



LiveTiles [LVT.ASX]

Delisting Investor Presentation

17 August 2022



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Delisting Activity to date

Announcements released

29 July 2022	Trading Halt announcement
2 August 2022	Voluntary de-listing announcement
5 August 2022	Notice of Extraordinary General Meeting (EGM) for September 5
9 August 2022	Operational and Strategic Priorities announcement
11 August 2022	Post delisting trading platform announcement
16 August 2022	Private trading platform overview and demonstration
EGM	5 September 2022 – 10:00 am AEST

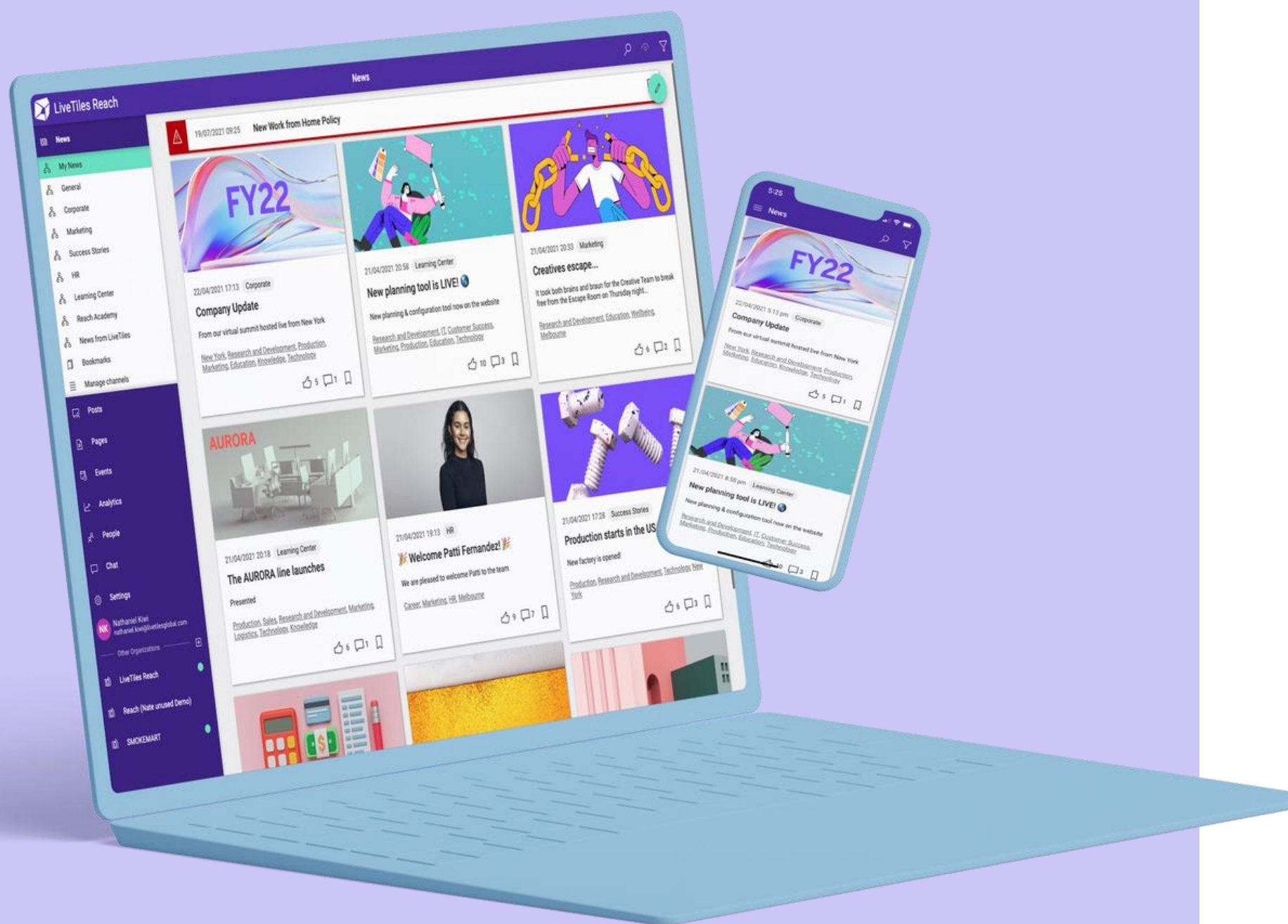
Frequently asked questions

- What will happen to my shares post-delisting?
- How will I sell my shares following the delisting?
- How do I check the value of my shares post-delisting?
- What is your product growth strategy?
- Is the Board supportive?
- How do I know LiveTiles will get a higher valuation on delisting?
- How do you value a private company?

LiveTiles background

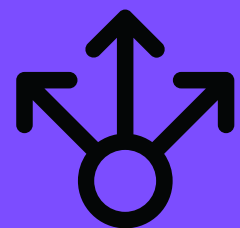
Since listing on the ASX in 2015, LiveTiles has achieved the following:

- We have grown our customer base to over 1,000 customers, including some of the world's largest companies such as Nestle, United Healthcare Group and Novartis
- We have grown our revenue from zero to \$65 million in ARR and achieved profitability in the first half of FY22
- We have acquired 4 highly complementary businesses to broaden and strengthen our offerings
- We have built a team of highly skilled and dedicated people across the US, Europe and Australia



1. Why LiveTiles is pursuing a delisting

Why LiveTiles is pursuing a delisting



Many shareholders have recommended that the Company consider a delisting due to historic share price underperformance and comparison to peers in the market



Independent advice from strategic advisors is that company valuation could be significantly higher if unlisted



The Company has considered the impact on their employees in a listed versus an unlisted environment, and strongly believe that it can perform stronger if unlisted



The Company has considered these views carefully and agrees it will be able to focus on strategy and business growth opportunities in a much more significant way if unlisted

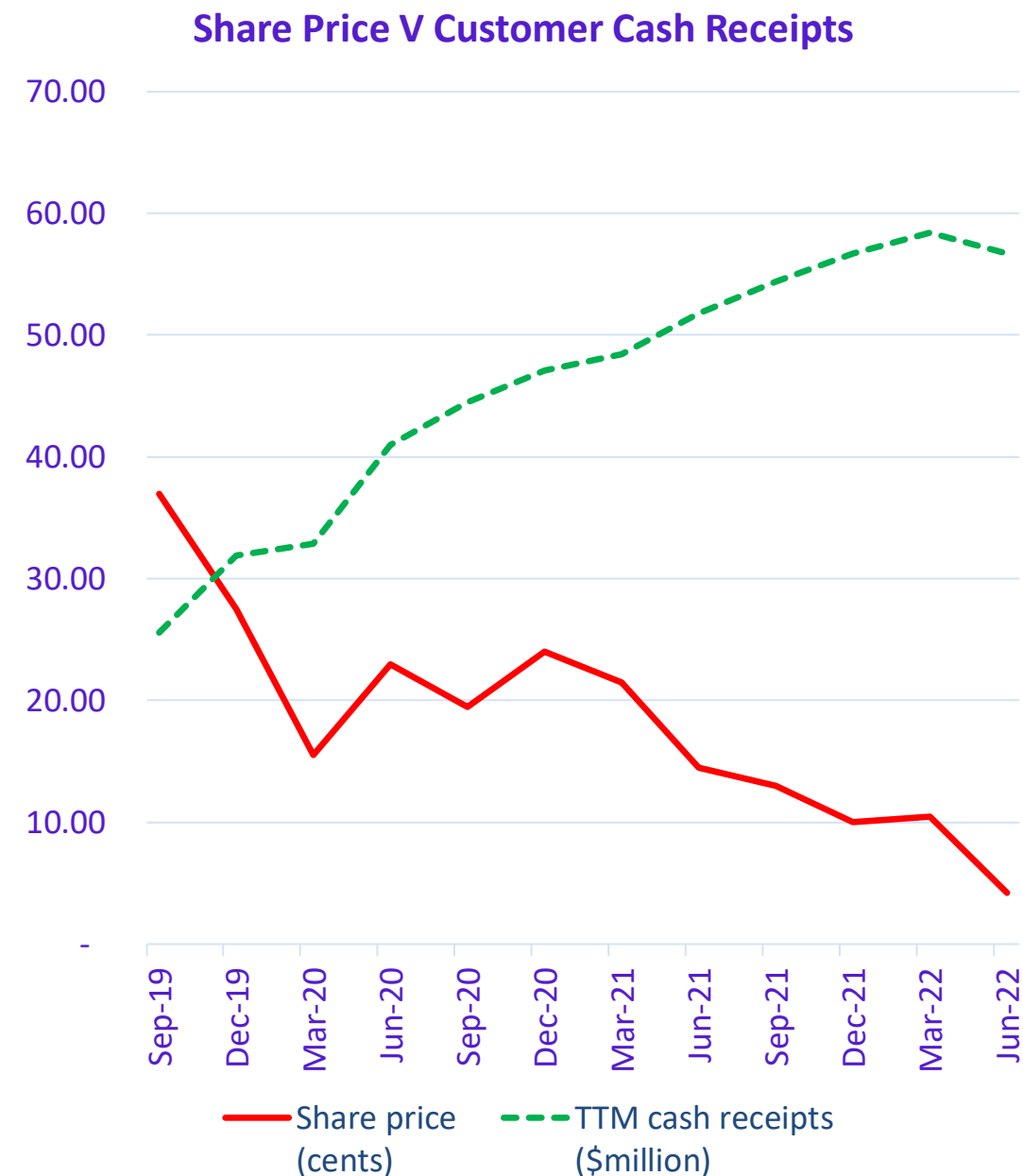
2. Delisting Rationale

Delisting Rationale

As cited in the Notice of Meeting, released on the 5th August 2022, LiveTiles believes delisting from the ASX will deliver a higher valuation to the benefit of all shareholders and materially strengthen its competitive advantage in the global tech landscape

Valuation LiveTiles has grown to become one of the world’s largest employee experience and engagement companies with over \$65 million in ARR and a profit (H1 FY22) yet its valuation is significantly lower than its unlisted peers with lower revenues.	Strategic Priorities Following its maiden profit in H1 FY22, LiveTiles’ priority is to generate free cash flow with a long-term growth strategy which is not aligned with quarterly ASX reporting.	Product Strategy More focus on large and high margin enterprise sales with longer sales cycles.	Capital Raising Even though the Company is well-funded and has no intention to raise capital for growth, if the Company seeks to raise further capital whilst listed it would have large dilutionary affect on current holders due to very low share price. As an unlisted entity, LiveTiles is in a much stronger position to negotiate lower-dilutive investment from a strategic tech partner at a higher price, as well as other transactions that would benefit all shareholders.
Cost LiveTiles is expected to save over \$1.5 million per year in direct and indirect costs relating to servicing its ASX listing.	Liquidity Liquidity in the shares has dropped over the last 24 months, not withstanding COVID and the performance of the tech market (S&P/ASX All Technology index). This has contributed to high volatility in the share price and limited ability to secure broad insto ownership.	Employees Recruitment of high quality talent within the tech industry is difficult as the best talent tends to lean towards roles at bigger companies. With a higher valuation, LiveTiles will be able to compete with those companies to attract and retain the best quality talent.	

Historic Share Price Performance



There is an inverse relationship between our share price and customer cash receipts since our last capital raise 3 years ago.

Trading as a listed entity has proven over the last few years to not reward holders with fair value despite key metrics improving and plenty of cash runway.

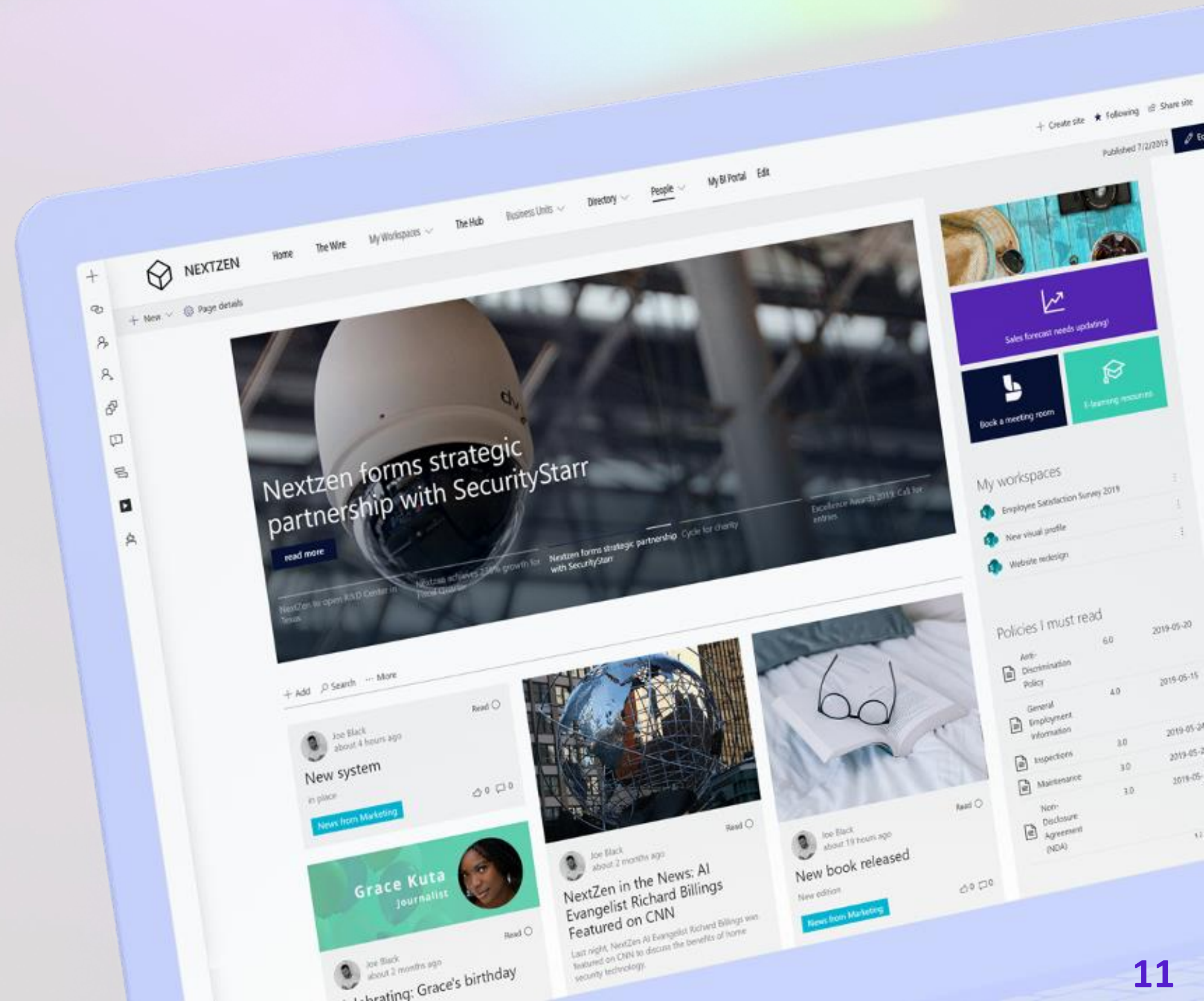
Since our last capital raise in September 2019,

↑ **289%**
Increase in cash receipts

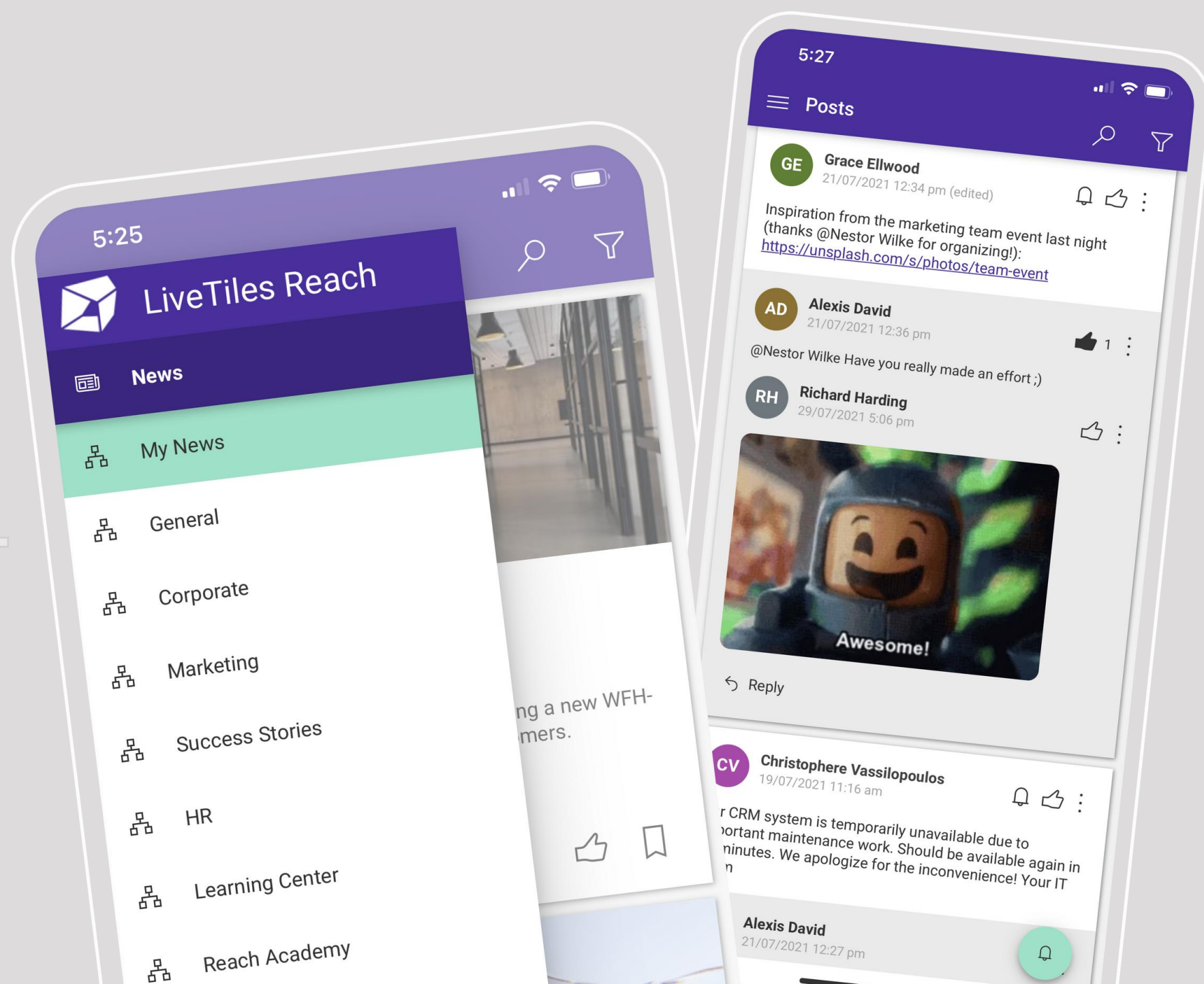
↓ **90%**
Decrease in share price

Greater Value for Shareholders

- Will bridge the valuation disconnect
- Will have the ability to access global growth capital on attractive terms from technology-focused, global investors
- Will have more flexibility to focus on and pursue value-enhancing strategic and corporate opportunities
- Will enable us to rationalise our product portfolio
- Will enable us to attract and retain the best employees
- Will save over \$1.5m in listed company costs



Talent attraction and retention



01

Talent acquisition is extremely competitive and notoriously difficult in the tech sector

02

Employee Share incentive schemes are offered to key people, and the Share Price performance impacts retention and attraction of key roles (e.g., skilled engineers, top salespeople)

03

If a disconnect remains between Company performance and Share Price, LiveTiles will:

- Lose critical employees; and
- Fail to attract high calibre talent (particularly in the US)

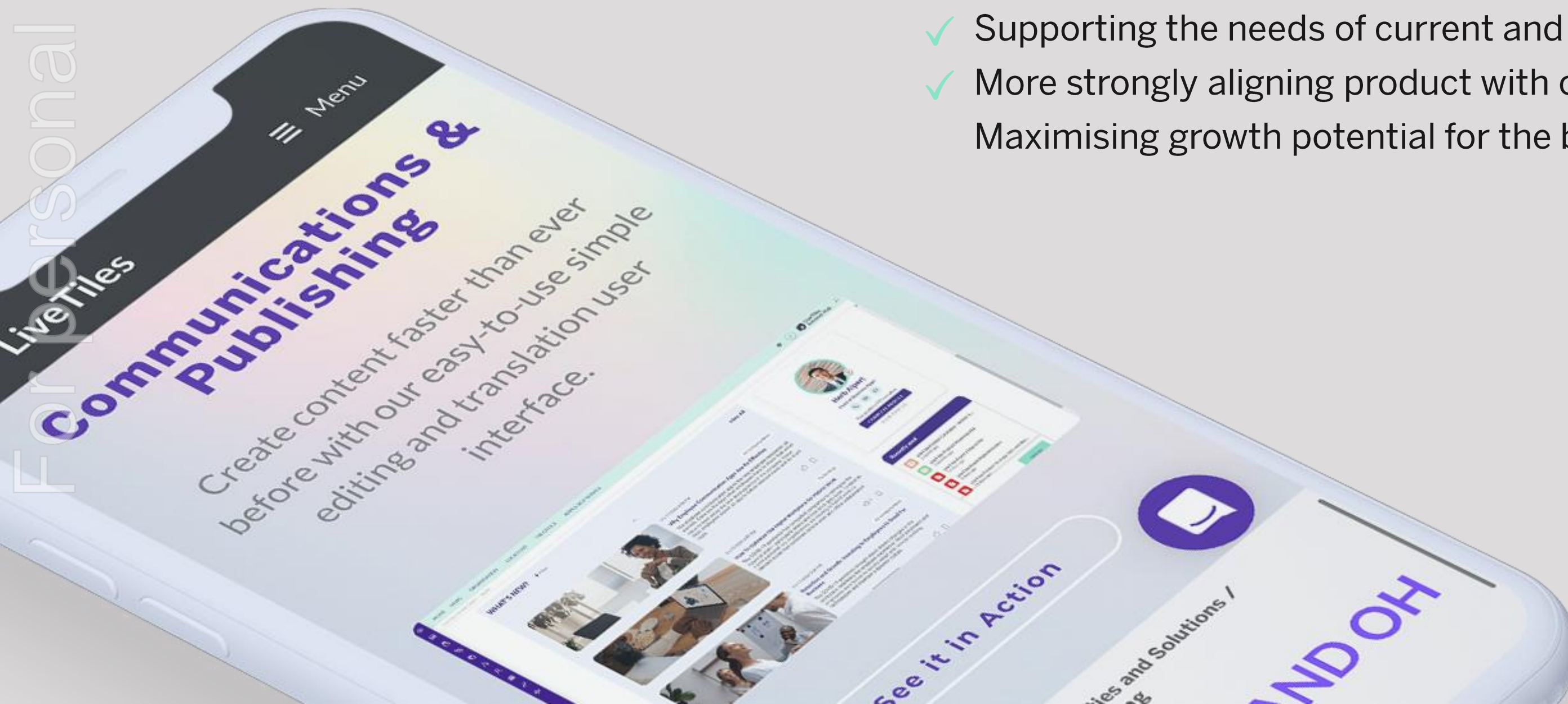
04

All senior management and employees we have spoken with fully understand and support the Boards decision to pursue a delisting

Rationale conclusion

The Board believe delisting is the best decision for this Company in relation to:

- ✓ Realising fair value for all Shareholders
 - ✓ Supporting the needs of current and future employees
 - ✓ More strongly aligning product with our target customer base
- Maximising growth potential for the business



3. Strategic alignment

Strategic Priorities



Realise cost reductions and conduct operational review



Rationalisation of LiveTiles' product portfolio and ongoing transition of certain roles to lower-cost locations



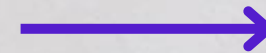
Increased shift to winning large enterprise customers to drive incremental sales growth, reduce costs and enhance customer value proposition



Significant revenue and profit growth from streamlined operations and a targeted sales force delivering growing shareholder value and the opportunity to cash-out that value

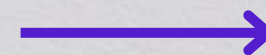
Product Growth Strategy

If Unlisted



- Targeted focus on big, high margin customers with longer sales cycles
- Product expansion with a focused approach to deliver higher revenues and longer contracts
- Greater senior management strategic focus on critical business decision making due to significantly more available time

Listed



- Broad targeting of all sized potential customers to satisfy the need for news flow and quarterly reporting cycles
- Limited targeted product development due to smaller customer size
- Greater commercial risk of competing for the largest customers



4. How to sell shares if unlisted

Opportunities to sell

Shareholders will have multiple opportunities to sell their shares should the delisting go ahead

Post delisting trading



LiveTiles has engaged PrimaryMarkets to offer a trading platform for shareholders should the delisting take place.

This enables shareholders to:

- Freely trade their shares with thousands of investors globally who are active in private investments
- Realise capital gains following the achievement of a higher valuation (if achieved in the future)

Other share sell options

Post-delisting the Board will also actively explore liquidity events for the Company.

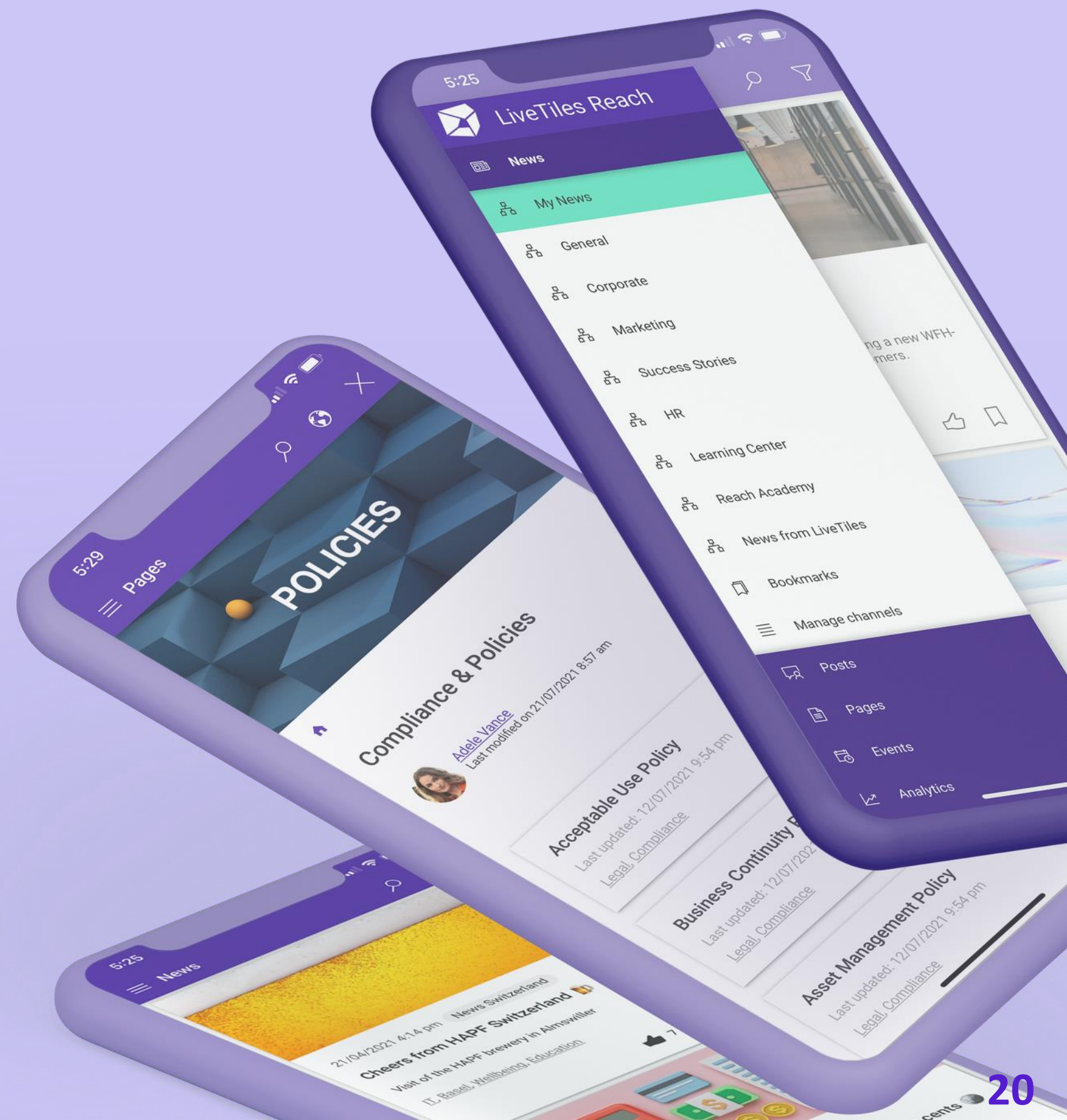
This may include:

- A growth capital raise from one or more global technology-focused investors;
- Consider a buyback of shares;
- The sale of the Company to a strategic buyer;
- Strategic M&A with complementary companies to accelerate growth and market position; and or
- A listing of the Company on NASDAQ

5. How a fair valuation will be achieved

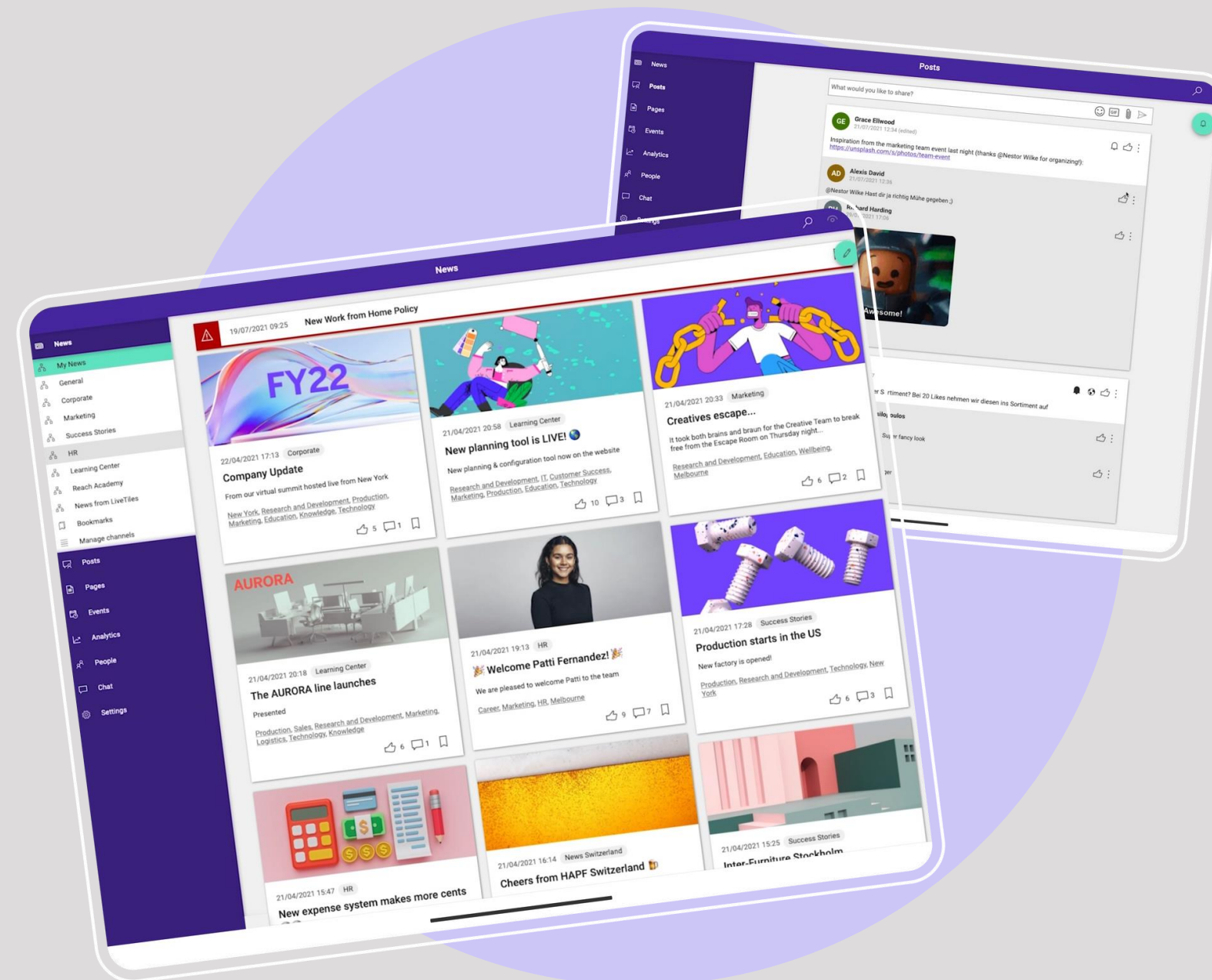
Valuation and Capital Raising

- LiveTiles is currently well funded with \$13.1m in cash and does not require further funds to deliver its long term post delisting growth strategy.
- However, LiveTiles believes delisting from the ASX will provide additional opportunities for strategic and much lower-dilutive investment partnerships at a significantly higher valuation than it currently has.
- There are numerous examples of companies in an unlisted setting achieving significant returns for shareholders



Summary and Next Steps

- Bridge the gap between company performance and the Share Price
- Obtain a higher value for shareholders and employees
- Continue our growth and focus on beating the competition
- Delisting vote scheduled for 5 September 2022
- Register and place your vote here:
<https://investor.automic.com.au/#/home>
- Contact LiveTiles at ir@livetilesglobal.com for any questions or support



6. Q&A



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