LiveChat Software
Investor Presentation

June 2020
Customer communication without barriers
Mission

Help people and businesses communicate better and fully express themselves
LiveChat history

- **2002**: LiveChat Sp. z o.o.
- **2008**: LiveChat Software S.A.
- **2007**: 50% of shares acquired by Capital Partners
- **2009**: SaaS
- **2010**: 63% of shares taken over by GG Network S.A.
- **2011**: EBITDA+ Positive result for the first time in history
- **2014**: Debut on Warsaw Stock Exchange
- **2015**: Customers in 150 countries
- **2016**: Management buyout from GG Network S.A. (MBO)
- **2017**: Customers in 120 countries
- **2018**: Launch of ChatBot
- **2019**: Launch of Knowledge Base
- **2020**: 1K+ customers of ChatBot and 30K customers of LiveChat
- **2021**: Launch of HelpDesk
Annual Revenues (in PLN mn)

*revenues for fiscal years ended March 31
Clients

- Adobe
- Mercedes-Benz
- McDonald's
- Xerox
- PayPal
- BBB
- Samsung
- Asana
- Comcast
- Ryanair
- Sony
- Charter Communications
- TED
- Virgin
- CBS
- Tele2
- Huawei
- Acer
- British Council
- Lexus
- Henry Schein
- ING
- LG
- CBRE
- Veritiv
- HD Supply
- PPG
- CapitalOne
- ING
- RAM
- Weyerhaeuser
- TEREX
- Gallagher
- Domtar
- NVR

30,000+
Clients of LiveChat

1,000+
Clients of ChatBot

150+
countries

25+
Companies from 'Fortune 500' List
170+ employees

Meet our team at
www.livechatinc.com/team
Live chat technology in 2019

Top 10 live chat providers across top 1 million sites

- Zendesk Chat 27%
- LiveChat 11%
- Hubspot 11%
- JivoSite 8%
- RocketChat 8%
- Olark 7%
- LivePerson 6%
- SmartSupp 3%
- Drift 4%
- tawk.to 15%

Source: thechatshop.com based on data from Build With and Similar Tech

Top 10 countries by number of websites using live chat

- Canada 32,938
- United States 1,112,073
- Netherlands 31,592
- Ukraine 41,071
- Brazil 90,056
- UK 87,950
- India 28,543
- Vietnam 25,244
- Russia 232,730
- Australia 32,764
Interactive 2020 Customer Service Report

The report shows the results for key LiveChat customer service metrics. The goal is to give you insight into the state of live chat customer service across different industries and locations around the world.

Learn more

REPORT BASED ON:

23,487 companies
30 industries
304,165,182 chats
LiveChat software products

ABOUT:

LiveChat product is a tool for quick contact between clients and the company using a chat application embedded on the company’s website. The solution is used mainly for customer service and online sales.

VISION:

Connects you with customers, no matter the situation.
ChatBot

ABOUT:
ChatBot is a product which allows the creation of conversational chatbots to handle various business scenarios. ChatBot is integrated with the LiveChat solution, but also with other tools, such as Facebook Messenger.

VISION:
ChatBot will be best and simplest self learning solution to automate business communication.
Knowledge Base

ABOUT:

Knowledge Base lets companies create their own knowledge bases, which can be accessed by both their employees and clients.
**HelpDesk**

**ABOUT:**

HelpDesk ticketing system helps solve all customer cases in an easy way. Launched in May 2019.

**VISION:**

- Customers solve problems on their own.
- Humans work only on issues that can’t be automated.
- Companies know about problems before customers do.
- Customers asking for help on any channel.
Platform for Developers

Hello, Marcin!
Welcome to your Developer Console. You’re all ready to go and build apps!

Build & Monetize Apps
Start creating your apps. We’ll guide you through this process and help you with promotion.

Explore Developer Tools
Dive into the sample apps, docs and app ideas to get inspired for your next project.

Complete your Profile!
Please let us know more about you, so we can provide tailored support.

Join the Developers Community
Join the LiveChat for Developers Community and stay informed about the updates, feature requests and Marketplace releases.

ABOUT:
LiveChat for Developers is a platform which developers can build powerful apps, distribute and earn real money.

VISION:
We will be the most innovator-friendly of all platforms.
Key events: January – June 2020
Key events

Company

✓ Rebranding of all products
✓ New Mission and Vision
✓ The beginning of the process of building a sales department in the USA.

✓ New pricing model „pay per agent” (PPA), which replaced „pay per seat” (PPS) introduced in January, accepted by customers.
✓ Milestone of 30K paid customers.
✓ Integration with Apple Business Chat.

✓ Milestone of 1K customers.
✓ New pricing plans (team and business) successfully introduced in January.
✓ Works on new ChatBot creator.

✓ New plans (starter and enterprise).
LiveChat in times of pandemic

✓ From the week of March 9-15 we introduced a model based 100% on remote work.

✓ No negative effect on our work.

✓ New online recruitment system introduced.

✓ Events such as „Side Project Day“ and „LiveChat Academy“ held online.
Financial results
2019/20 FY
Financial results (PLN mn)

- EBITDA: FY 2018: 74.5, FY 2019: 88.4, +18.6%
- Net profit: FY 2018: 57.2, FY 2019: 76.1, +33.0%
In the fourth quarter, the full impact of IP Box was recognized (PLN 10.6 million).
## Margins

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit margin</td>
<td>86.7%</td>
<td>83.6%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>67.6%</td>
<td>68.2%</td>
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<tr>
<td>EBIT margin</td>
<td>62.6%</td>
<td>64.8%</td>
</tr>
<tr>
<td>Net margin</td>
<td>58.2% (50.1% without IP Box)</td>
<td>52.4%</td>
</tr>
<tr>
<td><strong>Q4 2019/20</strong></td>
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<td></td>
</tr>
<tr>
<td>Gross profit margin</td>
<td>90.3%</td>
<td>84.5%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>65.7%</td>
<td>63.8%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>72.3%</td>
<td>67.7%</td>
</tr>
<tr>
<td>Net margin</td>
<td>81.1% (full IP Box impact)</td>
<td>51.6%</td>
</tr>
</tbody>
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The company maintains high margins despite an increase in employment.
Changes in pricing model introduced in January 2020 and other initiatives are expected to have positive impact on ARPU in the coming quarters.
We have noted a significant increase in the number of trials since mid-March. Despite the high Churn, this translated into an increase in the rate of building the customers base. The number of clients exceeded 30,000 at the beginning of June.
ARPU supported by:
- new pricing model and higher sale price,
- upselling,
- structure of churn.
KPIs

ChatBot (number of customers)

The number of ChatBot customers exceeded 1,000 in January 2020.
The visible increase in the sale price is the effect of introducing new subscription plans.
Cash Position (PLN mn)

- Cash 01.04.2019: 32.6
- Cash flow from operating activities: +75.8
- Cash flow from investing activities: -17.5
- Cash flow from financing activities: -52.3
- Cash 31.03.2020: 38.7

Financial activities include almost only dividends.
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.
Revenues - geographical breakdown

% of sales

- USA + Canada: 47%
- United Kingdom: 13%
- Australia: 7%
- Poland: 2%
- Other: 21%

Map showing geographical distribution of sales.
Shareholders*:

- Agreement of Shareholders (founders and key managers) - 47.1%
- Aviva PTE Aviva Santander - 6.6%
- NN PTE - 6.2%
- Free Float - 40.5%

*June 2020
DISCLAIMER

This document may include forward-looking statements. Because such statements deal with future events, they are subject to various risks and uncertainties.

The Company undertakes no obligation to revise or update forward-looking statements as a result of new information, since these statements may no longer be accurate or timely.

This presentation does not constitute an offer to sell or the solicitation of an offer to buy any security of the Company.