

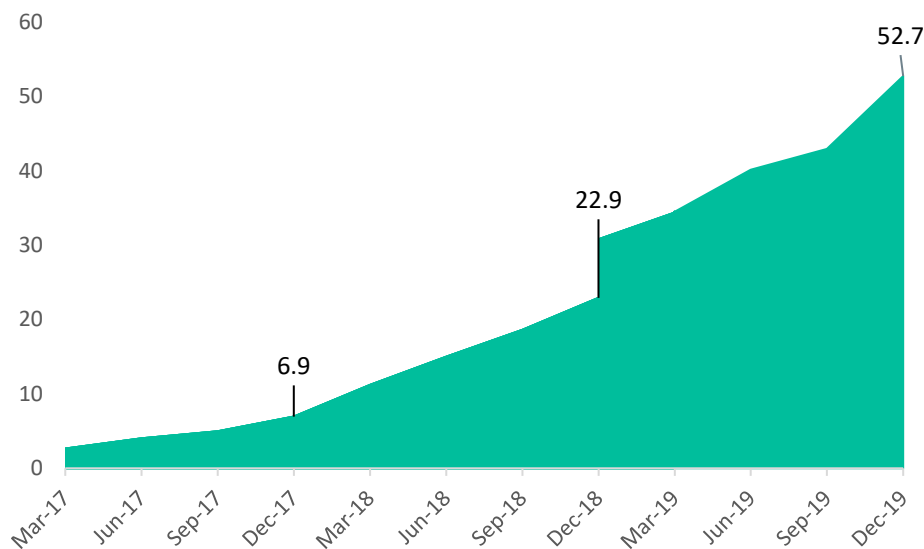
## ASX Announcement

16 January 2020

### Q2 ARR grows to \$52.7 million

- Annualised recurring revenue<sup>1</sup> (ARR) reaches \$52.7 million as at 31 December 2019, up from \$42.9 million as at 30 September 2019. ARR has grown 130% in the last year and is up 7.6x in 2 years
- Q2 FY20 saw strong organic ARR growth of \$5.1m from 30 September, augmented by acquired growth of \$4.7m coming from the acquisition of CYCL, completed in early December
- CYCL acquisition completed in early December with integration progressing well
- Organic growth from continued focus on bundled and integrated offerings, which carry a longer sales cycle but higher average contract value and retention rate. Q2 saw continued growth in average contract value, with this growth achieved despite a higher churn rate among smaller customers and adverse FX translation impacts
- LiveTiles continues to expect another year of strong customer and revenue growth in FY20

### Annualised recurring revenue growth (\$m)



<sup>1</sup> Annualised recurring revenue (ARR) represents committed, recurring revenue on an annualised basis

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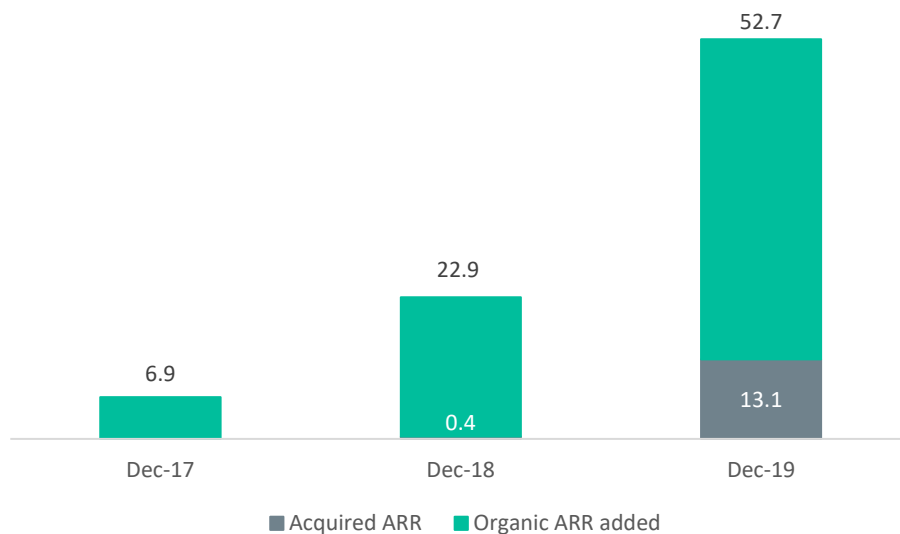
**LiveTiles Limited (ASX:LVT) (LiveTiles or the Company)**, a global software company that empowers its users to create their own intelligent workplace experiences, is pleased to announce another solid quarter of annualised recurring revenue (ARR) growth. ARR reached \$52.7 million as at 31 December 2019, representing year on year growth of 130%, and up 7.6 times when compared with two years ago.

Q2 saw continued growth in average contract value, with this growth achieved despite a higher churn rate among smaller customers and adverse FX translation impacts.

With the 2019 acquisitions of Wizdom in February and CYCL in November LiveTiles has expanded its customer, revenue and product base. LiveTiles' base of ARR includes software subscription and related services including software support. LiveTiles has already delivered early progress to introduce LiveTiles products to CYCL customers, including the conversion of some CYCL services customers to include software subscriptions.

The Company's customer pipeline continued to grow during Q2 and the Company is well positioned to grow its pipeline of partners. The Company continues to focus on bundled and integrated offerings to enterprise customers across its portfolio, which naturally have a longer sales cycle but higher average contract value and retention rate.

### Annualised recurring revenue growth (\$m)<sup>2</sup>



<sup>2</sup> Acquired ARR comprises Wizdom's ARR as at 31 December 2018 (\$8.0 million), Hyperfish's ARR as at 30 June 2018 (\$0.4 million) and CYCL's ARR as at 30 September 2019 (\$4.7 million).

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Customer highlights in the December quarter included:

- A global company creating artificial intelligence technology (Australia)
- A professional sports club (Australia)
- A large independent dealership (UK)
- A large mining company (Australia)
- A federal government department (Australia)
- A public research university (Australia)
- A global architecture group (Australia)
- A large travel agency (USA)
- A full-serviced law firm (USA)
- A government department (UK)
- A global science based company (Netherlands)
- A global confectionary company (Luxembourg)
- A plumbing supply company (USA)
- A global manufacturing company (UK)
- An insurance company (Switzerland)
- A large insurance company (Europe)
- A transmission grid company (Switzerland)
- A global NGO (Germany)
- A global consulting firm (USA)

In addition to these major customer wins during the quarter, the Company has:

- Raised \$55 million from institutional and retail shareholders
- Continued a process of non-executive director renewal, with the addition of Dana Rasmussen to the Board, and announced the search for an additional non-executive director
- Presented on intranets and Microsoft Teams at Microsoft's global customer conference (Ignite)
- Acquired CYCL, the leading intelligent intranet provider based in Switzerland

The Company will provide further details on its growth and operations with its Q2 Appendix 4C announcement in late January.

**LiveTiles Co-Founder and Chief Executive Officer, Karl Redenbach states:** "LiveTiles is pleased with its record base of annualised recurring revenue, progress against our strategy and overall market position.

"We were also thrilled to have the CYCL team join LiveTiles during the quarter. This acquisition consolidated our position as the global market leader in intranet software, targeting a potential total market of \$13 billion in its very early stages of adoption. With market penetration of 1% to date we see enormous opportunity to drive both intranet software adoption and extend the value of the intranet".

## OUTLOOK

LiveTiles expects to deliver another year of strong customer and revenue growth in FY20, driven by our continued investment into our products, partners and sales and marketing channels.

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**For further information, please**

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**About LiveTiles:**

LiveTiles is a global software company headquartered in New York, with operations in Seattle, Tri-Cities (Washington State), San Francisco, Los Angeles, Chicago, North Carolina, Rochester, London, Sligo, Copenhagen, Amsterdam, Basel, Zurich, Bern, Sydney, Melbourne, Brisbane, Geelong and Hobart. LiveTiles offers intelligent workplace software for the commercial, government and education markets, and is an award-winning Microsoft Partner. LiveTiles' products comprise LiveTiles Intelligent Workplace, LiveTiles Page Designer, LiveTiles Bots, LiveTiles Intelligence, LiveTiles for SAP Software, LiveTiles MX, LiveTiles Mosaic, Hyperfish, Wizdom, MatchPoint and Condense. LiveTiles' customers represent a diverse range of sectors and are spread throughout the United States, United Kingdom, Europe, the Middle East and Asia-Pacific.

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