

Kahoot!

Make learning awesome

Q1 2020 presentation

May 7, 2020



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

Kahoot! overview



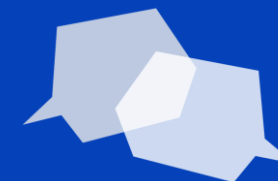
Scalable cloud platform

\$20bn

Large market opportunity*



Recognized market leader



Viral business model

1.3bn

Participating players LTM

+125K

Net new paid seats LTM

6m+

Active teachers on the platform

90-100%

Net dollar retention

Kahoot! and the Covid-19 impact

We are continuously adjusting and optimizing our business operations in the new, unprecedented realities, while ensuring the health and safety of our employees

**Free access to Kahoot!
Premium for all teachers
and schools affected by
Covid-19**

+100K

New total signups of
Kahoot! accounts per
day during peak days

**Strong growth in the
platform usage and
new paid seats**

+30K

Net new paid seats in
April 2020, exceeding
230K paid seats

**Strong growth in
usage for home study
and remote work**

5X

Usage growth of Kahoot!
YoY for home study and
assignments (challenges)

Highlights Q1 2020

- **Strong usage growth on the Kahoot! platform** with 25% growth in active accounts, 19% growth in hosted games and 23% growth in participating players in the last twelve months
- **Good growth in paid seats**, reaching 184K in Q1 2020, increased by 32K seats from Q4 2019 and reaching a total of 202K including DragonBox School
- **Q1 2020 invoiced revenue growth of more than 220%** to \$6.4m, up from \$2.0m in Q1 2019
- **Positive cash flow from operations** of \$0.9m in Q1 2020, compared to -\$1.9m in Q1 2019
- **Solid financial cash position** with cash and cash equivalents of NOK 357m (\$34m) as of 31.03.2020 and no interest-bearing debt
- **Launched several new features** and editions for all three main segments (at Work, at School and at Home), contributing to the growth of both free and paid users in the quarter. The main focus has been delivering an improved experience when using Kahoot! with video conferencing tools and for teachers performing student assessments

+200K

Paid seats (+125K LTM)

+220%

Growth in invoiced revenue YoY

+10%

Cash conversion from invoiced revenue

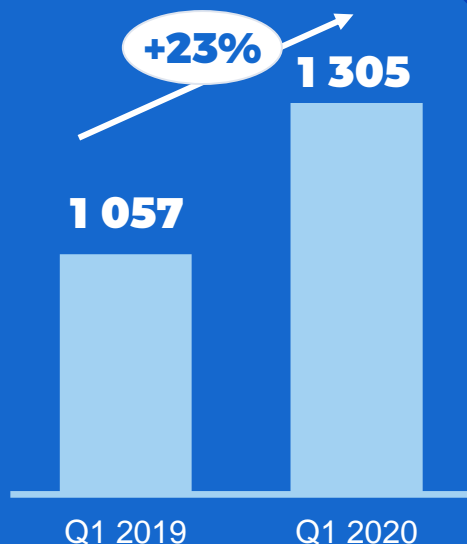
New and existing customers are making learning awesome



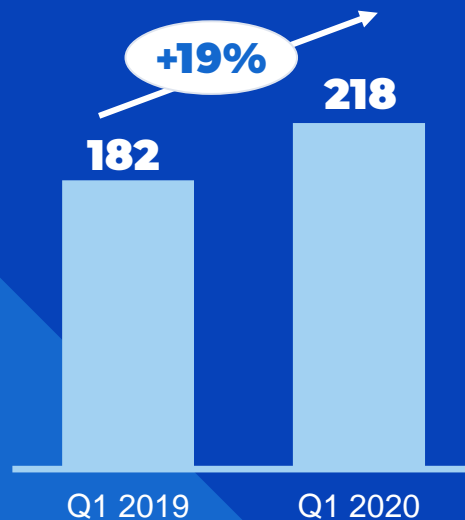
Continued growth in accounts and usage

Last twelve months (in millions)

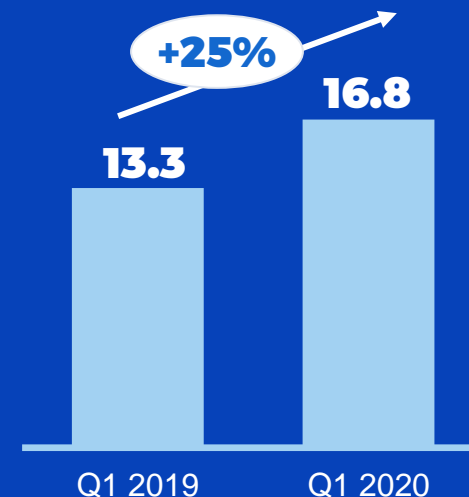
Participants



Hosted games



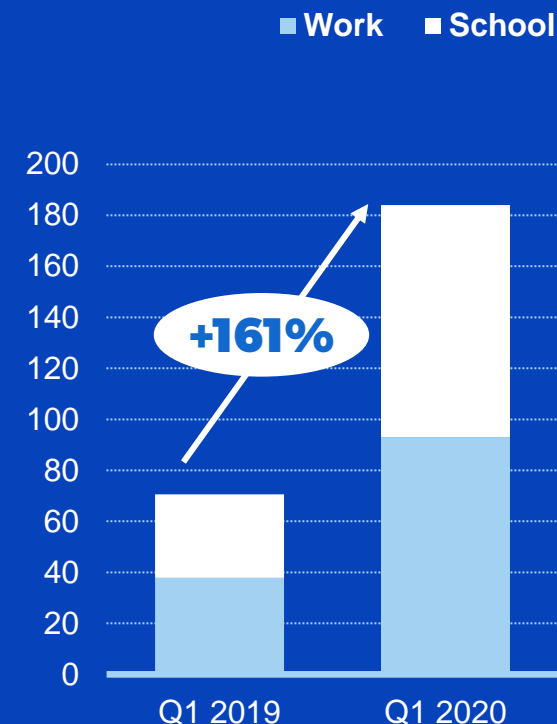
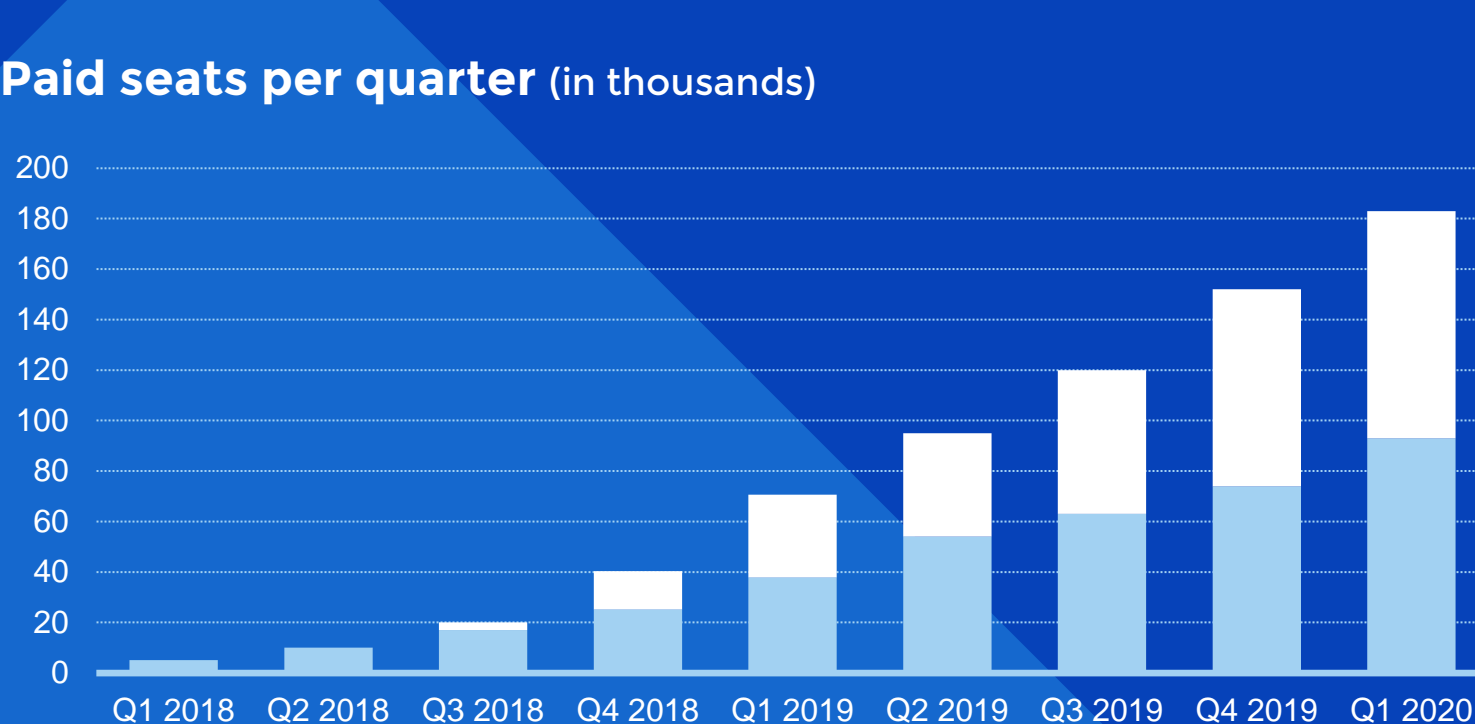
Active accounts



The user growth on the platform last twelve months continued, reaching 1.3bn participating players (23% YoY growth), 218m games played (19% growth YoY) hosted by 16.8m active accounts (25% YoY growth)

Continued growth in paid seats

Paid seats per quarter (in thousands)



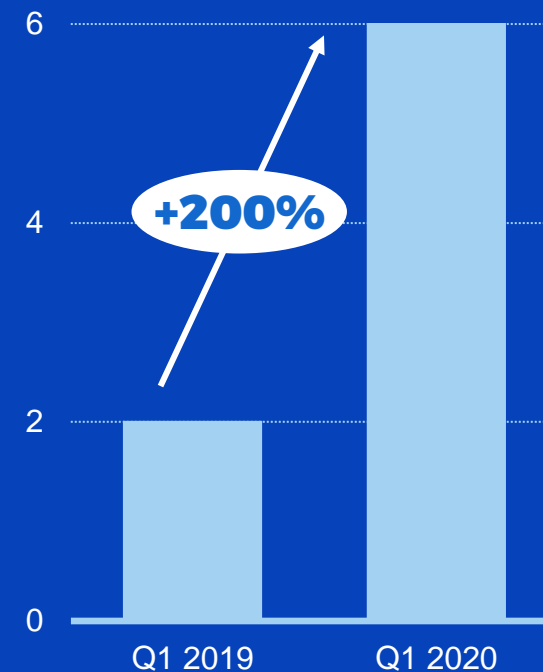
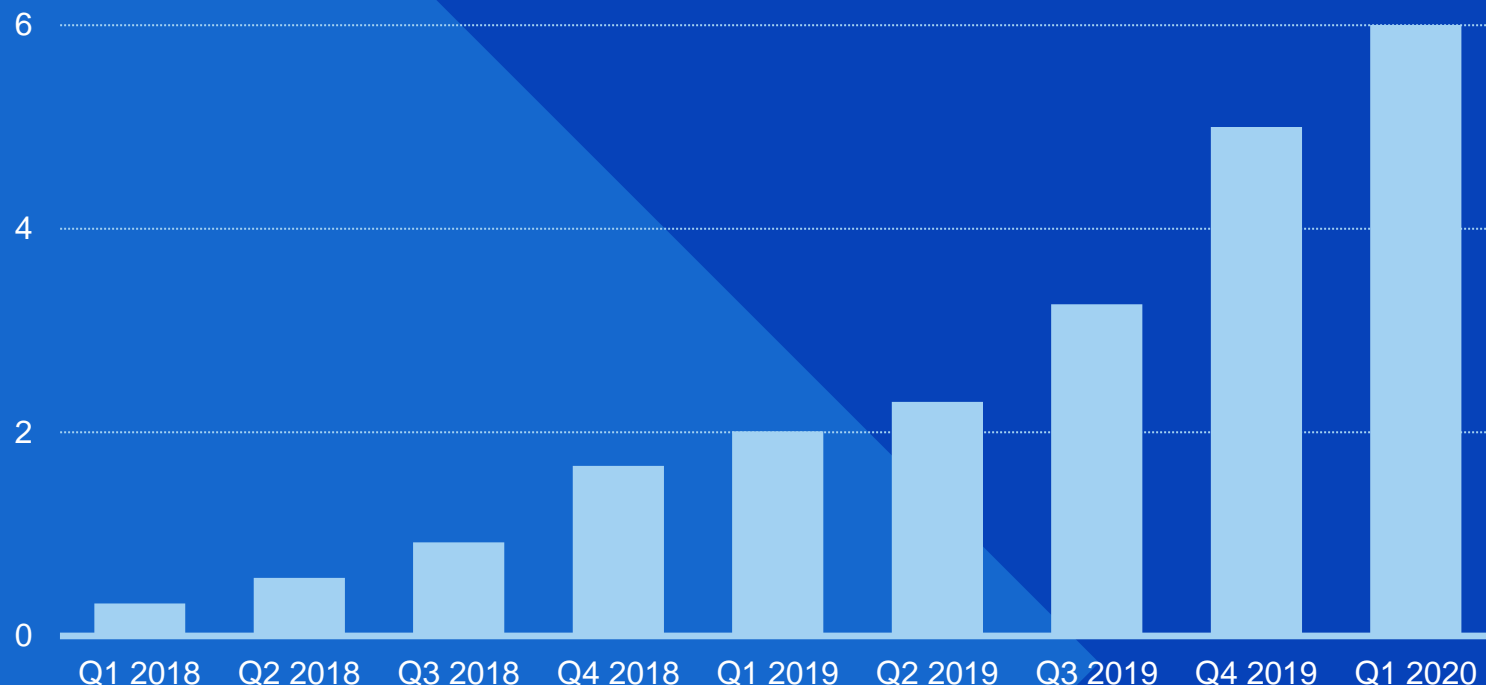
Kahoot! reached 184K paid seats as of Q1 2020, compared to 153K at end of Q4 2019, where of 93K in the Business segment and 91K in the School segment

Note: Including 18K DragonBox School licenses, The Kahoot! Group reached 202K paying users in Q1 2020

Graphs not including DragonBox and Poio

Quarterly invoiced revenue development

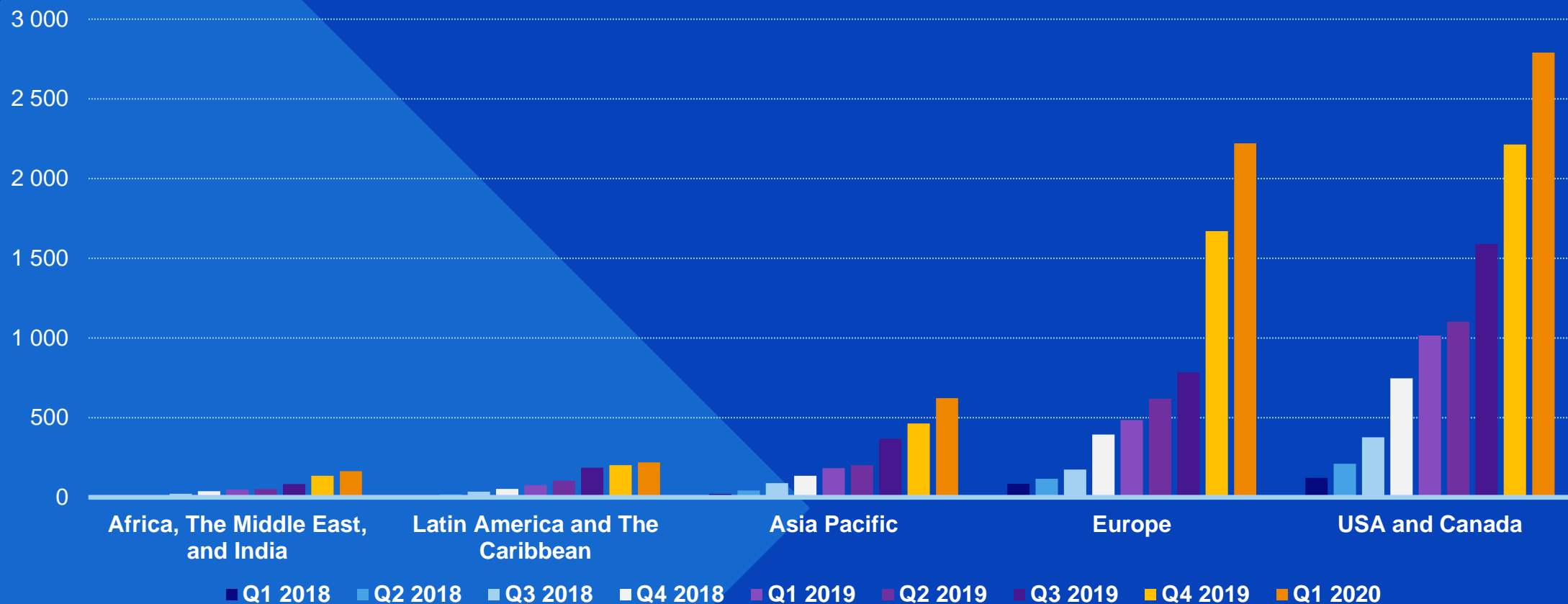
Invoiced revenue (in millions USD)



Total invoiced revenue in Q1 2020 of \$6.4m including \$6.0m from Kahoot! subscriptions and \$0.4m from DragonBox and Poio. The organic quarter-over-quarter growth was 21% in Q1 2020 vs Q4 2019

Automated invoiced revenue per region

Automated Invoiced revenue (in thousands USD)



Kahoot! has paying subscribers from automated sales in more than 150 countries,
USA and Canada represent approx. 46% of revenue (Europe approx. 37%) in Q1 2020

Graphs not including DragonBox and Poio

Key financial figures development

Key financial figures development

Financial figures presented in \$millions

	Q1-20	Q4-19	Q3-19	Q2-19	Q1-19
Invoiced revenue	6,4	5,3	3,4	2,3	2,0
Invoiced revenue growth Q/Q	1,1	1,9	1,1	0,3	0,3
Recognized revenue	4,5	4,0	2,2	1,4	1,2
Total operating expenses	-5,4	-5,1	-3,9	-3,4	-3,3
EBITDA	-1,0	-1,2	-1,7	-2,0	-2,2
Net cash flow from operations	0,9	1,2	-0,6	-1,5	-1,9
Cash and cash equivalents	34,0	40,9	13,4	24,7	26,5
Full time employee equivalents	120	110	100	73	62

- Invoiced and recognized revenue continue to grow quarter over quarter
- Lower growth in total operating expenses combined with strong cash collection of invoiced revenue drive positive cash flow from operations
- EBITDA continues to improve quarter over quarter
- Solid cash position and cash flow from operations
- Continued efforts to develop the company, adding product and commercial talents

Profit & loss statement Q1 2020

Kahoot! Group - Interim Consolidated Profit & Loss Statement

Figures presented in USD thousands

	Q1 2020	Q1 2019	Growth	2019
Invoiced revenue	6 459	2 008	222 %	13 041
Net change unrecognized revenue	-1 998	-839		-4 284
Total recognized revenue	4 462	1 169	282 %	8 757
Cost of goods sold	-471	-132		-970
Payroll & consulting	-3 393	-2 189		-10 086
Other operating expenses	-1 563	-1 020		-4 694
Total operating expenses	-5 426	-3 341	62 %	-15 750
EBITDA	-965	-2 173		-6 993

- Invoiced revenue of \$6.4m in Q1 2020, compared to \$2.0m in Q1 2019 representing more than 220% growth
- Invoiced revenue growth compared to Q4 2019 was 21%
- Invoiced revenue for Kahoot! (excl. acquired units) totaled \$6.0m in Q1 2020, compared to \$2.0m in Q1 2019 (200% growth)
- Operating revenue for Q1 2020 was \$4.5m compared to \$1.2m in Q1 2019, representing 282% growth
- EBITDA for Q1 2020 was -\$1.0m compared to -\$2.2m in Q1 2019, an improvement of \$1.2m

Balance sheet Q1 2020



Kahoot! Group - Interim Consolidated Balance Sheet Statement

Figures presented in USD thousands

	31.03.2020	31.03.2019	31.12.2019
Capitalized R&D	2 069	4 500	2 640
Licenses & Domain	171	203	204
Goodwill	19 044	-	24 086
Deferred tax asset	2 866	1 798	3 431
Total intangible fixed assets	24 150	6 501	30 360
Property and equipment	299	255	313
Financial fixed assets	-	-	-
Total fixed assets	24 450	6 756	30 674
Inventory/deferred cost of goods sold	143	-	147
Accounts receivable	1 253	638	1 322
Prepaid expenses and other current assets	1 057	697	564
Cash and cash equivalents	33 972	26 463	40 851
Total current assets	36 425	27 798	42 883
Total assets	60 875	34 553	73 557
Total equity	51 140	31 023	63 359
Accounts payable	1 040	300	940
Public duties payable	289	31	1 767
Deferred revenues	7 559	2 481	6 718
Other current liabilities	848	719	773
Total current liabilities	9 735	3 530	10 197
Total equity and liabilities	60 875	34 553	73 557

- Cash and cash equivalents as of 31.03.2020 were NOK 357m (\$34m)
- Deferred revenue reached \$7.6m per 31.03.2020 compared to \$2.5m per 31.03.2019, representing an increase of \$5.1m
- No long-term debt and equity ratio of 84%.
- Goodwill from the 2019 acquisitions of DragonBox and Poio are amortized linearly over 5 years and represented \$19m per 31.03.2020
- Significant shifts in the USD exchange rate impacts the balance sheet values compared to year-end 2019

Cash flow statement Q1 2020

Kahoot! Group - Interim Consolidated Cash Flow Statement

Figures presented in USD thousands

	Q1 2020	Q1 2019	FY 2019
Profit/(loss) before tax	-2 054	-2 443	-9 701
Depreciation and amortization	1 424	239	2 667
Changes in accounts receivables	-165	-245	-937
Changes in accounts payables	281	124	762
Changes in public duties payable	-258	-251	340
Changes in deferred revenues	2 156	839	5 065
Changes in other current balance sheet items	-448	-150	-915
Net cash flow from operating activities	937	-1 888	-2 719
Capitalized R&D	-	-	-
Acquisition, net of cash acquired	-	-	-9 755
Purchase of tangible fixed assets	-68	-82	-247
Net cash flow from investment activities	-68	-82	-10 002
Proceeds from equity issue	-1 057	245	25 958
Net cash flow from financing activities	-1 057	245	25 958
Translation differences	-6 691	-145	-677
Net change in cash and cash equivalents	-6 879	-1 869	12 559
Cash and cash equivalents at beginning of period	40 851	28 292	28 292
Cash and cash equivalents at end of period	33 972	26 423	40 851
Non-cash investing and financing transactions			
Fair value of shares issued as acquisition considera	-	-	14 647

- Positive cash flow from operations in Q1 2020 of \$0.9m (NOK 9m) compared to -\$1.9m in Q1 2019
- Limited negative cash flow from investing activities as R&D costs are expensed as they occur
- The negative cash flow from financing activities in Q1 2020 originates from duties payable from the Q4 2019 equity issue
- Significant shifts in USD exchange rate impacts translation differences on cash held

Forward looking statement

Guiding Q2 2020

- Invoiced revenue for the Kahoot! Group is expected to exceed \$8m in Q2 2020, representing 250% growth compared to Q2 2019, and 25% growth compared to Q1 2020
- Cash flow from operations in Q2 2020 is expected to exceed \$2m, representing 25% cash conversion of invoiced revenue

Guiding Full Year 2020

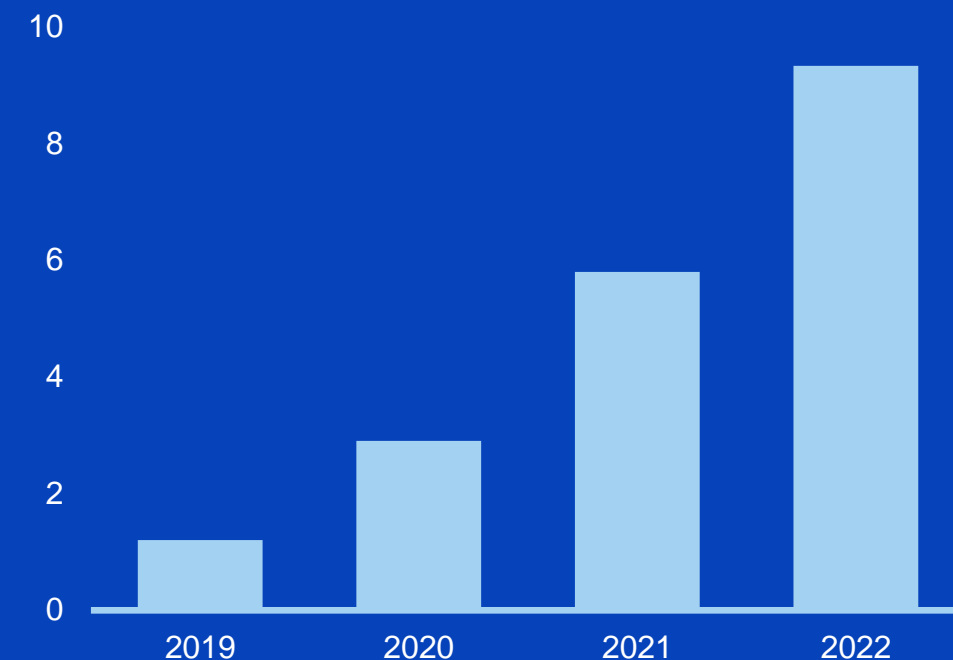
- For the full year 2020, the Kahoot! Group currently expects 100-150% invoiced revenue growth rate from proforma 2019 level. Invoiced proforma revenue for 2019 was \$15m
- Positive cash flow from operations for full year 2020

Target 2022

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

Target Kahoot! MRR end of year

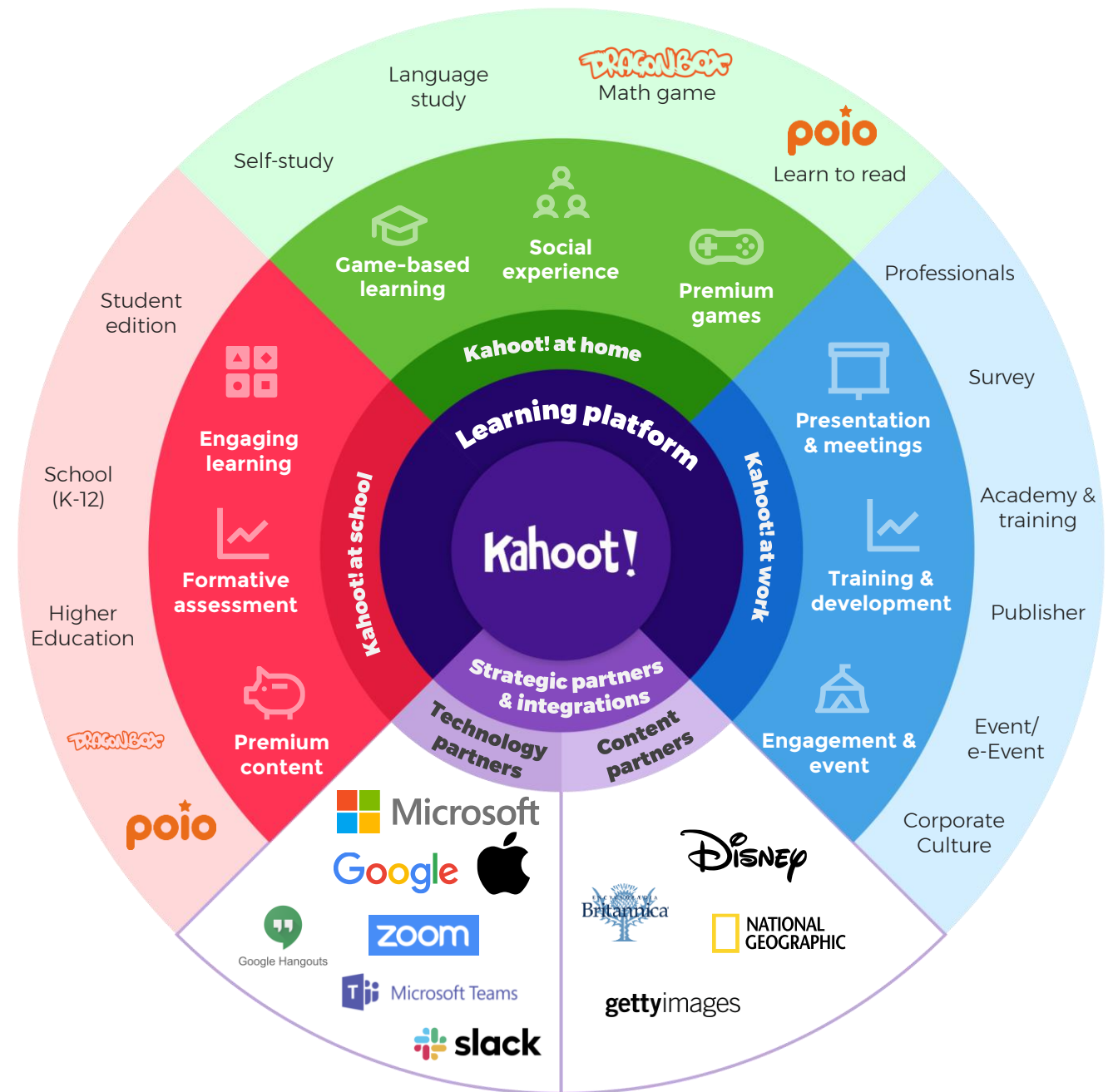
(in millions USD)



Note: Due to fluctuating market conditions and extraordinary circumstances caused by Covid-19, it is in general more challenging to provide accurate guiding

The Kahoot! learning platform 2020-2021

Kahoot!



Summary

- Kahoot! is well positioned to provide solutions making learning awesome for everyone in a new situation for both schools, organisations and families around the world.
- Strong growth in active accounts, both free and paid in 2020
- Good growth in invoiced revenue in Q1, the trend continues into Q2
- Cash conversion is improving and solid financial cash position for non-organic growth
- Announcing key feature improvements for all user groups during Q2 2020
- Announcing the upcoming Kahoot EDU Summit event in June 2020
- Announcing Kahoot!360, the complete offering for corporate learning for all employees

Thank You!

About Kahoot!



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, **218 million games** were played with **1.3 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

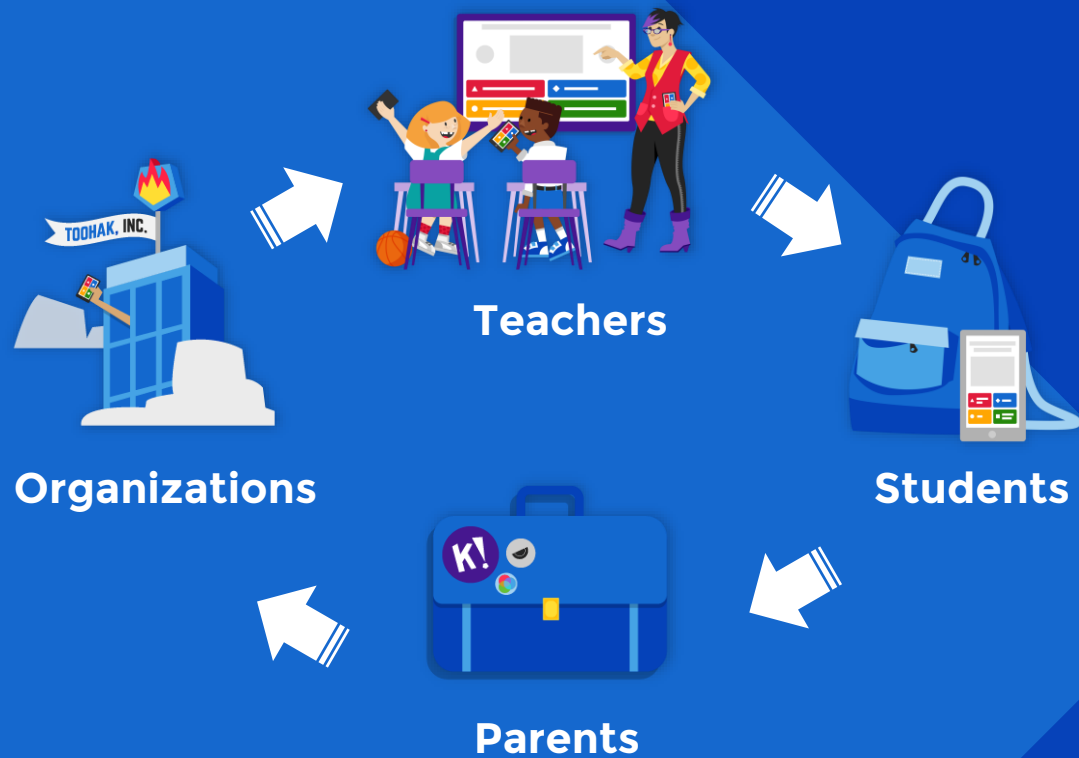


Viral growth, currently adding millions of new accounts and more than **125K net new paid seats** last twelve months



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

The Kahoot! learning ecosystem



Kahoot!



Embraced by teachers

Make learning awesome!

6m+ active teachers globally



Loved by students

Engaging learning experience

800m 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

Kahoot!

Kahoot! *at school*

Embraced by over 6 million teachers
Loved by hundreds of millions of students
Empowering students from learners to leaders



Kahoot!

at school

Premium editions

All schools (K-12)

Higher education

\$1 / \$3 / \$6

\$5 / \$10 / \$15

**free access to Kahoot! Premium for all
schools affected by COVID-19!**

All prices per teacher per month



87%
of the global top
500 universities
are Kahoot!ing

Source: The Times Higher Education
World University Rankings (2020)

Kahoot! *at home*

Millions share memorable moments!

Practice at home

Helping children learn to read

Creating excitement for algebra and geometry



at home

Premium editions

Introducing

Learning apps

\$5-25

Family subscription

From \$3/month
(summer 2020)

Family subscription per family per month



Kahoot Study

-The new self-study mode

Kahoot Study, a self-study mode, perfect for engaging individual study and study groups in different locations

Convert any of the millions of available kahoots to flashcards and enable students to better study any topic

Launch in Q2



Example illustrations

Kahoot!

Kahoot! *at work*

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



Kahoot!

at work

Premium editions

Introducing

For professionals

Business suite

\$10 / \$20 / \$40

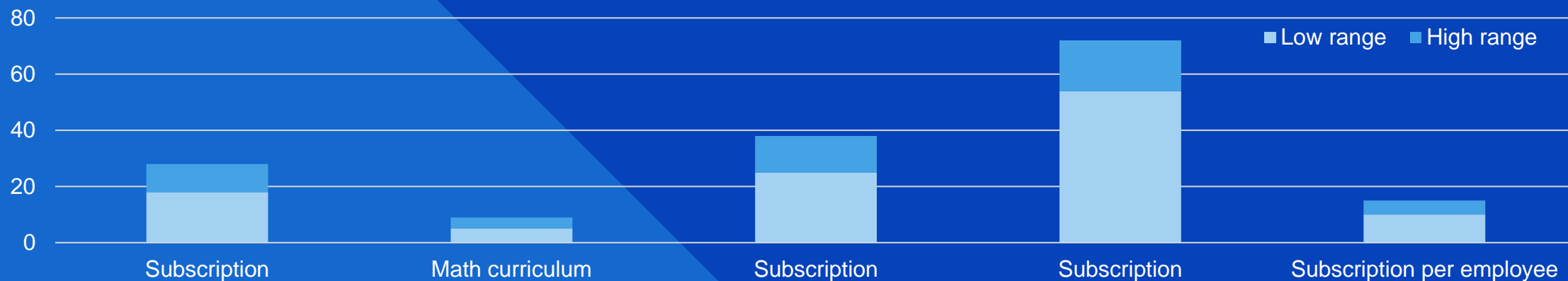
For teams & organizations

All prices per presenter/host per month

Kahoot! customer growth goals 2022



The goal to reach a customer base value exceeding \$100m in 2022 is based on the following assumptions:



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 \$18-28m)
- Increase Students on full math curriculum to 200K
- Monthly price \$2-4 per student (ARR \$5-9m)

At Home

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

At Work

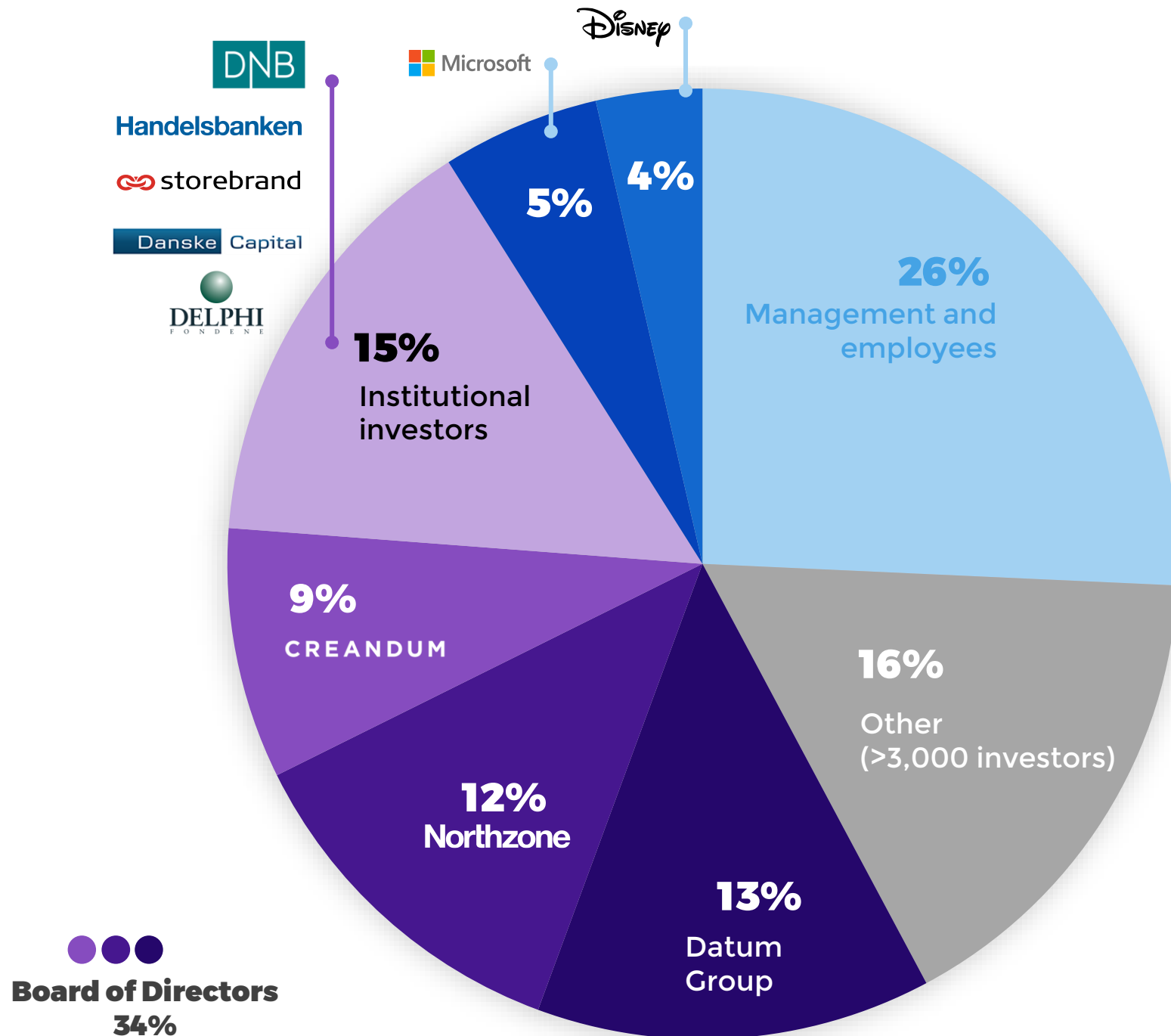
- 400-500K presenters on paid subscriptions
- Monthly price \$10-20 per user (ARR \$54-72m)
- 500K employees on corporate learning
- Monthly price \$1-5 per employee (ARR \$10-15m)

Shareholders overview

Kahoot! AS has a total of 129.4m common shares and more than 3,200 shareholders. The shares are listed on Merkur Market on Oslo Stock Exchange with ticker code KAHOOT-ME

Kahoot! AS shareholders per May 6, 2020

Shareholder	Shares	%
1 Datum Group	17 376 955	13,4 %
2 NORTHZONE VENTURES NORWAY AS	15 577 760	12,0 %
3 CREANDUM III LP	11 044 420	8,5 %
4 AS REAL-FORVALTNING	9 390 740	7,3 %
5 MICROSOFT GLOBAL FINANCE	6 940 000	5,4 %
6 KAM HOLDING AS	4 779 020	3,7 %
7 VERSVIK INVEST AS	4 620 692	3,6 %
8 Citigroup Global Markets Inc.	4 500 000	3,5 %
9 NEWBROTT AS	3 052 000	2,4 %
10 MP PENSJON PK	2 328 306	1,8 %
11 VERDIPAPIRFONDET NORGE SELEKTIV	2 239 293	1,7 %
12 GLITRAFJORD AS	2 000 000	1,5 %
13 J.P. Morgan Bank Luxembourg S.A.	2 000 000	1,5 %
14 GAMIFICATION AS	1 866 600	1,4 %
15 Brown Brothers Harriman & Co.	1 775 200	1,4 %
16 NORDA ASA	1 451 386	1,1 %
17 SANDEN AS	1 424 000	1,1 %
18 J.P. Morgan Bank Luxembourg S.A.	1 380 000	1,1 %
19 VERDIPAPIRFONDET DNB NORDEN	1 305 183	1,0 %
20 PATRICK MARCHAL AS	1 103 480	0,9 %
Other	33 204 461	25,7 %
Total outstanding shares	129 359 496	100,0 %
Employee option pool	8 230 000	
Total no. of shares (fully diluted)	137 589 496	

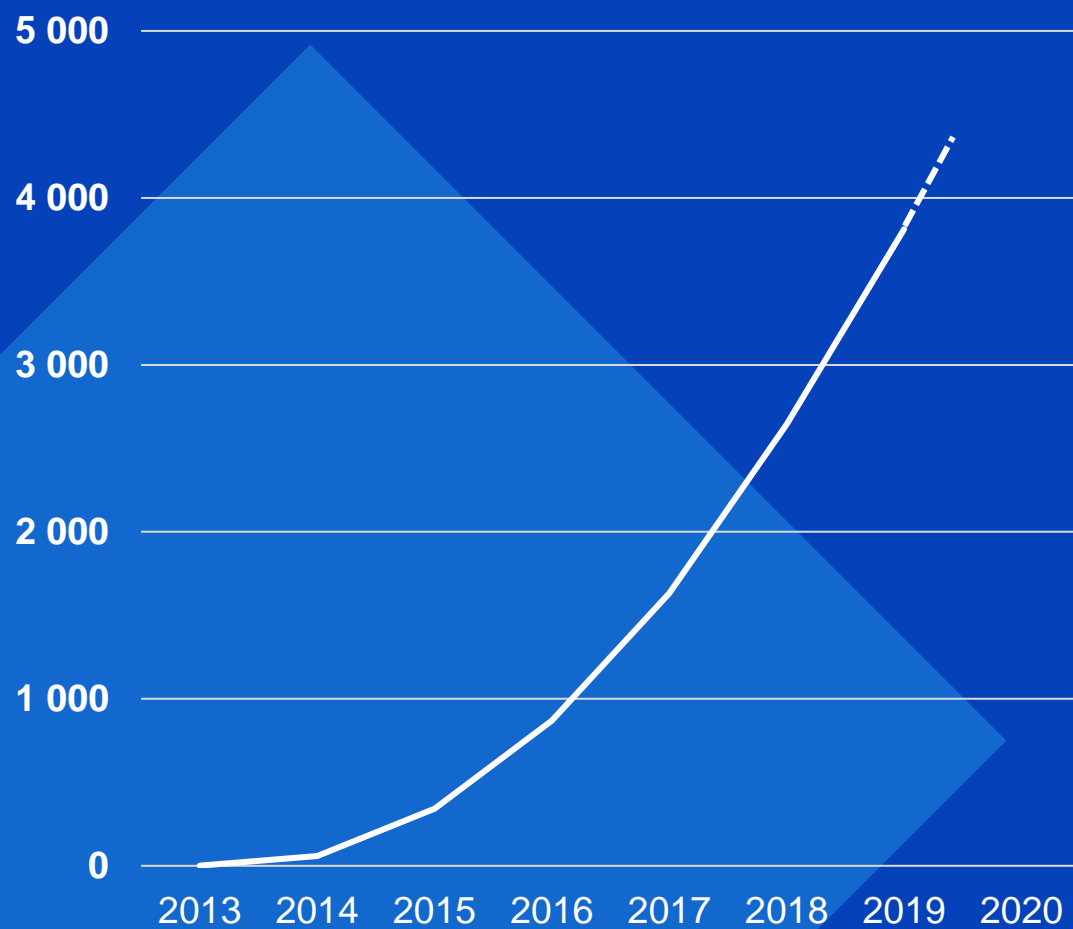


Kahoot! share information

	Ticker
Oslo Stock Exchange (Merkur Market):	KAHOOT-ME
Reuters:	KAHOOT-ME.OL
Bloomberg:	KAHOOTME:NO
Number of shares:	129,359,496
Employee option pool:	8,230,000
Total no. of shares (fully diluted):	137,589,496
Free float:	>95%
Share price (May 5, 2020):	NOK 66.00
Average daily trading volume YTD (shares):	214,000
Market Cap total (May 5, 2020)	NOK 8.5bn

Kahoot! cumulative players

In millions



Kahoot! Highlights

1.3bn

Cumulative players last twelve months

4.4bn

Cumulative players since 2013

+200K

Paying users

19m

Corporate participating players LTM

10

Minutes average per game session

6m+

Active teachers on the platform

6.9

Games played per second

200+

Countries active

100m

Kahoot! games on the platform



Kahoot!

Make learning awesome