



# Acquisition of WildWorks

August 2022

# WildWorks: #1 Grossing App in gamified learning for 8-12 year olds in the US



- Founded in 2003 and headquartered in Utah, WildWorks is one of the most successful and established game studios in the US focused on the kids aged 8-12 years. Wildworks' Animal Jam is the #1 Grossing Apps in its category
- WildWorks Animal Jam game is an online playground for kids who love animals and the natural world. Available on iOS and Android mobile devices in addition to Mac and PC computers, the game features world building and multiplayer games in a closely moderated social play space and offers a wealth of free STEAM-oriented educational content that players can access in the app and through the AJ Academy website
- Wildworks mobile apps have attracted over 150 million players in the past. WildWorks revenues<sup>1</sup> were \$13.8 million in CY21 and \$5.8 million in H1CY22, and EBITDA<sup>1</sup> were \$3.1 million in CY21 and \$1.6 million in H1CY22

## Executive Team



**Clark Stacey**  
Founder & CEO

- 25 year games industry veteran**
- Serial Entrepreneur
- Founder & CEO, Cobalt Interactive
- Executive VP, Beyond Games Inc.
- BA, University of Utah



**Jeff Amis**  
Co-Founder & COO

- 27 years in project management**
- Development Manager, TenFold
- Manager, Center7 Data Centers
- BA, University of Utah
- MBA, Brigham Young University

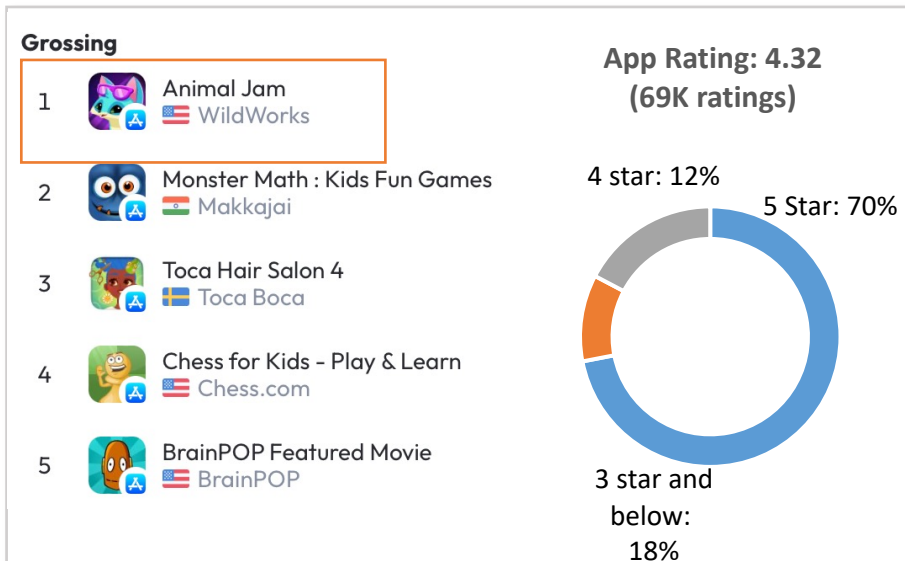
Additional management team:  
Austin Beck: VP of Technology

Pat Carver: Product Director  
Carter Pham: Community Director

## Financials<sup>1</sup>

Key Metrics	CY21 A	H1 CY22 A
Revenue	\$13.8	\$5.8
EBITDA	\$3.1	\$1.6
EBITDA %	22.8%	27.9%

Note : 1 Based on carved out unaudited financials, shared by the company



# Wildworks: 50%+ organic subscribers and strong unit economics



## Unit Economics

Key Metrics	Q1CY21	Q2CY21	Q3CY21	Q4CY21	Q1CY22	Q2CY22
Customers <sup>1</sup>	126,581	119,555	109,438	102,419	100,541	93,916
% Organic (based on installs)	57%	37%	44%	59%	52%	70%
Marketing Spend (mn)	\$272,128	\$542,048	\$482,778	\$256,035	\$282,027	\$178,726
Cost per Acquisition	\$38	\$31	\$40	\$34	\$32	\$28
ARPU <sup>2</sup>	\$7.0	\$7.6	\$7.7	\$9.0	\$8.1	\$8.5
Churn	14%	13%	13%	13%	11%	14%
24 month LTV <sup>2</sup> /CAC	1.4x	1.8x	1.4x	1.9x	2.4x	2.3x

- Weak balance sheet has prevented the company from investing in user acquisition, leading to decline in player / subscriber base
- High organic installs- 70% of total installs are organic in Q2CY22
- Higher ARPU on account of higher IAP during the holiday season in Q2 and summer/spring break during Q4

## Investment Rationale

- WildWorks enables Nazara to solidify leadership position in the gamified learning space for kids
- The 8-12 player demographic of Animal Jam builds on the success of Kiddopia early learning product for kids 2-7, extending reach with families while maintaining focus on high quality educational content

## Growth strategies post acquisition

### Invigorate Core Business:

- Increase user acquisition spend to drive subscriber growth
- Leverage the learning from Kiddopia business to optimize acquisition investment
- Accelerate production of content updates
- Increase geographic reach through partnerships in APAC & LatAm

### Brand Partnerships to drive further growth

- Wildworks has successfully partnered with Ryan's World, #1 grossing YouTube channel in the world
- Negotiating opportunities for similar partnerships with emerging kid influencers to create new revenue streams

Note: 1. Customers includes subscribers as well customers of In App Purchases. Q2 Subscribers as of 31<sup>st</sup> May 2022.

2. ARPU includes revenue from subscription, In App purchases and advertisement

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## Company :



**Nazara Technologies Limited**  
CIN: U72900MH1999PLC122970

**Ms. Anupriya Sinha Das**  
*Head of Corporate Development*

[investors@nazara.com](mailto:investors@nazara.com)

[www.nazara.com](http://www.nazara.com)

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## Investor Relations Advisors :

**SGA** Strategic Growth Advisors

**Strategic Growth Advisors Private Limited**  
CIN: U74140MH2010PTC204285

Rahul Agarwal / Ami Parekh  
[rahul.agarwal@sgapl.net](mailto:rahul.agarwal@sgapl.net) / [ami.parekh@sgapl.net](mailto:ami.parekh@sgapl.net)  
+91 982143 8864 / +91 80824 66052

[www.sgapl.net](http://www.sgapl.net)

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