LiveChat Software
Investor Presentation

February 2021
Customer communication without barriers
Help people and businesses communicate better and fully express themselves.
LiveChat history


First customers

LiveChat Sp. z o.o.  LiveChat Software S.A.

63% of shares taken over by GG Network S.A.

EBITDA+ Positive result for the first time in history

Debut on Warsaw Stock Exchange

Customers in 150 countries

Launch of ChatBot

1K+ customers of ChatBot and 30K customers of LiveChat!

2008

2010

2014

2016

2018

2020

50% of shares acquired by Capital Partners

GG PRO A business version of Gadu-Gadu communicator

Management buyout from GG Network S.A. (MBO)

Customers in 120 countries

Launch of Knowledge Base

Launch of HelpDesk

SaaS
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
- Ingram
- Weyerhaeuser
- Terex
- Gallagher
- Domtar
- NVR

32,000+
Clients of LiveChat

1,700+
Clients of ChatBot

150+
countries

25+
Companies from 'Fortune 500' List
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:

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

ABOUT:
HelpDesk ticketing system helps to 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.

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

Go to Apps

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

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

Go Explore

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
Key events

Company

- New Mission and Vision Statement presented (June 2020)
- Strengthening the team
  - 191 persons at the end of 2020 calendar year vs 166 a year earlier
  - New CXOs (From May 2020, we have a total of seven CXOs reporting directly to the Management Board)
- First patent registered in the USA
- Rebranding (April 2020)

- 32K paid customers (Q3 2020/21).
- New features and integrations.
- Over 50 million chats in one month for the first time (October 2020).

- New ChatBot creator available for customers.

- Focus on automatization.

New products and integrations added recently to marketplace:
- Rich messages, Zoom, SnapCall, 2 Way (SMS), Chat Translator, new reports and many more.
LiveChat in times of pandemic

✓ From the week of March 9-15, 2020 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.

✓ HQ re-opened in July and closed again in October due to the worsening of epidemic situation in Poland.

✓ We plan to maintain the hybrid model of work organization in the future.

✓ We plan to re-open (at limited scale) our HQ in March 2021.
Sales Team

We continue building the sales department. During Q3 FY we closed various enterprise deals, many of which were multi-product deals, including:

- the number 1 sport betting site in the Asia-Pacific area,
- a USD 10 billion annual revenues global IT firm, or
- a global financial services firm with over USD 500 billion in assets management.

In the Q3, the sales team signed various length contracts, which were worth in revenues more than all the contracts signed in 2019 by the team. It is a strong payback on forming the sales team in 2019 and constantly growing it. The enterprise clients assisted by the sales team mainly come from the eCommerce, healthcare, government, and education sectors.
In December 2020 our patent named “Chat-based method and system for displaying greetings or dedicated messages to end users based on qualifiers” was registered by the U.S. Patent and Trademark Office.

We have been conducting or preparing over a dozen other processes aimed at obtaining further patent rights in the United States.

We do not rule out similar actions in other geographic markets in the future.
Financial results
## Financial results – revenues in USD

### Q1

<table>
<thead>
<tr>
<th>(USD)</th>
<th>Q1 2020/21</th>
<th>Q4 2019/20</th>
<th>Change qoq</th>
<th>Q1 2020/21</th>
<th>Q1 2019/20</th>
<th>Change yoy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated revenues</td>
<td>10 358 268</td>
<td>9 073 430</td>
<td>14.2%</td>
<td>10 358 268</td>
<td>7 888 112</td>
<td>31.3%</td>
</tr>
<tr>
<td>incl. ChatBot</td>
<td>309 393</td>
<td>199 448</td>
<td>55.1%</td>
<td>309 393</td>
<td>96 224</td>
<td>221.5%</td>
</tr>
</tbody>
</table>

### Q2

<table>
<thead>
<tr>
<th>(USD)</th>
<th>Q2 2020/21</th>
<th>Q1 2020/21</th>
<th>Change qoq</th>
<th>Q2 2020/21</th>
<th>Q2 2019/20</th>
<th>Change yoy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated revenues</td>
<td>11 393 795</td>
<td>10 358 268</td>
<td>10.0%</td>
<td>11 393 795</td>
<td>8 196 519</td>
<td>39.0%</td>
</tr>
<tr>
<td>incl. ChatBot</td>
<td>409 825</td>
<td>309 393</td>
<td>32.5%</td>
<td>409 825</td>
<td>125 237</td>
<td>227.4%</td>
</tr>
</tbody>
</table>

### Q3

<table>
<thead>
<tr>
<th>(USD)</th>
<th>Q3 2020/21</th>
<th>Q2 2020/21</th>
<th>Change qoq</th>
<th>Q3 2020/21</th>
<th>Q3 2019/20</th>
<th>Change yoy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated revenues</td>
<td>12 177 447</td>
<td>11 393 795</td>
<td>6.9%</td>
<td>12 177 447</td>
<td>8 405 731</td>
<td>44.9%</td>
</tr>
<tr>
<td>incl. ChatBot</td>
<td>491 541</td>
<td>409 825</td>
<td>19.9%</td>
<td>491 541</td>
<td>159 230</td>
<td>208.7%</td>
</tr>
</tbody>
</table>

as reported in reports on preliminary results
Quarterly revenues (in USD mn)

as reported in reports on preliminary results
At the end of given month
We have noted a significant increase in the number of trials since mid-March. Despite the initial high churn, this translated into an increase in the rate of building the customers’ base. At the end of Q3 2020/21 the number of LiveChat clients grew to 32,076.
Changes in pricing model introduced in January 2020 and other initiatives are expected to have positive impact on ARPU in the coming quarters.
KPIs

LiveChat (in USD)

ARPU supported by:
- new pricing model and higher sale price,
- upselling,
- structure of churn (customer churn higher than MRR churn).

*Initial Sale ARPU (or Avarage 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 December 2020, ChatBot had 1.719 active and paying clients.
The visible increase in the sale price is the effect of introducing new subscription plans.
Financial results (PLN mn)

- **Net Sales**:
  - Q3 2019/20: 32,4
  - Q3 2020/21: 46,2
  - Increase: +42.8%

- **EBITDA**:
  - Q3 2019/20: 21,2
  - Q3 2020/21: 30,4
  - Increase: +43.7%

- **Net profit**:
  - Q3 2019/20: 15,8
  - Q3 2020/21: 26,2
  - Increase: +56.1%
# Revenues – products

<table>
<thead>
<tr>
<th>PLN</th>
<th>Q3 2019/20</th>
<th>Q3 2020/21</th>
<th>Change</th>
<th>Q1-Q3 2019/20</th>
<th>Q1-Q3 2020/21</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>*</td>
<td>31 727 256</td>
<td>43 855 482</td>
<td>+38.2%</td>
<td>93 353 847</td>
<td>125 372 339</td>
<td>+34.3%</td>
</tr>
<tr>
<td></td>
<td>624 403</td>
<td>1 910 517</td>
<td>+206.0%</td>
<td>1 491 270</td>
<td>4 754 324</td>
<td>+218.8%</td>
</tr>
<tr>
<td></td>
<td>5 147</td>
<td>453 565</td>
<td>+8712.9%</td>
<td>8 264</td>
<td>831 138</td>
<td>+9 957.6%</td>
</tr>
</tbody>
</table>

*Including: Marketplace and Knowledgebase*
## 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>
</tr>
<tr>
<td>EBIT margin</td>
<td>62.6%</td>
<td>64.8%</td>
</tr>
<tr>
<td>Net margin</td>
<td>58.2% (including IP Box)</td>
<td>52.4%</td>
</tr>
<tr>
<td><strong>Q1 – Q3 2020/21</strong></td>
<td>83.5%</td>
<td>85.3%</td>
</tr>
<tr>
<td>Gross profit margin</td>
<td>83.5%</td>
<td>85.3%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>64.7%</td>
<td>65.7%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>59.3%</td>
<td>61.5%</td>
</tr>
<tr>
<td>Net margin</td>
<td>55.5% (including IP Box)</td>
<td>49.4%</td>
</tr>
</tbody>
</table>

The Company maintains high margins despite an increase in employment.
In Q3 2020/21 the Management Board of the Company decided to pay out a total 22.9 PLN mn as a advance dividend for 2020/21 financial year. It was paid out in January 2021.
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.

An advance dividend of PLN 0.89 per share (compared to PLN 0.60 a year ago) was paid out in January 2021.
Shareholders*:

- Agreement of Shareholders (founders and key managers)
- Aviva PTE Aviva Santander
- NN PTE
- Free Float

* According to the shareholders’ notifications received by the Company and other public data from the Polish pension funds’ reports as of 31 December 2020
# Pricing policy

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

<table>
<thead>
<tr>
<th>Plan</th>
<th>Description</th>
<th>Starter</th>
<th>Team</th>
<th>Business</th>
<th>Enterprise</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Small office / Home office</td>
<td>$16/mo</td>
<td>$33/mo</td>
<td>$50/mo</td>
<td></td>
</tr>
<tr>
<td></td>
<td>per agent, billed annually</td>
<td></td>
<td></td>
<td>per agent, billed annually</td>
<td></td>
</tr>
<tr>
<td></td>
<td>or $19 month-to-month</td>
<td></td>
<td></td>
<td>or $39 month-to-month</td>
<td></td>
</tr>
</tbody>
</table>

**ChatBot pricing** – pricing based on the number of bots used – full pricing [HERE](#)

<table>
<thead>
<tr>
<th>Plan</th>
<th>Description</th>
<th>Starter</th>
<th>Team</th>
<th>Business</th>
<th>Enterprise</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$50/mo</td>
<td>$149/mo</td>
<td>$499/mo</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1000 chats/mo included, then $0.01/chat</td>
<td></td>
<td></td>
<td>5000 chats/mo included, then $0.01/chat</td>
<td></td>
</tr>
</tbody>
</table>

- 1 active chatbot
- Unlimited number of stories

- 5 active chatbots
- Unlimited number of stories

- Unlimited chatbots
- Unlimited number of stories

- Unlimited chatbots
- Unlimited number of stories

Fixed-price contracts for big teams in large companies.

[Contact us](#)
INVESTOR RELATIONS

ir@livechat.com

Find out more:
EN: investor.livechatinc.com

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