

ASX Announcement**20 December 2022****Chairman's Letter to Shareholders**

LiveTiles Limited (ASX:LVT) (LiveTiles or the Company), a global leader in employee experience software for employee collaboration and communications, provides the following update by Chairman, Mr Jesse Todd, regarding the upcoming Extraordinary General Meeting (EGM) of shareholders, to be held on 10:00am AEDT on Friday, 20 January 2023.

Please refer to the attached statement by Mr Todd.

This announcement has been authorised for release by the Board.

For further information, please contact:**Investor Relations**

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About LiveTiles:

LiveTiles is a global leader in the employee experience software for employee collaboration and communications, creating and delivering solutions that drive digital transformation, productivity, and employee engagement in the modern workplace.

LiveTiles have operations spanning North America, Europe, Asia and Australia, and services over 1,000 customers. LiveTiles is a leading player in the Employee Experience Platform Industry and has been acknowledged as such by Forrester and Gartner.

Chairman's Letter to Shareholders

*The Board recommends shareholders vote **AGAINST** all Resolutions*

Dear fellow shareholder,

I am writing to you on behalf of the Board ahead of the upcoming Extraordinary General Meeting (EGM) on 20 January 2023. Your support for the Board in voting against the disruptive Resolutions is a vote for stability and sustainability.

In the face of ongoing disruption, LiveTiles continues to deliver positive momentum and revenue driving initiatives. Recently, the Company proudly announced the launch of Green Teams, a world first Renewable Energy Certificate scheme with Iberdrola, as well as Reach Marketplace. Both products are major revenue generating opportunities through My Net Zero, a business we fully acquired in recent months.

As well as delivering major operational and revenue generating initiatives, the Board has also sought to strengthen the operational expertise and capabilities of the business and seek to maximise shareholder value. David Vander was recently announced as CEO, bringing a long career of enterprise SaaS sales experience and networks. We also appointed Atlas Technology Group to explore strategic opportunities to optimise shareholder value.

These are the actions of a diligent and dedicated Board committed to sustainably growing the Company. We recommend shareholders vote AGAINST all resolutions at the upcoming EGM.

Strategy and Growth

Having delivered strong underlying financial results in FY22, the Board implemented a strategic review to reduce costs and improve efficiency. We diligently undertook the strategic refresh to support our long-term growth objectives.

I can confirm the Company is delivering on its strategy and confirm the business is performing to our expectations, having recently announced a number of major initiatives consistent with our strategy.

Following our recent strategic and operational refresh, the Board and management have worked tirelessly to ensure we are prioritising the needs of our valued customer base and initiatives that drive value and revenue.

LiveTiles' achievements

We have the right Board in place to execute on our highly attractive strategy, as we consolidate our place as a leader in the Employee Experience market. Under the Board's stewardship, the Company has delivered:

- Excellent financial performance, with revenue growing 17% to \$52.8 million, culminating in an underlying EBITDA of \$3.0 million, and a 10% increase in cash receipts from customers, to a record \$56.7 million
- A strategic review, which resulted in annual savings of A\$3.5 million. The initiatives put in place to reduce costs, resulted in the Company significantly reducing cash burn



- Completion of a detailed Operational Review resulting in annual savings of \$6.48m while delivering an enhanced market position, revenue growth optionality, a more attractive employment proposition and a more sustainable business
- Value enhancing acquisitions, including The Human Link, BindTuning and My Net Zero, alongside minority investments in BrainPac and Hide & Seek
- The appointment of a new Chief Executive Officer, David Vander, who brings significant experience in SaaS sales
- The appointment of Atlas Technology Group to explore strategic optionality for shareholders
- The launch of Green Teams alongside global renewable energy leader Iberdrola and launch of Reach Market Place, with both Amazon and Microsoft as foundation customers

We believe that for the continued benefit of shareholders and our customers it is critically important to maintain Board stability and structure.

Board stability is a vital competitive advantage. The Company is suffering from ongoing distractions, with potential customers deferring the signing of material contracts, until the Board situation is resolved.

Your vote matters

The Board encourages you to consider all meeting materials carefully and participate in this decision by casting your vote through the Automic portal, attending in person or lodging the proxy form attached to the Notice of Meeting.

The Board recommends that for the benefit of stability and the ongoing success of the business to vote AGAINST All Resolutions.

On behalf of the Board, I would like to thank you for your support.

Jesse Todd

Chairman