



We are LiveTiles

LiveTiles Limited

Q1 FY20 Investor Update
29 October 2019



All currency amounts in this presentation are in Australian Dollars (AUD).

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Q1 Highlights

- \$42.9m of annualised recurring revenue (ARR) ⁽¹⁾, up 131% on pcip
- 952 paying customers across every major industry vertical
- 185 transacting partners²
- Large and rapidly growing addressable market
- Pleased with sales and marketing activity early in Q2
- Strengthening pipeline - early customer and partner response to Wizdom and bundling driving pipeline growth
- Bundles: longer sales cycle, higher average contract value and retention rate
- Larger and more engaged partner channel



“
A single pane of glass
for this cloud computing
giant keeps all their
folks connected to
the right information
at the right time.
”

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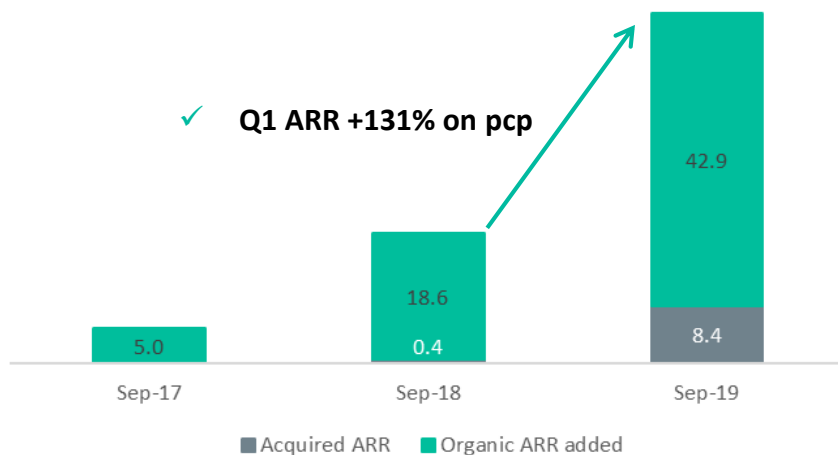
 Office 365

 SharePoint

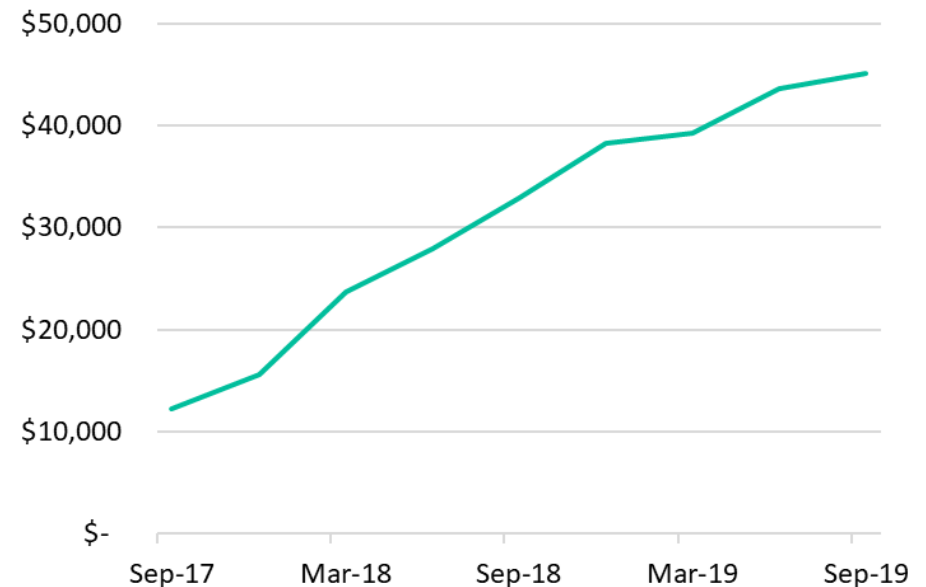
 Azure

1. As at 30 September 2019. Annualised recurring revenue (ARR) represents committed, recurring revenue on an annualised basis.
2. LiveTiles resellers that have closed at least one LiveTiles software licensing transaction

Year-on-year ARR growth ⁽¹⁾



Average ARR per customer up 37% YoY

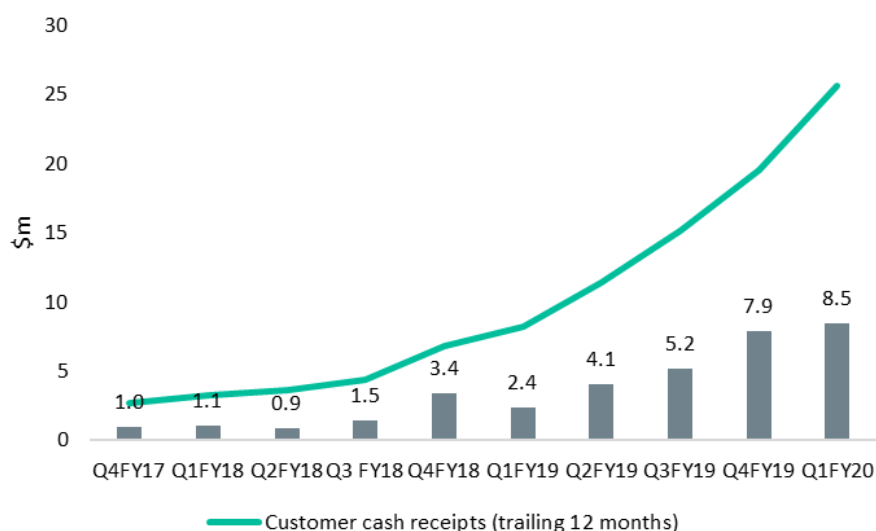


- ✓ One of the world's fastest-growing SaaS companies
- ✓ Acquisition of Wizdom, Europe's leading 'plug and play', Microsoft-aligned digital workplace software business, completed in Feb 2019
- ✓ Q1 in line with expectations, strong pipeline of sales opportunities in FY20

- Strong growth in average ARR per customer (+37% in last twelve months) driven by:
 - ✓ A higher proportion of new enterprise customers
 - ✓ Product cross-sell / bundling
 - ✓ Increased penetration of existing customers

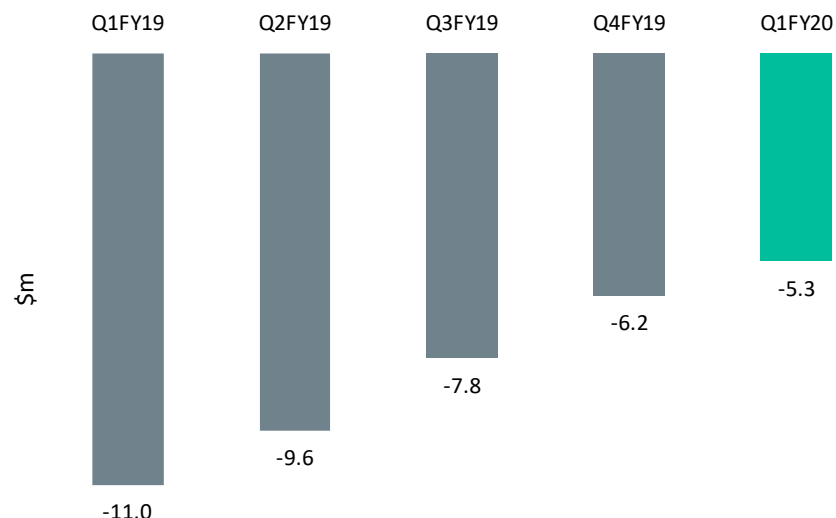
1. Acquired ARR comprises Wizdom's ARR as at 31 December 2018 (\$8.0 million) and Hyperfish's ARR as at 30 June 2018 (\$0.4 million). Figures in A\$ millions.

Strong Growth in Customer Cash Receipts



- ✓ Strong growth in customer cash receipts continued in Q1FY20
- ✓ Another record quarter in Q1
- ✓ Fourth consecutive record quarter

Improving Net Operating Cash Flow



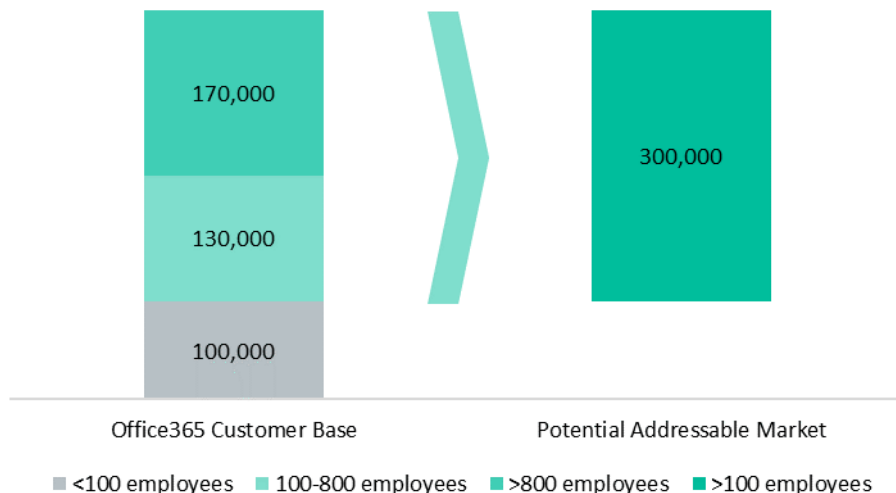
- ✓ Fifth consecutive quarter of net operating cash flow improvement
- ✓ \$3.8m R&D tax incentive received during Q1
- ✓ Underlying opex of \$16.4m vs guidance of \$15.9m
- ✓ Non-operating opex relating to discontinued salary and contractor costs, legal costs and costs relating to capital raising
- ✓ Q2 opex expectations of ~\$16.2m

Global Market Opportunity: intranet software



Large and rapidly-growing addressable market of ~300,000 organisations

Microsoft Office365 Customer Base ⁽¹⁾



Total Potential Addressable Market

300,000 Potential Customers

x \$43.6k Average ARR per Customer ⁽²⁾

= ~\$13 billion pa

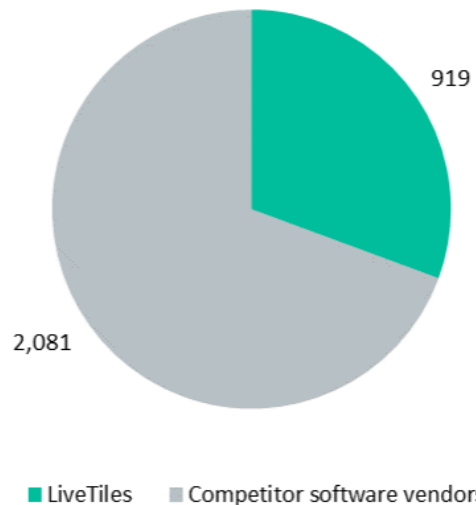
- ✓ Almost all organisations with >100 employees utilise some form of intranet or employee portal
- ✓ Almost all use custom-coded intranets without benefit of intranet software
- ✓ Strong growth in Microsoft's Office365 Commercial revenue: +34% YoY ⁽³⁾

Each 1% market penetration = ~\$130m ARR

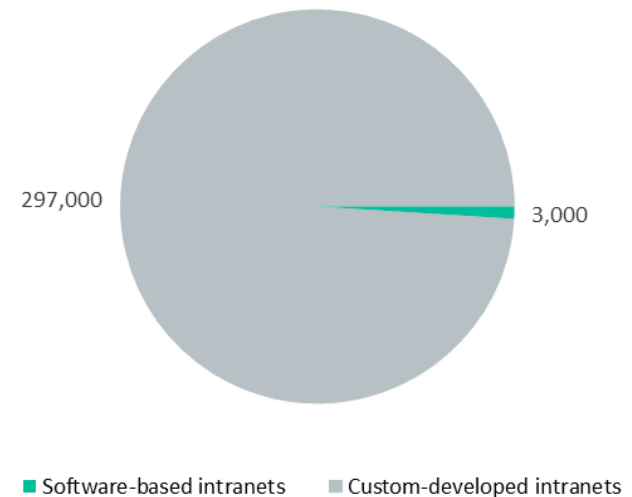
1. LiveTiles estimates based on industry knowledge.
2. LiveTiles' average annualised recurring revenue (ARR) per customer as at 30 June 2019.
3. Microsoft Q4 FY19 earnings release (constant currency basis).

Software-based intranets are in the early stages of replacing custom-coded intranets

Leading Market Share ⁽¹⁾



Penetration of Software-based Intranets ⁽¹⁾



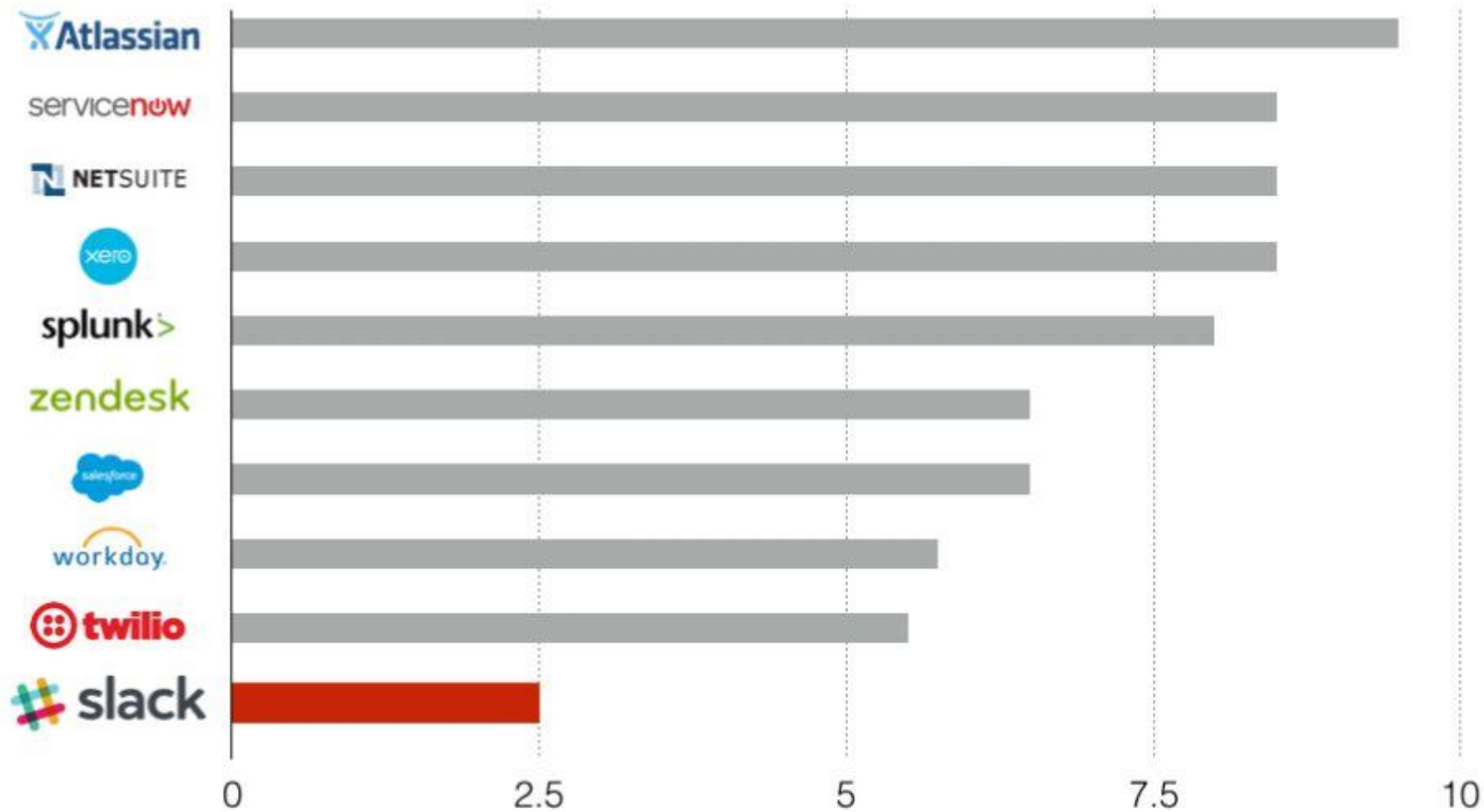
- ✓ LiveTiles is more than 4x larger than its nearest competitor (by revenue)
- ✓ Most competitor software vendors are embedded within systems integrator (consulting) businesses

- ✓ Internal organisation intranets and portals have historically been custom-coded - common frustrations with cost, lack of features and lack of dynamic change
- ✓ LiveTiles pioneered the market for low/no-code intranet software in 2015
- ✓ LiveTiles is pursuing market conversion through direct, partner and Microsoft channels

Growth Benchmarking: Years to US\$100M in ARR



LiveTiles is targeting A\$100m ARR in ~6.25 years since initial product launch¹



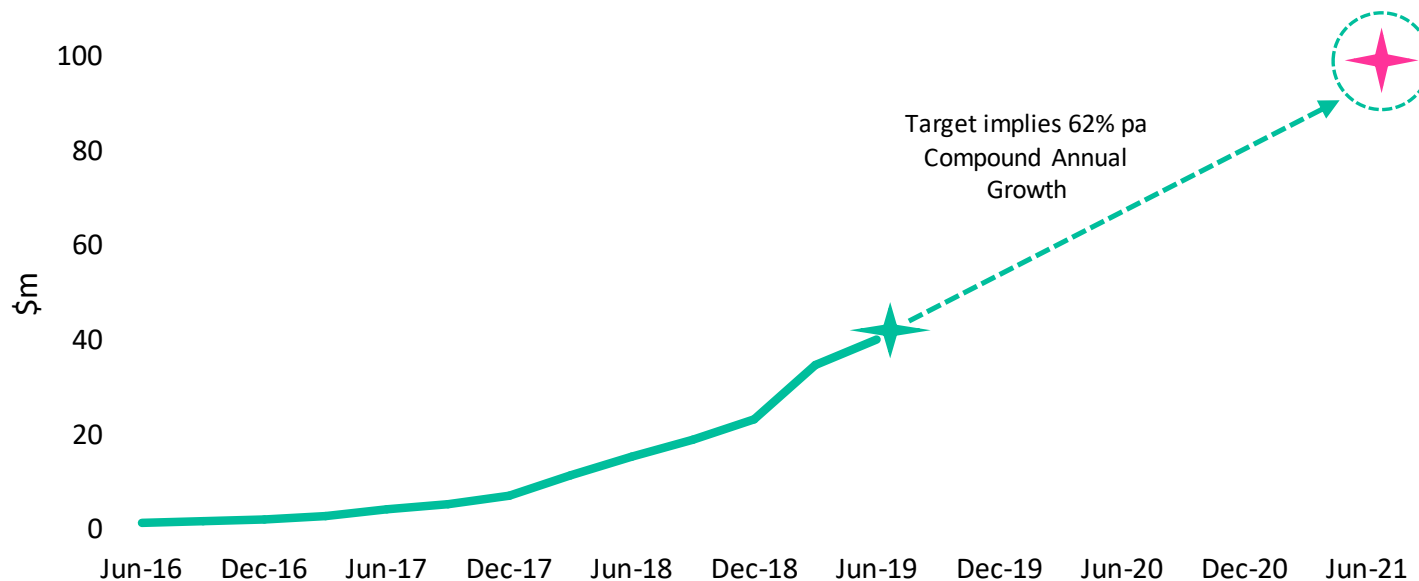
Note: For Slack, time since first product launched. For others, assumes ARR target hit 6-12 months prior to equivalent revenue number. **Source:** Internal data and CapitalIQ

1. The Company's A\$100M ARR target is not a forecast or guarantee of future performance. It depends on a number of assumptions and is subject to risks, including the risk factors set out in the Company's presentation lodged with ASX on 18 September 2019.

LiveTiles expects to deliver another year of strong customer and revenue growth in FY20

- ✓ Large and growing addressable market
- ✓ Focused direct sales & marketing strategy targeting larger enterprises
- ✓ Conversion of large pipeline generated by inside sales team in the United States
- ✓ High-impact co-marketing initiatives with Microsoft
- ✓ Continued growth in partner/reseller distribution channel
- ✓ Growing demand for Artificial Intelligence products
- ✓ Substantial expansion opportunity with existing customers via cross-sell, bundling and increased penetration
- ✓ Technology alliances

LiveTiles' publicly stated target is to organically grow ARR to at least \$100m by 30 June 2021¹



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