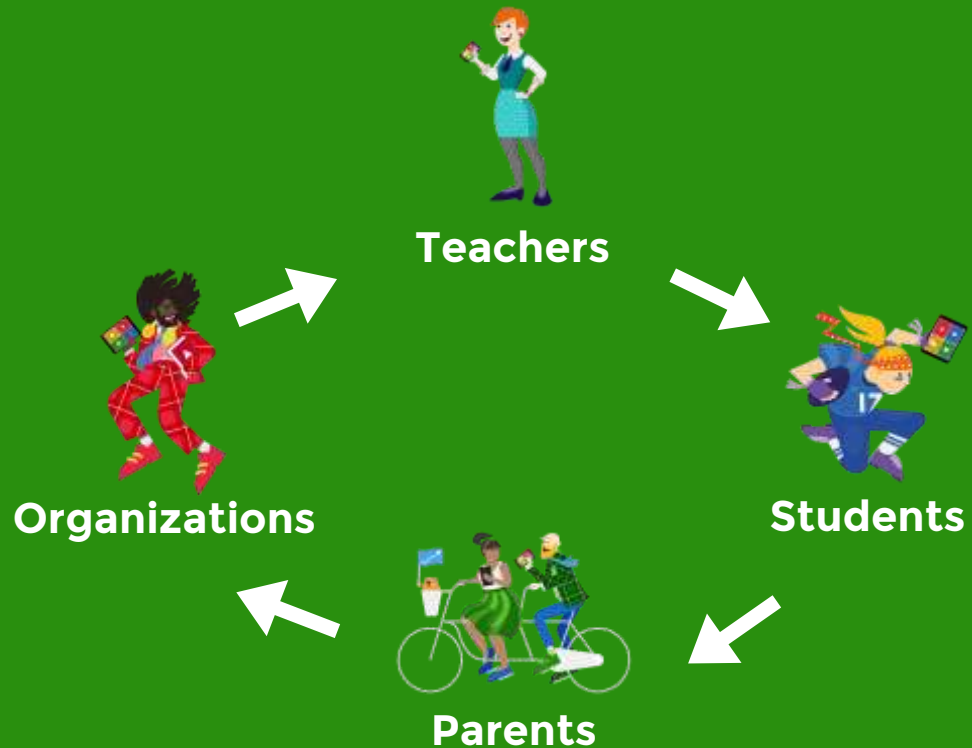


Kahoot! is a **game-based learning platform** that makes it easy to create, share and play fun learning games or trivia quizzes in minutes

Over one billion participating players in 2018



Continued user growth and usage in all segments



Over 14 million accounts hosting games LTM



Embraced by teachers

Make learning awesome!
5M active teachers globally



Loved by students

Engaging learning experience
700M participating students LTM



Trusted by parents

Playful learning in a social setting
100M games played LTM



Valued by organizations

Engaging corporate learning
20M participating employees



Quarterly Billed Revenues 2018 and 2019

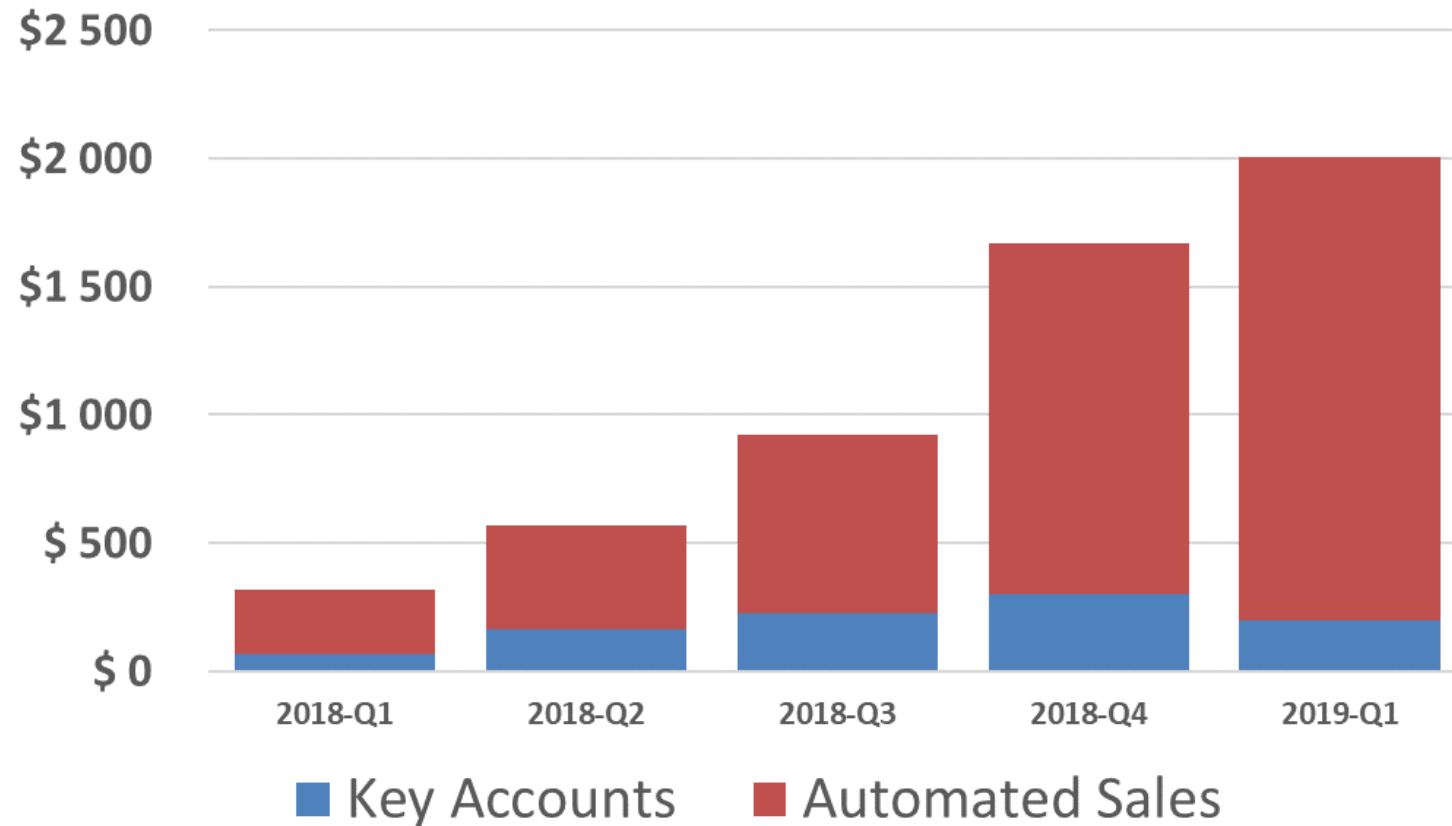
The quarterly growth in billed revenues continued in 2019.

Automated sales: Online purchase with credit card, Apple Pay, PayPal or Apple App Store and Google Play

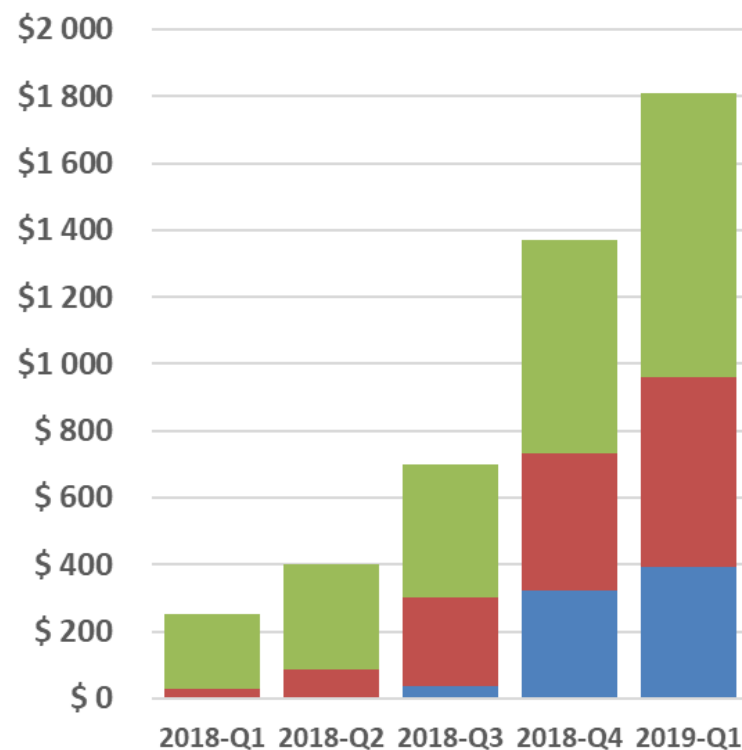
Key Accounts: Assisted sales with invoice, content partnership, events and other corporations



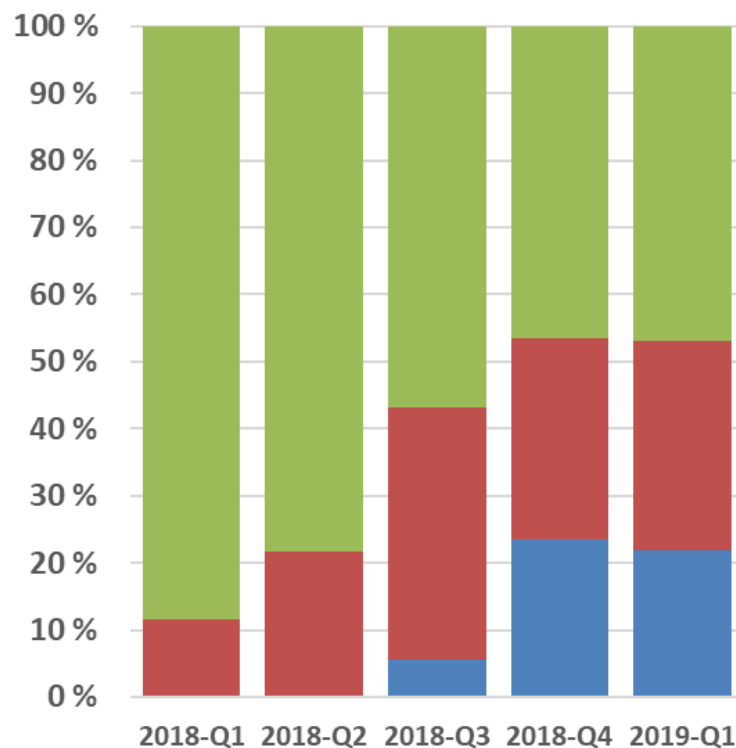
Kahoot - Quarterly billed Revenues (T USD)



Automated Sales - Quarterly
billed (T USD)



Automated Sales - Quarterly
billed (%)



- Plus For Business
- Pro/Premium for Business
- Schools/Higher Education

Kahoot! automated sales by segment

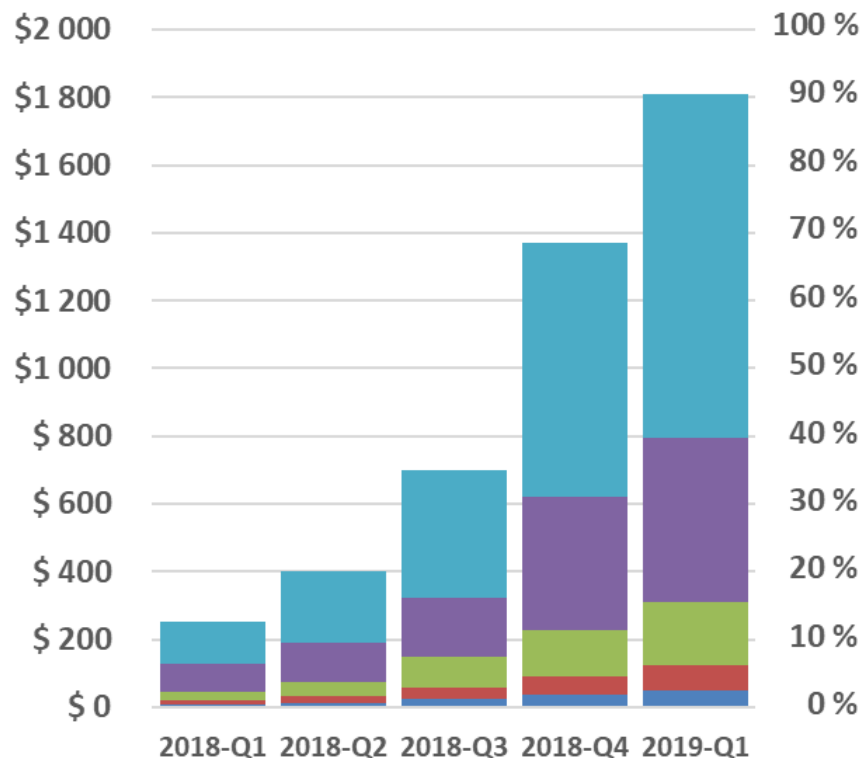
The quarterly growth in billed revenues from automated sales where key accounts not included

Kahoot Plus/Pro for Schools and Kahoot for Higher Education represent 22% of automated sales in Q1-19

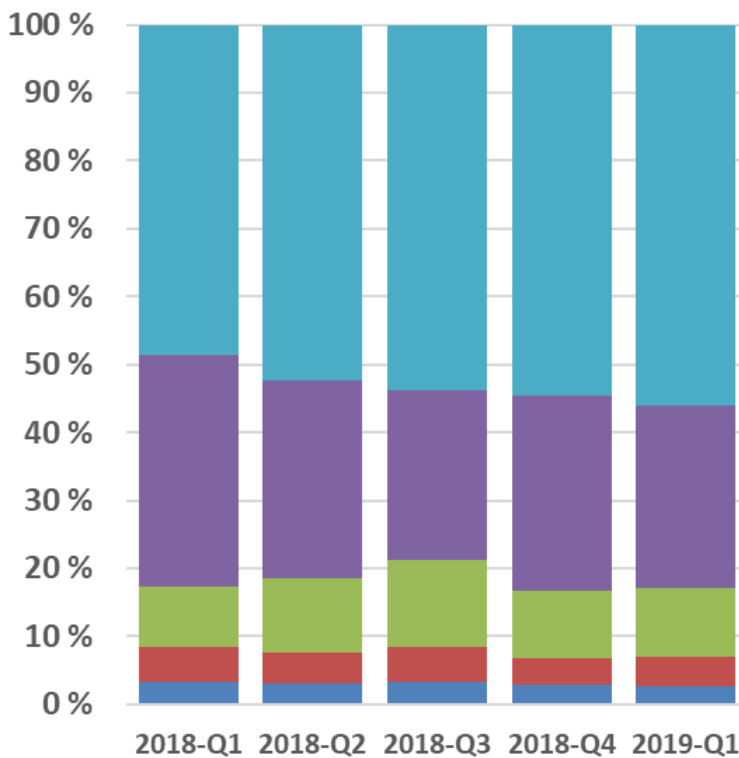
By end Q1-19 Kahoot! reached 70K paid seats with 37K from business accounts and 33K from Schools & Higher Education accounts



Automated Sales - Quarterly
billed (T USD)



Automated Sales - Quarterly
billed (%)



■ Usa and Canada

■ Europe

■ Asia Pacific

■ Latin America and The Caribbean

■ Africa, The Middle East, and India

Kahoot! automated sales by region

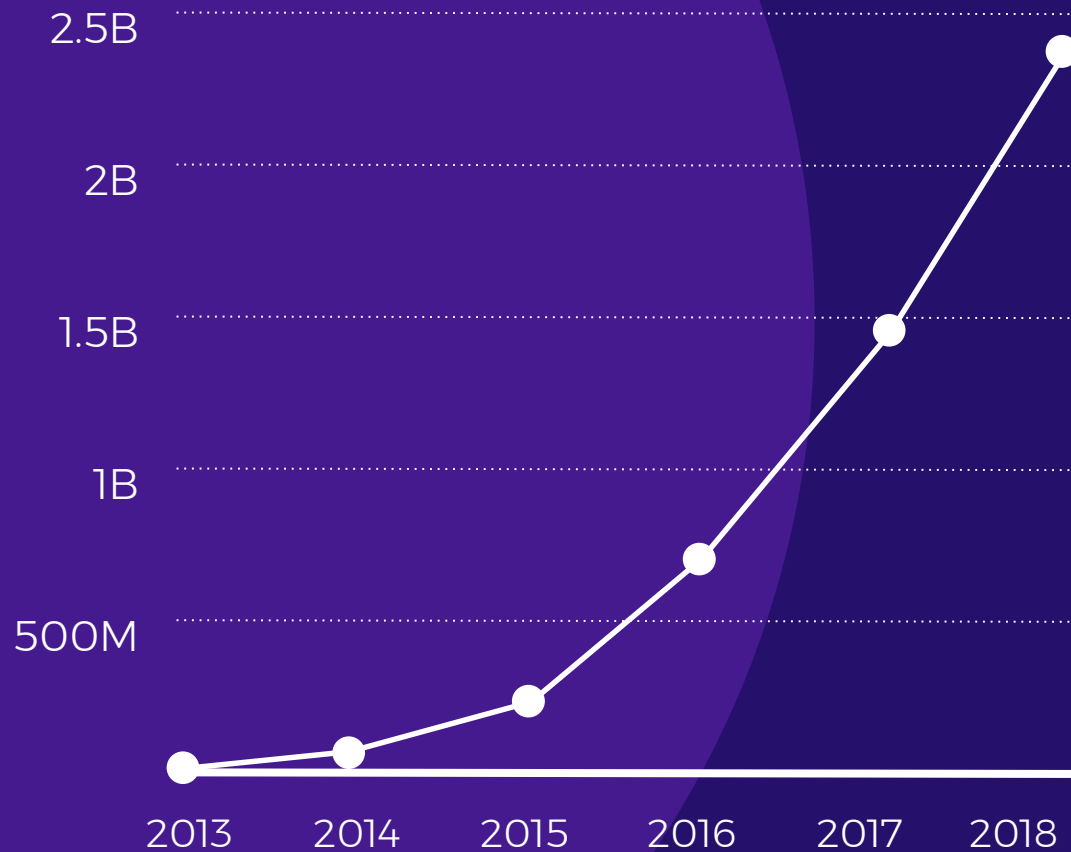
Kahoot! has paying customers/subscribers from automated sales in more than 140 countries

USA and Canada represent approx. 56% revenues (Europe approx. 27%) in Q1-19.

The K-12 product offerings launched in Sept 2018, optimized for the US market.



Kahoot! cumulative players



Kahoot! Highlights

1B

Cumulative
players in
2018

2B

Cumulative
players since
2013

15M

New accounts
signups in 2018

20M

Corporate
participating
players in 2018

10

Minutes average
per game session

350K

Business
accounts

3.3

Games played
per second

206

Countries
active

60M

Kahoot! games
on platform

