LiveChat Software's revenues increased by 24.3% and net profit increased by 18.8% in the financial year

The consolidated revenues of the LiveChat Software Group in the financial year ended March 31, 2022, amounted to PLN 222.5 million, and net profit was PLN 119.0 million. This represents an increase of 24.3% and 18.8%, respectively, in comparison with the same period in the previous year.

“Behind us are twelve months full of shocking events, affecting the economy as well. Thanks to the hard work of the entire team, LiveChat Software has proved that in such conditions it can demonstrate growth and stability. We maintain our focus on giving the greatest value to our clients. During this period, our products mediated almost a billion interactions. This reflects the responsibility we take for the experience, comfort, and safety of end-users. This will continue to be our priority,” said CEO Mariusz Ciepły.

LiveChat continued to strengthen its team in the past financial year. At the end of March 2022, the team consisted of 268 people, compared to 212 a year earlier and 169 two years ago.

“The transition to the 'work from anywhere' model allows us to recruit talent from outside Wrocław. This is important because our ambitions require the continuous improvement of technologies and products. In the future, we also want to add new solutions to our offer. Of course, a larger and more widely dispersed team is a challenge, but we have a strong People Department and the tools to manage it successfully,” added Mariusz Ciepły.

The increase in the Group's results is a combination of both a greater number of clients for all solutions, as well as higher ARPU (average revenue per client). At the end of the financial year 2021/22, the number of paying LiveChat clients was 35,559, and for ChatBot it was 2,404. This is an increase of over 8% and nearly 30%, respectively.

At the end of March 2022, the ARPU of the LiveChat product was USD 120.9 compared to USD 117.0 a year ago. The ARPU of the ChatBot product was USD 102.3 at the end of
March 2022, compared to USD 86.9 a year ago. ChatBot is already responsible for over 5.4% of the Group’s revenues, and its latest product, HelpDesk, for nearly 1.5%.

LiveChat Software’s business model is based on subscription payments, which results in high stability and security in various periods of the economic cycle. Most importantly, virtually all revenues are generated in dollars through the subsidiary LiveChat Inc. Therefore, the Company publishes estimated revenue figures in dollar terms, while also providing information on the MRR (monthly recurring revenue), which is a key business indicator for this type of activity. The Group’s MRR value at the end of March 2022 was USD 4.64 million, an increase of 4.5% from the end of December 2021 and of 15.4% year on year. For the purpose of calculating the MRR, the annual payments are broken down by month.

This business model allows the Company to generate high and repeatable margins. In the financial year, the gross margin on sales was 85.6%, the EBITDA margin was 62.9%, and the net profit margin was 53.5%. This allows LiveChat to generate cash flow efficiently. Net financial flows from operating activities amounted to PLN 115.5 million in the financial year, and at the end of March, the Company had cash in the amount of PLN 55.7 million. LiveChat also confirms its dividend policy, which provides for the allocation of the highest possible part of the profit to the shareholders.

**LiveChat Software**

*LiveChat Software operates in the “customer service” business, and it is one of the leaders of the global market for live chat solutions. Its LiveChat product supports companies in customer service, online sales support, and lead generation. This way, LiveChat partners can stay in touch with their customers anywhere and at any time. Other products of the Company include ChatBot, HelpDesk, and KnowledgeBase.*

*LiveChat Software cooperates with over 250 specialists at its headquarters in Europe and United States. For more than eight years, it has also been a company listed on the Main Market of the Warsaw Stock Exchange.*

*LiveChat is used by over 36 thousand companies from approx. 150 countries and the ChatBot product has found over 2200 customers in more than 30 countries.*