LiveChat Software
Investor Presentation

April 2022
Vision

Customer communication without barriers
Help people and businesses communicate better and fully express themselves
Key facts

• **Global SaaS business** (ca 40% of MRR generated in the United States, less than 2% in Poland).

• **B2B subscription revenue model**.

• **Four products** (LiveChat, ChatBot, HelpDesk, KnowledgeBase) with **premium customer service** and its own marketplace.

• **Unique customer acquisition model** allowing high, sustainable margins.

• Consortium led by **co-founders** is company’s leading shareholder.

**Dividend company** with a track record of sharing profit with shareholders.
Q4 2021/22 (preliminary estimates)
Quarterly revenues (in USD mn)

- LiveChat
- ChatBot

As reported in reports on preliminary results.
MRR (in USD mn)

At the end of a given month

- March 2019: 2.50
- June 2019: 2.58
- September 2019: 2.68
- December 2019: 2.76
- March 2020: 2.95
- June 2020: 3.36
- September 2020: 3.61
- December 2020: 3.84
- March 2021: 4.02
- June 2021: 4.21
- September 2021: 4.39
- December 2021: 4.44
- March 2022: 4.64
At the end of March 2022 the number of LiveChat clients grew to 35,559 (plus 977 in the last three months and plus 445 in March alone).
KPIs

ARPU of LiveChat (in USD)

ARPU supported by a pricing model change in early 2020.

Focus on mid-market should translate into further growth of ARPU in the future.
In three months of Q4 (January-March) alone LiveChat’s ARPU grew by ca. 2 USD. The trend continues for customers to increase ARPU over time.

*Initial Sale ARPU (or Average Sale Price) is the average MRR of new customers at the moment they convert to a paid account.*
The number of ChatBot customers exceeded 1.000 in January 2020. At the end of March 2022, ChatBot had 2.404 active and paying clients.
The visible increase in the sale price is the effect of introducing new subscription plans in January 2020.

Payments for additional interactions (exceeding the subscriber's plan limit) are not included in the MRR and ARPU ChatBot.
Q4 Summary

Earnings
- According to our estimates, revenues grew by 4.5% q/q and 15.4% y/y.
- LiveChat’s ARPU grew by USD 2 during Q4 and ChatBot’s ARPU by USD 3.5.
- MRR higher by 4.5% versus previous quarter.

Customer acquisition
- Partner Program introduced tier based system.
- Cooperation with WordPress VIP announced.
- Continued works on new partnerships.
- LC added 977 customers (net) during quarter - 445 in March 2022.

Company
- Second US patent (sneek-peak feature).
- Continuation of the recruitment process.
- Early talent programme and cooperation with CodersCamp.
- Advance dividend (PLN 1.14 per share vs PLN 0.98 per share the year before) paid on January 3, 2022.
The impact of the Russian aggression on Ukraine

- Markets of Russia, Ukraine and Belarus jointly accounted for less than 0.5% of our MRR.

- The possibility of setting up test accounts and buying our products from Russia and Belarus blocked.

- The link “Powered by LiveChat” replaced with “Support Ukraine” in LiveChat’s Chat Widget.

- Donations made (including one of PLN 1 million to the Polish Humanitarian Action).

- We support our associates who engage in aid activities.

- We offer our products for free to NGOs.

List of our actions is available on our website.
Current home screen for all agents using LiveChat worldwide

Good Morning, Marcin!
Check your stats and suggestions for using LiveChat

Support Ukraine
Use our free app to help non-government organizations raise money for victims of war in Ukraine.

Enhance your LiveChat

Staff picks  Starter pack  New & noteworthy

Google Analytics
Track the impact of website chats on online sales and...

HelpDesk
Integrate LiveChat with HelpDesk and manage all...

WhatsApp Business
A robust communication channel to power up your...

SnapCall
Unlimited voice and video calls right inside the chat.

Real time overview

Customers online  Ongoing chats  Unassigned tickets  Logged in agents
3  0  0  1 (of 11)
Company overview
LiveChat

Monthly Recurring Revenues (USD mn)

Number of clients

Average revenue per user (ARPU, USD)
ChatBot

Monthly Recurring Revenues (USD mn)

Number of clients

Average revenue per user (ARPU, USD)
**Partner Program**

- responsible for c. 25% of new clients acquisition
- Partners awarded commission for the life time of a client, which is booked as cost of sales
- Partners within the Solution Program earn tiers based on the level of success they’ve achieved for their customers using our products
- Dedicated Application

<table>
<thead>
<tr>
<th>Bronze tier</th>
<th>Silver tier</th>
<th>Gold tier</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Acceptance to Solution Program</td>
<td>• from $5,000,00 ARR</td>
<td>• from $20,000,00 ARR</td>
</tr>
<tr>
<td>• 20% commission/discount</td>
<td>• 22% commission/discount</td>
<td>• 25% commission/discount</td>
</tr>
</tbody>
</table>
Partner Program

Home
- $1,234.21 balance, $2,333.42 total earnings
- 33 paid, 12 trials, 34 expired
- 3 paid, 0 trials, 0 expired

Performance
- Affiliate Program:
  - Trials created: 1,456
  - Converted to paid: 45
  - Expired licenses: 1
- Solution Program:
  - Trials created: 45
  - Converted to paid: 31
  - Expired licenses: 1

Enrich our partnership
- Discover our Programs and gain new functionalities within the app.
- List your company's profile on our Partners' Directory.
- Claim your program's benefits and discover new business opportunities.
Shareholders*:

- Agreement of Shareholders (founders and key managers): 41.9%
- Aviva Santander Polish pension fund: 6.2%
- NN Polish pension fund: 6.7%
- Free Float: 45.2%

* According to the shareholders’ notifications received by the Company and other public data from the Polish pension funds’ reports as of 31 December 2021
Products

LiveChat
- customer service platform allowing for a contact with human agent across all channels and asynchronously

ChatBot
- platform to build and launch conversational chatbots without coding

HelpDesk
- ticketing system for teams

KnowledgeBase
- a tool for gathering knowledge and sharing all the answers with customers and within team

Key features of our services
- premium service and support
- focus on customer experience
- premium 24/7 customer support
- over 200 LiveChat integrations with other products
- enterprise security standards (GDPR, HIPAA etc.)
- guaranteed uptime SLA (standard level agreement)
- open API
- advanced reporting
Clients

- PayPal
- IKEA
- Atlassian
- McDonald’s
- ING
- Adobe
- Huawei
- Nikon
- Virgin
- Henkel
- ING
- Comcast
- LG
- Plus500
- Unilever
- Motorola
- Toyota
- Ricoh
- Veritiv
- Mercedes-Benz
- CBS
- Hyundai
- TED
- Lexus
- Ryanair

34,000+ Clients of LiveChat
2,000+ Clients of ChatBot
150+ countries
25+ Companies from ‘Fortune 500’ List
Annual revenues (in PLN mn)

*revenues for fiscal years ended March 31
Maintained high profitability

Net profit and net profit margin (PLN mn, %)

EBITDA and EBITDA margin (PLN mn, %)

*revenues for fiscal years ended March 31
According to the current dividend policy described in the Company’s issuing prospectus, the Managing Board of LiveChat Software S.A. will be recommending to the Annual General Meeting to pay out highest possible part of the profit for the specific fiscal year as dividend, unless the company sees investment opportunities that would give it, and the shareholders, a return higher than the dividend payment.
Pricing policy

LiveChat - pricing based on the number of agents – full pricing [HERE](#)

ChatBot pricing – pricing based on the number of bots used – full pricing [HERE](#)
Financial Results - Q1-Q3 2021/22 FY
Financial results (PLN mn)

<table>
<thead>
<tr>
<th>Category</th>
<th>Q1-Q3 2020/21</th>
<th>Q1-Q3 2021/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>131</td>
<td>160.7</td>
</tr>
<tr>
<td>EBIT</td>
<td>77.6</td>
<td>95.8</td>
</tr>
<tr>
<td>Net profit</td>
<td>72.6</td>
<td>88.7</td>
</tr>
</tbody>
</table>

+22.7%  
+23.5%  
+22.1%
Financial results (PLN mn)

- Net Sales: +21.4%
- EBIT: +14.7%
- Net profit: +12.2%
On August, 18 the AGM decided to allocate PLN 95 mn for the payment of dividend to shareholders, out of which PLN 72.5 mn was paid in H1 2021/2. In January company paid an advance toward planned dividend (PLN 29.4 mn).
# Revenue split

<table>
<thead>
<tr>
<th>Service</th>
<th>Q1-Q3 2020/21</th>
<th>Q1-Q3 2021/22</th>
<th>Change</th>
<th>Q3 2020/21</th>
<th>Q3 2021/22</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>LiveChat*</td>
<td>125,372,339</td>
<td>149,888,324</td>
<td>+19.6%</td>
<td>43,855,482</td>
<td>52,019,793</td>
<td>+18.6%</td>
</tr>
<tr>
<td>ChatBot</td>
<td>4,754,324</td>
<td>8,540,083</td>
<td>+79.6%</td>
<td>1,910,517</td>
<td>3,309,589</td>
<td>+73.2%</td>
</tr>
<tr>
<td>HelpDesk</td>
<td>831,138</td>
<td>2,270,062</td>
<td>+173%</td>
<td>453,565</td>
<td>801,384</td>
<td>+76.7%</td>
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*Including: Marketplace and Knowledgebase*
Revenue split by products

Data for Q1-Q3 2021/22

LiveChat revenues include Marketplace and Knowledgebase
**Dictionary**

**SaaS**
Software as a Service, is a business model where a software is licensed on a subscription basis and it is stored in the cloud.

**MRR**
Monthly Recurring Revenues, it is a measure of predictable total revenue generated from all active and paying subscriptions in a particular month. It includes all recurring charges but excludes one-time fees.

**ARPU**
Average revenue per user in a month, calculated on the basis of MRR

\[
\text{ARPU} = \frac{\text{MRR}}{\text{number of users}}
\]

**Initial ARPU**
Initial ARPU, in other words average sale price, it is the average value of monthly revenues at the moment when the user converts to a paid account

**ARR**
Annual Recurring Revenues, MRR x 12

**EBITDA**
Earnings before interest, taxes, amortization, and depreciation
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