

# Kahoot!

**Make learning awesome**

Company Presentation September 2019



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



Founded in 2013, Kahoot started by delivering a quiz based game to **ensure attention, create engagement** and **provide knowledge in classrooms**



Kahoot! is a **globally recognized learning brand**, from kindergarten to wall street



In the last 12 months, over **200 million games** were played with over **1.1 billion participating players** in over **200 countries**



Kahoot! has **commercial subscription** editions available for all segments with a **free basic version** for personal use and teachers



**Viral growth**, currently adding millions of new accounts and more than **100k net new paid seats** annually



The goal is to become the **leading global learning platform**, extending current offerings and accelerating organic growth

Kahoot!

# Kahoot! *at school*

Embraced by over 5 million teachers  
Loved by hundreds of millions of students  
Empowering students from learners to leaders



Kahoot!

## at school

Premium editions

All schools (K-12)

\$1 / \$3 / \$6 (4 Q 19)

Higher Education

\$5 / \$10 / \$15 (4 Q 19)

All prices per teacher per month

Kahoot!

# Kahoot! *at home*

Millions share  
memorable  
moments!

Practice  
at home

Helping  
children learn  
to read

Creating excitement  
for algebra and  
geometry



Kahoot!

## at home

Premium editions

Introducing

Learning apps

\$5-25

Family subscription

From \$3/month  
(summer 2020)

*Family subscription per family per month*

Kahoot!

# Kahoot! *at work*

Millions of employees playing Kahoot!  
97% of Fortune 500 is using Kahoot!  
Energizing audience in events of any size



Kahoot!

## at work

Introducing

For professionals

\$10 / \$20 / \$40

Business suite

\$TBA (Q4 2019)

All prices per presenter/host per month

**Kahoot!** *at school*

Premium editions for teachers to increase conversion

**Kahoot!** *at home*

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

**Kahoot!** *at work*

Launch additional products to expand corporate learning

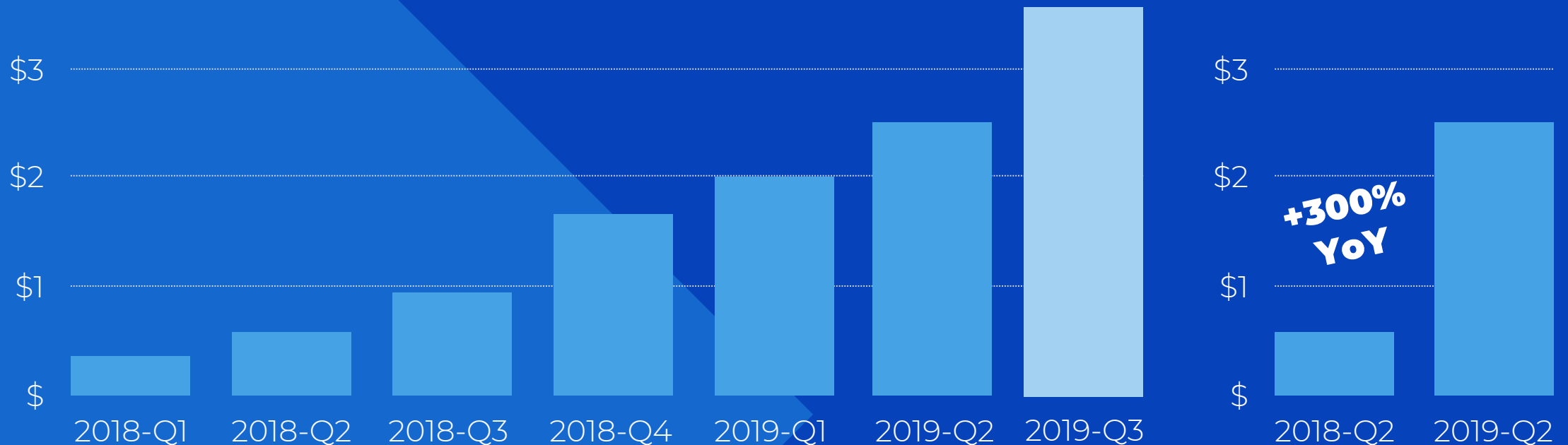
***Kahoot! basic edition always free for teachers and personal use***

# Company Update

# Invoiced revenues development\*

Kahoot!

Kahoot! invoiced revenues per Quarter (mUSD)



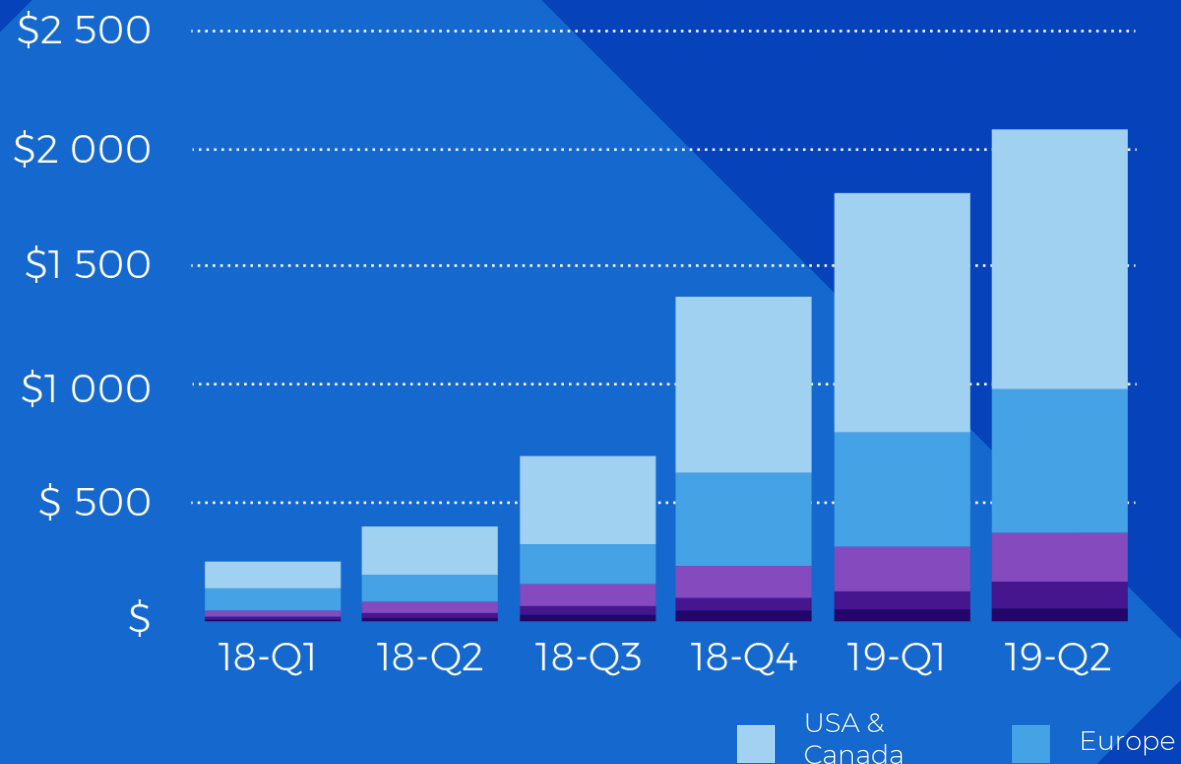
**Q2-19 invoiced revenues grew to USD 2.3m (15% QoQ, 300% YoY) reaching 95k paying seats**

**Forecast Q3-19 growth of 40-50% QoQ, 300% YoY in invoiced revenues, approx. 120k paying seats**

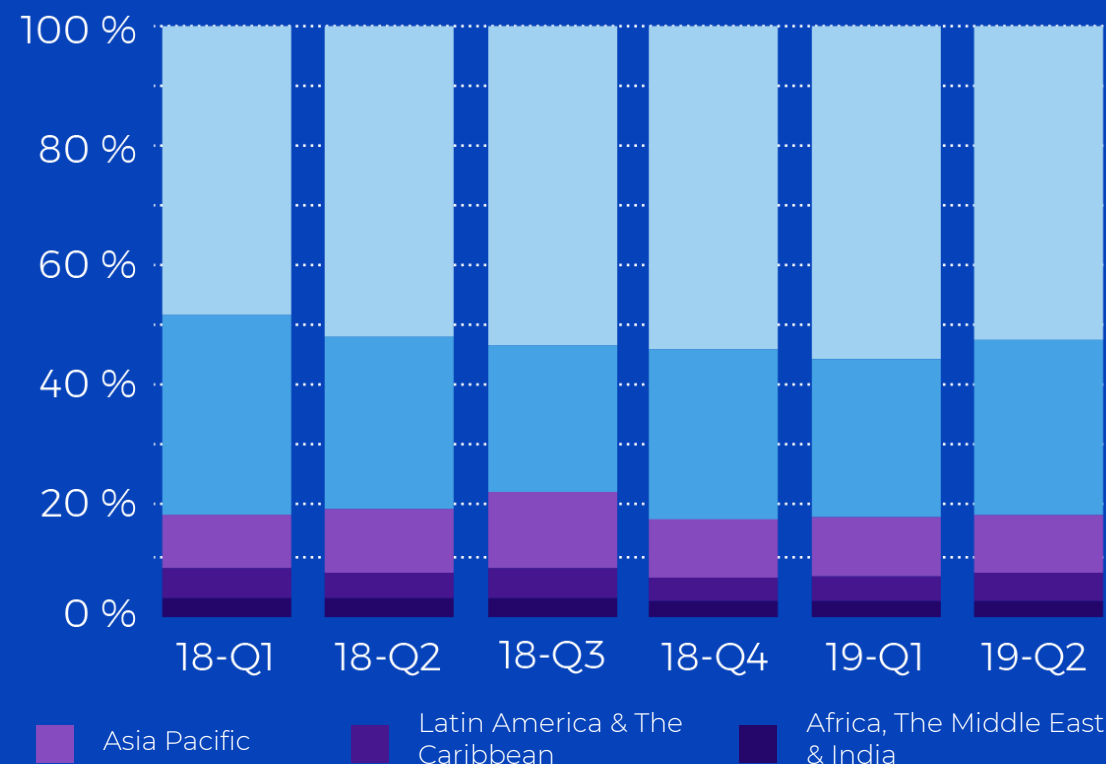
*\*Not including acquisitions of Dragonbox and Poio*

# Invoiced revenue per region

**Kahoot! Automated sales – Quarter (T USD)**



**Kahoot! Automated sales – Quarter (%)**



**Kahoot! has paying subscribers from automated sales in more than 150 countries**  
**USA and Canada represent approx. 53% revenues (Europe approx. 30%) in Q2-19**

# Forward looking statement\*

## 2019 Guidance

- Total invoiced revenues USD 14.0-17.5m
- Operating revenues approx. USD 10m
- Cost base increase 20% to USD 14m
- MRR over USD 1m, with over 150K paid seats
- Cash end of Q3-19 approx. \$13-14m
- Positive cash flow positive from operations in Q4-19
- Q4-19 expects 80% growth QoQ / 300% YoY (same growth as last year)

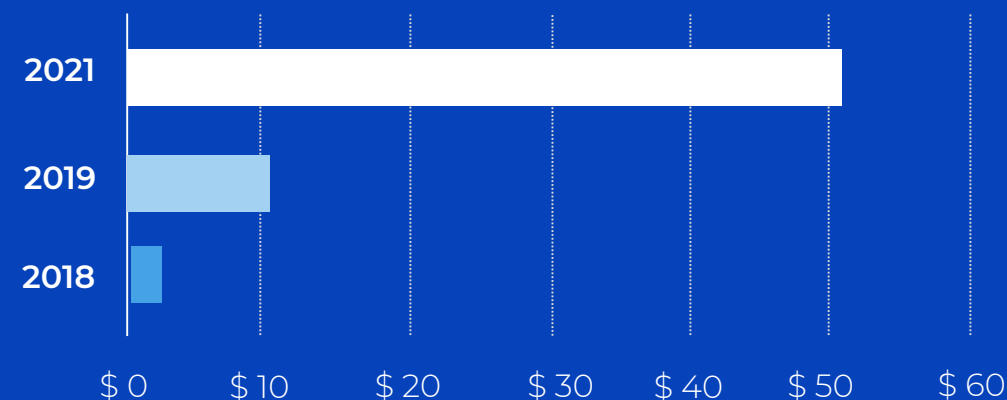
## 2021 Goal

- Reach USD +50m in operating revenues
- EBITDA margin over 40%
- MRR USD 4.5m, with approx. 500K paid seats

Kahoot! invoiced revenues (mill USD)



Kahoot! operating revenues (mill USD)



*\*Not including acquisitions of Dragonbox and Poio*

# Acquisition of Poio and DragonBox

Poio and Dragonbox acquisitions **closed ultimo August 2019** and integrated into the Kahoot! Group as of September 2019

Poio and DragonBox **product launches according to plan**, including US edition of Poio in Q4-19. **Strong contribution from the acquired teams** to build the Kahoot! Family subscription including Poio and Dragonbox to be launched summer 2020

Dragonbox School (full math curriculum for 1<sup>st</sup>-3<sup>rd</sup> grade) **doubling numbers of schools** using Dragonbox with 17,000 students in Norway and Finland

Gross revenues for both companies forecasted to reach **USD 3m in 2019** with a combine cost base of USD 3.5m (on a stand-alone basis)

# Forward looking statement

## Target 2022

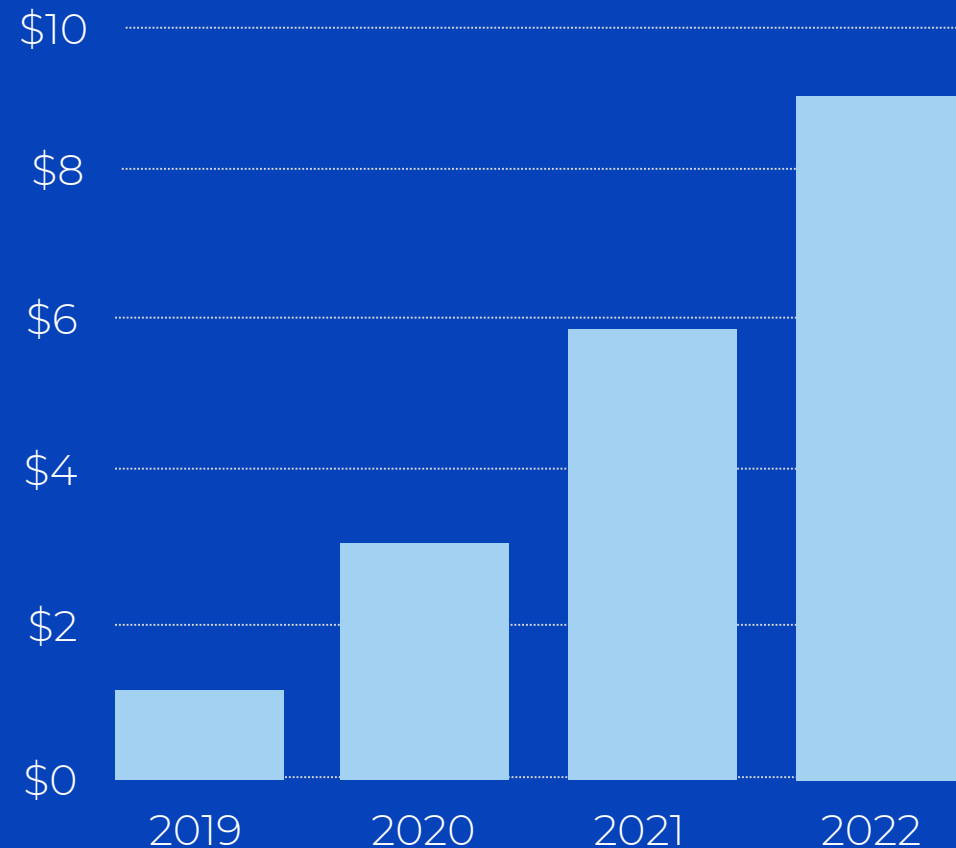
**Reach over \$100m in customer base value, indicating an MRR \$9-\$10m**

Continuously launching new and improved value features and services for all segments

Increase conversion rates free to paid with upgrade path for all paying customers

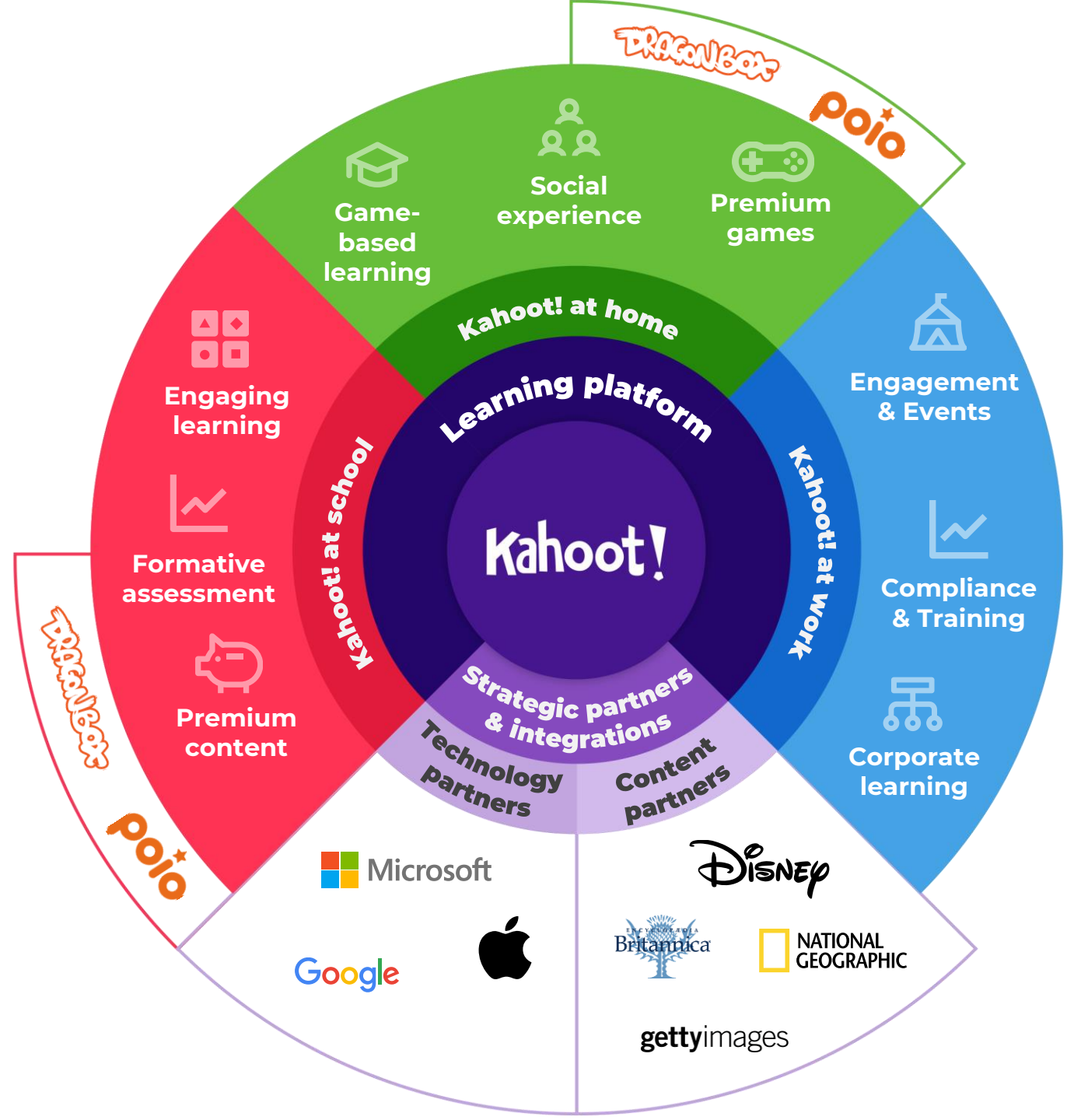
Estimated segment split with 20% at school, 20% at home and 60% at work in 2022

## Kahoot! MRR end of year (mill USD)



# The Kahoot! learning platform

Kahoot!





“Simplified our training process and became an important tool for continuous learning”

“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.”

Scotiabank

Fairtrade



# Why people use Kahoot! at work



Trivia



Internal  
presentations



Events



Compliance



Training

Corporate learning

**Increased complexity, higher willingness to pay**

**Kahoot!** *academy*

# Corporate learning and development



Anonymous players



Identified players (PlayerID)



New game modes incl.  
Poll, Survey, Wordcloud



Quiz game



Progress reporting  
supporting xAPI output



Personalized learning and  
remote learning



User generated content



Premium content



Corporate branding

# Kahoot! Academy

Launching in Q4 2019



From **\$100 per**  
**organization** per month

From **\$1 per**  
**employee** per month

## Kahoot! Overview



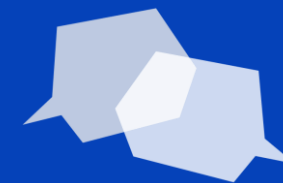
Scalable cloud platform

**\$20B+**

Large market opportunity<sup>1</sup>



Recognized market leader



Viral business model

**300%**

YoY growth in billed revenue

**+100k**

Net new paid seats in 2019

**\$12M**

New sales 2019<sup>2</sup>

**90-100%**

Net dollar retention

1. Based on estimated EdTech market in 2020 from Goldman Sacks Education Technology Sector trends and market update August 2019  
2. Not including Poio and Dragonbox

A photograph of a computer lab with several students working at desks. The desks are equipped with iMac computers. Many of the screens display a software interface with a 2x2 grid of 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 31.08.2019		LTM 31.08.2019		LTM 31.08.2019	
	Kahoot Accounts (Unique)	YoY Growth	Hosted Games	YoY Growth	Participants (non unique)	YoY Growth
All Accounts (hosting)	14 393 678	30 %	199 934 798	33 %	1 117 227 325	20 %
By Territory						
USA and Canada	7 319 131	23 %	105 619 109	24 %	665 421 890	12 %
Europe	4 412 964	36 %	56 915 562	42 %	271 660 119	31 %
Asia Pacific	1 471 256	32 %	19 585 533	38 %	108 259 911	29 %
Latin America and The Caribbean	773 366	68 %	10 773 322	70 %	47 320 879	67 %
Africa, The Middle East, and India	416 961	34 %	7 041 272	46 %	24 564 526	37 %
	14 393 678		199 934 798		1 117 227 325	
By Segment						
Teachers	5 203 415	24 %	75 429 987	18 %	779 724 106	15 %
Business	380 891	11 %	2 684 691	1 %	19 097 321	3 %
Students/Social	8 809 372	35 %	121 820 120	45 %	318 405 898	36 %
	14 393 678		199 934 798		1 117 227 325	

## Kahoot! Usage LTM

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

Good continued growth in all territories and segments

Teacher segment represent approx. 70% of the activity on the Kahoot Platform (vs 72% last year)

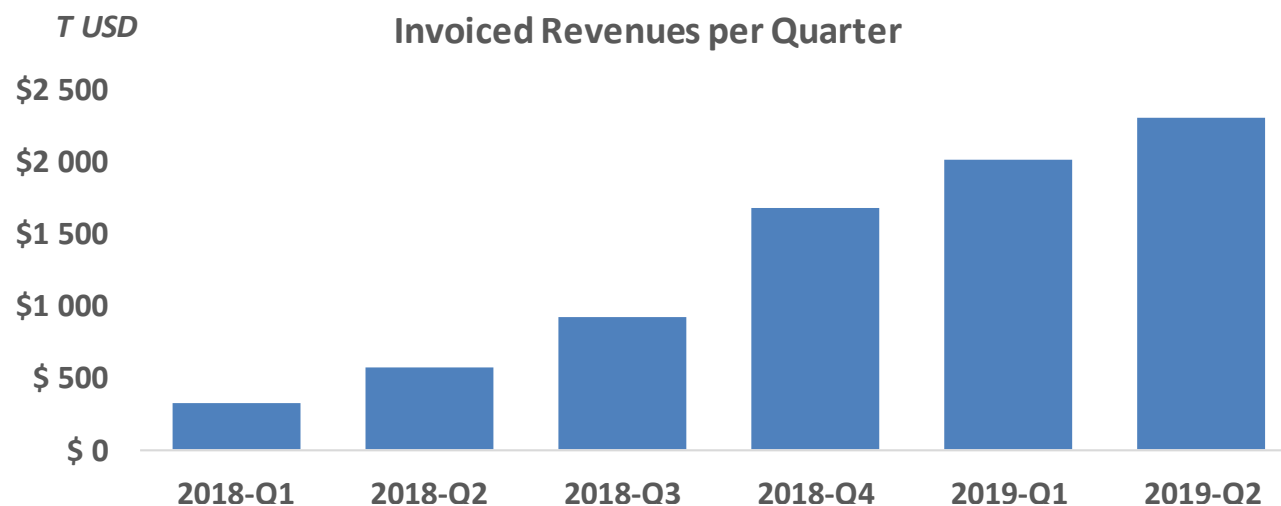
Business segment represent approx. 2% of the activity on the Kahoot platform



## P&L - Kahoot! GROUP

All figures in thousands USD

	2019-Q2	2018-Q2	Growth	2019-H1	2018-H1	Growth	2018
Invoiced Revenue	\$2 303	\$569	305 %	\$4 311	\$887	386 %	\$3 480
Net change unrecognized revenues	-\$905	-\$225		-\$1 744	-\$383		-\$1 549
<b>Total Recognized Revenue</b>	<b>\$1 398</b>	<b>\$343</b>	<b>307 %</b>	<b>\$2 567</b>	<b>\$504</b>	<b>409 %</b>	<b>\$1 932</b>
COGS	-\$156	-\$14		-\$289	-\$26		-\$160
Payroll/Consulting	-\$1 975	-\$1 397		-\$4 164	-\$4 357		-\$8 104
Other OPEX	-\$1 246	-\$837		-\$2 266	-\$1 724		-\$3 455
<b>Total Operating Expenses</b>	<b>-\$3 377</b>	<b>-\$2 248</b>	<b>50 %</b>	<b>-\$6 719</b>	<b>-\$6 108</b>	<b>10 %</b>	<b>-\$11 719</b>
<b>EBITDA</b>	<b>-\$1 979</b>	<b>-\$1 904</b>		<b>-\$4 151</b>	<b>-\$5 604</b>		<b>-\$9 788</b>



# Profit & Loss Statement Q2-19

Q2-19 total invoiced USD 2.3m with recognized revenues of USD 1.4m, a 15% growth from Q1-19

The cost base for H1-19 increased with 10% vs H1-18.

No external marketing cost related to the sales of Kahoot

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*

	30.06.2019	30.06.2018	31.12.2018
Intangible fixed assets	\$6 827	\$6 882	\$6 486
Property and equipment	\$221	\$55	\$185
Financial fixed assets	\$116	\$0	\$0
<b>Total fixed assets</b>	<b>\$7 163</b>	<b>\$6 938</b>	<b>\$6 671</b>
Current assets	\$1 591	\$693	\$926
Cash and cash equivalents	\$24 701	\$16 256	\$28 127
<b>Total current assets</b>	<b>\$26 291</b>	<b>\$16 948</b>	<b>\$29 053</b>
<b>Total assets</b>	<b>\$33 455</b>	<b>\$23 886</b>	<b>\$35 724</b>
Total equity	\$29 493	\$21 541	\$33 178
Current liabilities	\$634	\$1 811	\$893
Unrecognized revenues	\$3 327	\$533	\$1 652
<b>Total current liabilities</b>	<b>\$3 962</b>	<b>\$2 344</b>	<b>\$2 545</b>
<b>Total equity and liabilities</b>	<b>\$33 455</b>	<b>\$23 886</b>	<b>\$35 724</b>

## Balance sheet Q2-19

Cash and cash equivalents by 30.06.19 is USD 24.7, no long-term debt

Unrecognized revenues per Q2-19 is USD 3.3m, up from USD 2.5m per Q1-19

Closing and payment of both acquisitions (Dragonbox and Poio) took place in Q3-19 (August).



## Kahoot! shareholders per 15 September 2019

Shareholder	Shares	%
1 DATUM GROUP	16 876 955	13.9 %
2 NORTHZONE VII L.P.	15 577 760	12.8 %
3 CREANDUM III LP	11 044 420	9.1 %
4 AS REAL-FORVALTNING/K! Invest AS	9 267 740	7.6 %
5 MICROSOFT GLOBAL FINANCE	6 940 000	5.7 %
6 KAM HOLDING AS	4 779 020	3.9 %
7 Citigroup Global Markets Inc.	4 670 000	3.8 %
8 VERSVIK INVEST AS	4 630 692	3.8 %
9 NEWBROTT AS	3 052 000	2.5 %
10 NORDA ASA	2 679 370	2.2 %
11 BROOKER	2 594 860	2.1 %
12 MP PENSJON PK	2 337 332	1.9 %
13 WESMANN HAWKINS AS	2 144 860	1.8 %
14 GLITRAFJORD AS	2 000 000	1.6 %
15 GAMIFICATION AS	1 866 600	1.5 %
16 SANDEN AS	1 624 000	1.3 %
17 BULLRIS INVEST AS	1 500 000	1.2 %
18 JEAN-BAPTISTE HUYNH	1 103 480	0.9 %
19 PATRIC LACOSTE	1 103 480	0.9 %
20 ADRIAN AS	1 052 250	0.9 %
Other	24 744 677	20.4 %
<b>Total outstanding shares</b>	<b>121 589 496</b>	<b>100.0 %</b>
Employee option pool	10 000 000	
<b>Total no. of shares (fully diluted)</b>	<b>131 589 496</b>	

# Financial Information

Kahoot has a total of 121.6m common shares. Kahoot! AS has 330 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

**Aug** Closing/payment both acquisitions  
Consolidated from 01 Sep 2019

**Sep** Investor update

**Oct** Listing on Merkur Market Oct 10th

**Oct** Q3-19 report Oct 30th



## 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 (closed 22 and 29 Aug)

Total purchase price USD 23.7M where of cash USD 9.2M and Kahoot shares USD 14.6M

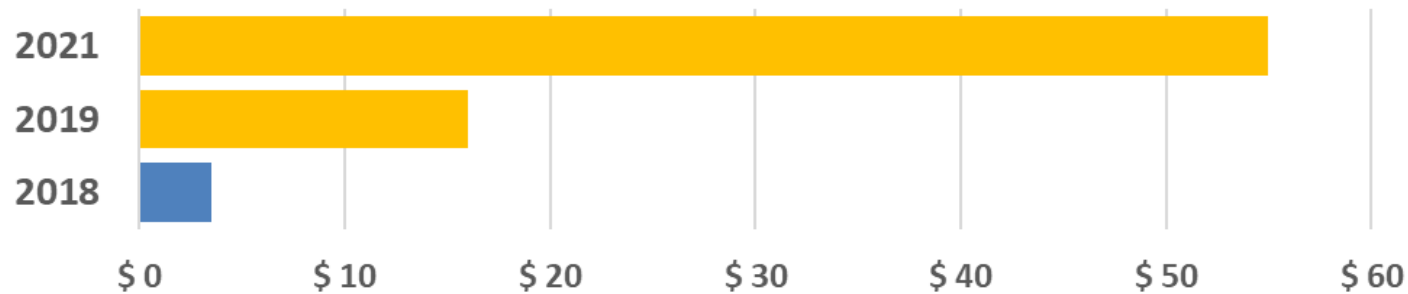
5,252,296 new kahoot shares have been issued on the two transaction at NOK 25 per share representing a 4.3% ownership in Kahoot! AS.

# Acquisition of Dragonbox and Poio

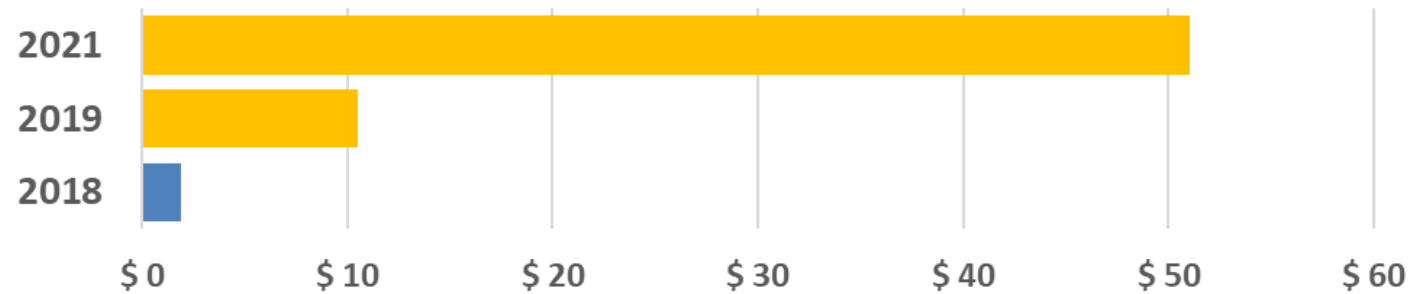
*“The acquisition of DragonBox and Poio extends the offering of learning products at school and at home, builds a stronger pedagogy and enables additional innovative teams”*



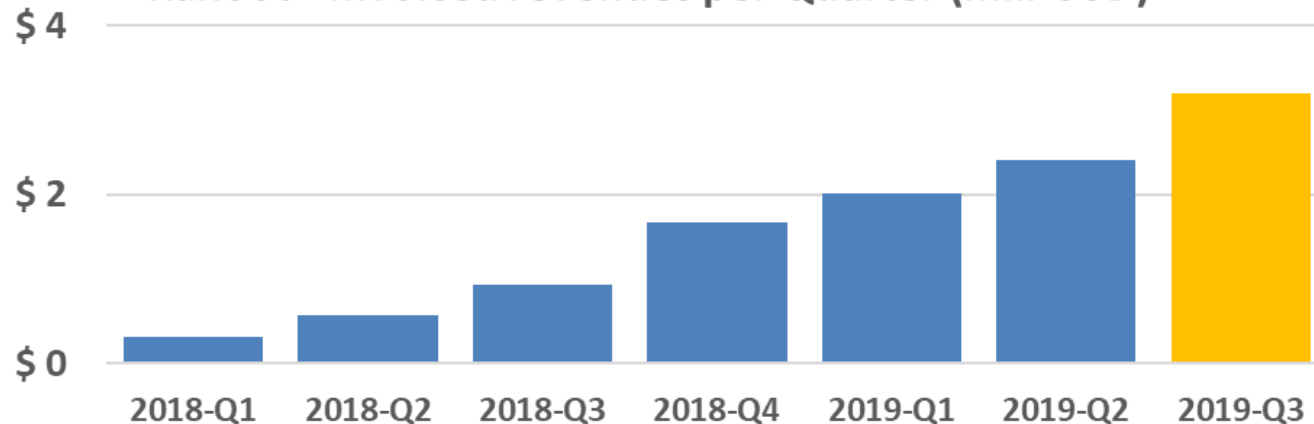
Kahoot - Invoiced revenues (mill USD)



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)

500K 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

## Q3 2019 Forecast

QoQ growth 40-50% (vs Q2 2019)

120K paid seats end of Q3 2019

*\*Not including acquisitions of Dragonbox and Poio*



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

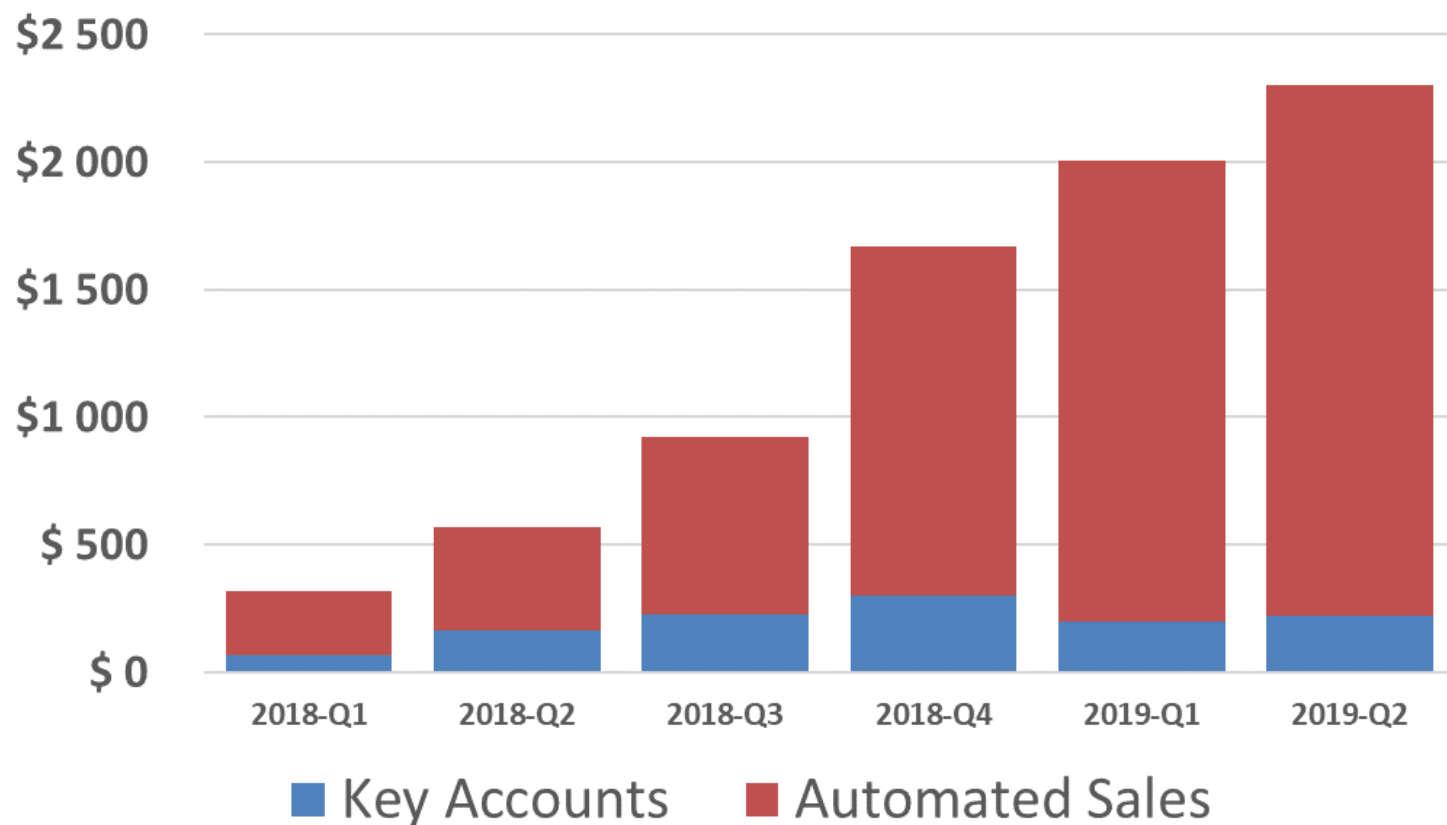
### **Kahoot! at work**

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

**Employees:** To be announced H2-19



Kahoot - Quarterly billed Revenues (T USD)



## Quarterly Billed Revenues 2018 / 2019

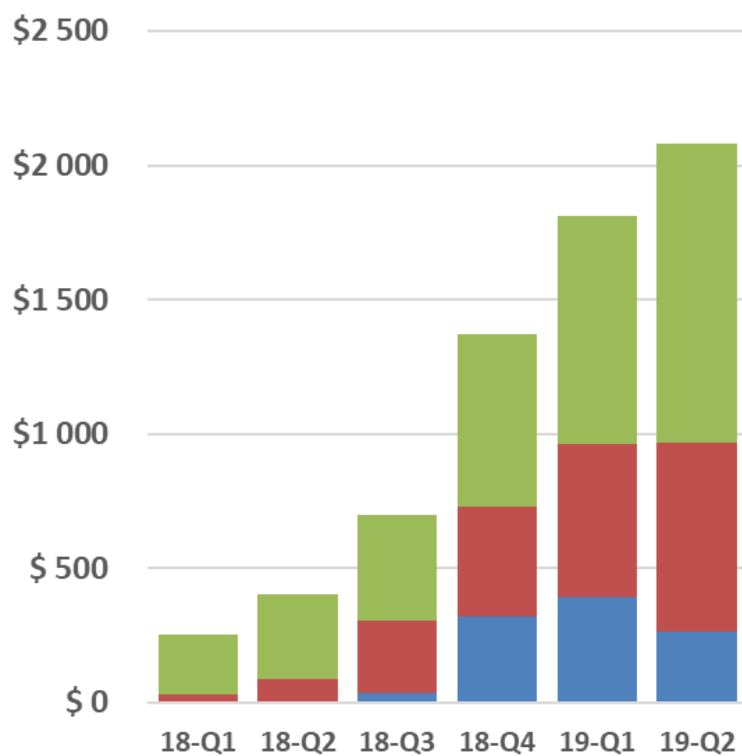
The quarterly growth in billed revenues continued in 2019.

**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

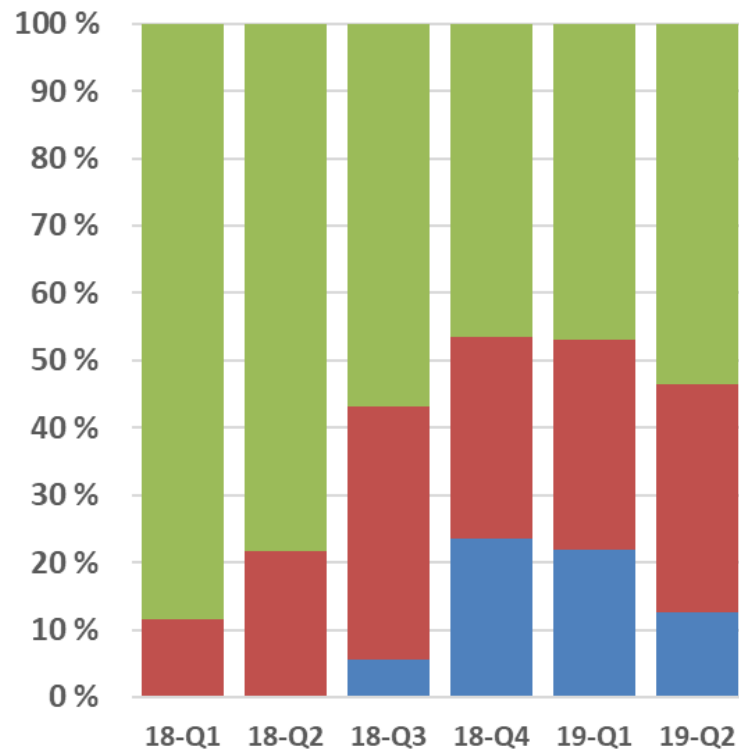


Automated Sales - Quarterly  
billed (T USD)



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

Automated Sales - Quarterly  
billed (%)



# Kahoot! automated sales by segment

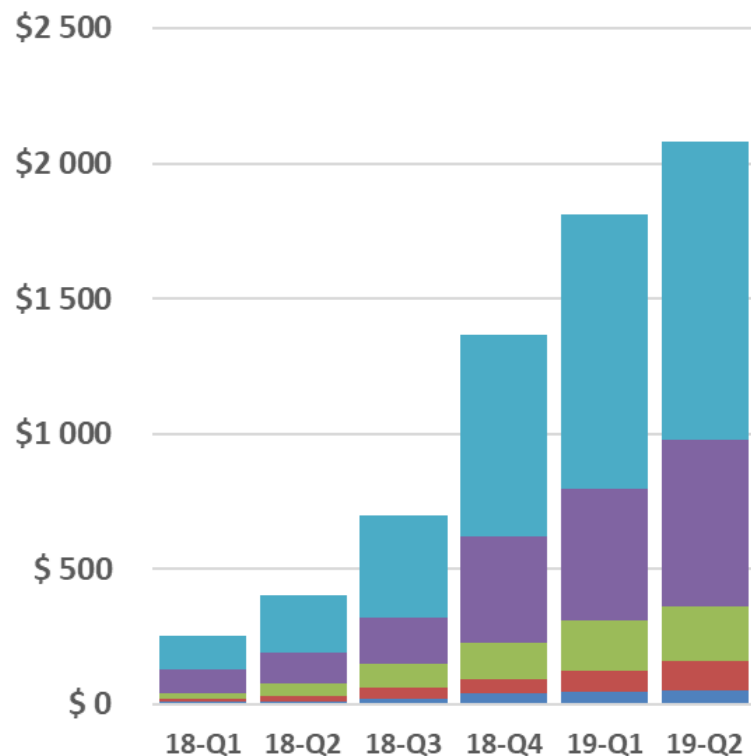
The quarterly growth in billed revenues from automated sales where key accounts not included

Kahoot Plus/Pro for Schools and Kahoot for Higher Education represent 13% of automated sales in Q2-19.

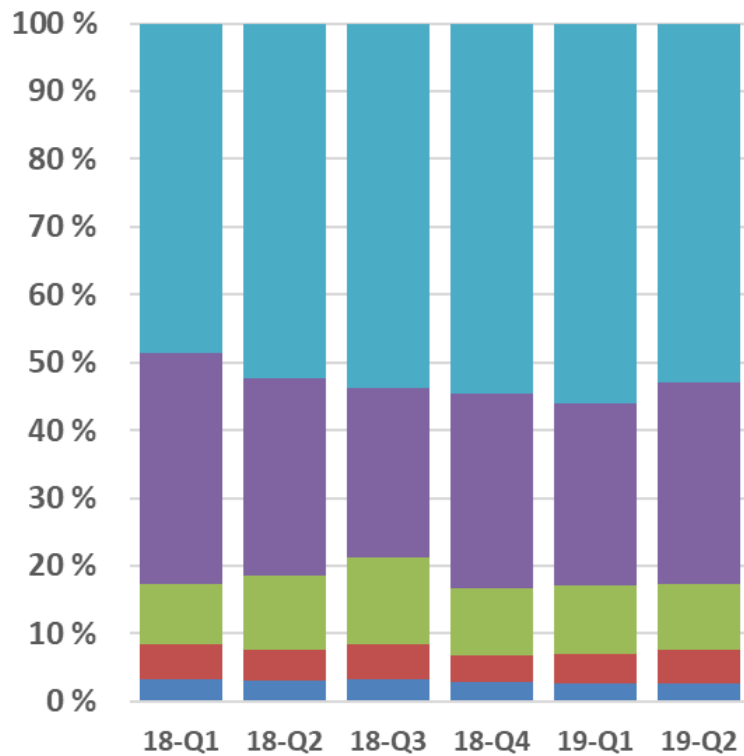
By end Q2-19 Kahoot! reached 95K paid seats with 54K from business accounts and 41K from Schools & Higher Education accounts



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 150 countries

USA and Canada represent approx. 53% revenues (Europe approx. 30%) in Q2-19.

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



# Kahoot!

**Make learning awesome**