



## **ASX Announcement**

15 November 2018

### **LiveTiles 2018 Annual General Meeting - Chair's Address**

#### **Welcome and Introduction**

Ladies and gentlemen, on behalf of the Board, I would like to thank you for joining us today and welcome you to LiveTiles' 2018 Annual General Meeting.

With us today is our co-founder and Chief eXperience Officer, Peter Nguyen-Brown, our Chief Financial Officer, Matt Brown and our Company Secretary, Andrew Whitten. On the phone, we are joined from New York by co-founder and Chief Executive Officer, Karl Redenbach, Non-Executive Director Andy McKeon in San Francisco and I am pleased to introduce you on this occasion to our newest member of the Board, Non-Executive Director David Lemphers, who is dialing in from Texas.

I will ask David shortly to introduce himself, but by way of brief introduction, David is an early-stage technology expert who joined the LiveTiles Board as a Non-Executive Director on 1 September 2018. Based in the United States, he has extensive experience in software engineering. He was formerly at Microsoft, where as Principal Software Development Engineer Lead, he used artificial intelligence and machine learning to design and develop Microsoft's self-learning systems.

David is also a founder of multiple technology companies in the artificial intelligence and machine-learning space. We are very pleased that David can bring this experience to the board table. I will now briefly handover to David to introduce himself.

#### **FY18 Highlights**

The 2018 financial year was another year of significant growth for LiveTiles, with annualised recurring revenue reaching \$15 million by 30 June 2018, a 275% increase on the prior year. This rapid growth was driven by substantial growth in our customer base, particularly enterprise customers, with total paying customers reaching 536 at the end of the financial year.

This strong growth has continued into FY19, with annualised recurring revenue hitting \$18.6 million at the end of the first quarter. Our annualised recurring revenue has grown 20-fold within 10 quarters.

The rapid growth that we enjoy is reflective of the return on the investment that LiveTiles has made into sales and marketing, which includes a strategic agreement with N3, the sales and marketing consultancy. N3's dedicated sales and marketing team of 60 was established in the June 2018 quarter and to date has generated a pipeline of sales opportunities in the United States in excess of \$50 million. We expect the N3 channel will contribute to our strong revenue growth in FY19.



LiveTiles values strategic relationships and we continue to establish and develop such relationships with a wide range of industry partners to leverage our partners' customer relationships and to help scale our business in particular geographies and industries. A recent example is our alliance with Victory Tech Services, targeting the very large United States government sector.

### **AI capabilities leave LiveTiles well positioned to capitalise on growing market**

During the financial year, LiveTiles launched LiveTiles Bots and LiveTiles Intelligence, the Company's first artificial intelligence (AI) products. Since launch, the early customer adoption of LiveTiles Bots – our innovative 'build your own bot' enterprise software product – has surpassed all expectations and has been met with strong demand from new and existing customers ranging from mid-market to Fortune 500 companies.

Adding to our AI capabilities with a complementary product offering, LiveTiles acquired Hyperfish in June 2018. Hyperfish is a successful Microsoft-aligned software business that delivers employee profile and directory management artificial intelligence software, founded in 2015 by Brian Cook, the co-founder of global software company Nintex, and Chris Johnson, an ex-Microsoft executive. The acquisition combines two of the fastest growing companies in the Microsoft ecosystem and provides a strong opportunity to cross-sell to over 500 existing customers, driving further product penetration and revenue growth.

### **Close alignment with Microsoft boosts global brand recognition**

Our strategic partnership with Microsoft continues to strengthen, with our close strategic alignment and several co-marketing initiatives leading to improved brand and product awareness and growth in customers and revenue. The partnership is of mutual benefit. The integration of LiveTiles' products into Microsoft's Office 365 and Azure platforms increases and improves the use of Microsoft's platforms and software by its customers, whilst improving employee experience and collaboration via LiveTiles' product offering.

LiveTiles has embarked on a number of co-marketing initiatives with Microsoft since the start of the 2018 financial year, including:

- Launching the AI Spark Partner Program to participating Microsoft partners in Australia, and now the United States, to enable partners to deploy AI solutions to their customers more quickly by lifting their AI capabilities.
- Participating as a major sponsor of Microsoft's 2018 global Inspire conference, where LiveTiles was showcased in a keynote presentation by Microsoft's Corporate Vice President of Microsoft's One Commercial Partner Channel, Gavriella Schuster. Over 20,000 people attended the Inspire event, which was held in Las Vegas, in 2018.
- Participating as a major sponsor of Microsoft's Ignite conference, with the event already generating strong sales opportunities and interest in LiveTiles' intelligent workplace offering.



- Being recently named by Microsoft as the first software company accepted into its AI Inner Circle Partner Program. The exclusive program is designed for partners who provide enhanced AI product solutions utilising Microsoft AI technologies. The invitation recognises the ability for LiveTiles' unique technology to drive business transformation using the power of AI.
- Joint-discussions with Microsoft and several Fortune 500 companies to promote LiveTiles' intelligence workplace offering.

### **Industry awards provide further commercial validation**

Pleasingly, in a significant win, LiveTiles was awarded the Microsoft US Partner Award for Modern Workplace Transformation in recognition of the Company's leadership in customer impact, solution development, deployment and the exceptional use of Microsoft's advanced features. This was a great honour for LiveTiles, with the award singling us out from almost 100,000 other US-based Microsoft partners.

LiveTiles was also recognised at the third annual AIConics Awards in London, with an independent panel of experts awarding us the Best Application of AI in the Enterprise.

There have been other awards. To mention a few more: LiveTiles is proud to have won the ARN Innovation Award for Homegrown Export, acknowledgement in The SaaS Report's Top 50 SaaS CEOs for 2018, a finalist in the CRN Channel Award's Emerging Vendor of the Year (UK), a finalist in the AIConics San Francisco: Greatest Contribution to Ethics, Gender Equality and Diversity in AI and also as a finalist for AI Ireland's Best Application of AI in a Large Enterprise.

### **Outlook**

The Board and management team expect FY19 will be another year of strong revenue growth for LiveTiles, as our continued investment in innovation, our enlarged sales and marketing channels and joint marketing initiatives and ongoing development of our relationship with Microsoft, continue to deliver growing brand and product awareness and drive customer demand.

In closing, I would like to take a moment to express, on behalf of the Board, our considerable thanks to shareholders, customers, partners and our wonderful staff for your continued support and commitment to LiveTiles.

**Cassandra Kelly**  
Chair, LiveTiles Limited