Vision

Customer communication without barriers
Help people and businesses communicate better and fully express themselves
Annual revenues (in PLN mn)

*revenues for fiscal years ended March 31
Clientele

- 6,000+ Clients of ChatBot
- 32,000+ Clients of LiveChat
- 150+ countries
- 25+ Companies from 'Fortune 500' List
Team of 200+
Meet us at www.livechatinc.com/team

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

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.
KnowledgeBase

ABOUT:

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

ABOUT:
HelpDesk ticketing system helps to solve all customer cases in an easy way. Launched in May 2019.
VISION:
We will be the most innovator-friendly of all platforms.

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

• We currently have 4 products
• LiveChat – 32k+ customers
• ChatBot – 1.8k+ customers
• HelpDesk
• KnowledgeBase
US market focus

- We’re focusing on businesses from the US.

- Any US seasonality and holidays affect us
  - Black Friday promo
  - Veterans Day is a holiday = fewer chats

Differences in industries seasonality
Flow of becoming a customer

• Acquiring Trials (multiple sources)
• Becoming a Qualified Lead (QL)
• Not all leads are equal (HQL)
• Adding credit card information (CC) before end of trial

Converting to a customer (or expiring as a trial)
Flow for existing customers

- Lots of existing customers (32k+ in LiveChat)
- Making sure customers stay engaged with products
- Working on improving our ARPA (average revenue per account) by improving our upselling and fighting downsells

Improving retention and removing reasons for churn
How this flow impacts our work

- We can work on different parts of the funnel
- Improving the same metric with different actions, e.g. MRR (monthly recurring revenue)
- Multiple teams working on the same metric, but in different parts of the funnel (e.g. conversion by the onboarding team and upsells by the sales team to boost MRR)
Sources of the trials:

- Partner Program
- Google search
- Chat Widget (Powered by LiveChat)
- Integrations
- Marketplaces (Shopify, Big Commerce, others)
- Social media
- Software comparison services
- Paid marketing
- 100+ others every month
For big and small companies

5 minute installation · Try Team plan features for 14 days · No credit card required

Start your free trial

**Starter**
Small office / Home office

$16/mo
per agent
billed annually
or $19 month-to-month

- 60-day chat history
- Basic widget customization

**Team**
Full-time support team

$33/mo
per agent
billed annually
or $39 month-to-month

- Unlimited chat history
- Full widget customization

**Business**
Customer service department

$50/mo
per agent
billed annually
or $59 month-to-month

- Unlimited chat history
- Full widget customization

**Enterprise**
Fortune 500 companies

Contact us

individual contract with annual billing
Converted customers – Business models

- All products are subscription-based – customers pays for the service each cycle (moth, year etc.)
- LiveChat: plans + seats/agents
- ChatBot: plans + number of chats
- HelpDesk: plans + agents
- KnowledgeBase: flat fee
Converted customers – plans and agents

- Plans offer different feature sets at different prices
- In LiveChat and HelpDesk, customers need to purchase agents/seats
  In ChatBot, customers pay for number of contacts instead of specific bots
Converted customers – Partner Program

• We offer 20% Partner commission for bringing in new customers
• In case of affiliates, this is 20% from every purchase the customers make
• In case of solution partners, they decide on their own how much to charge (they still get 20% off on LC)
Converted customers – Sales Team

- Bigger contracts that required more hands-on approach are handled by Sales
- This includes both new and existing customers who might want to negotiate

Usually, customers like this are tagged in our data sets so support can easily reach the person handling the license on our end
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)
✔ USD 4+ mn of MRR (March 2021)

✔ 32K paid customers (Q4 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 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.
Shareholders*:

* According to the shareholders’ notifications received by the Company and other public data from the Polish pension funds’ reports as of 31 December 2020
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.
Financial results
Quarterly revenues (in USD mn)

as reported in reports on preliminary results
MRR (in USD mn)

At the end of 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
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 Q42020/21 the number of LiveChat clients grew to 32,864.
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 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 2021, ChatBot had 1,874 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
- Growth: +42.8%

EBITDA:
- Q3 2019/20: 21.2
- Q3 2020/21: 30.4
- Growth: +43.7%

Net profit:
- Q3 2019/20: 15.8
- Q3 2020/21: 26.2
- Growth: +56.1%
Financial results (PLN mn)

Net Sales:
- 2019/20: 94.9
- 2020/21: 131.0
- Increase: +38.1%

EBITDA:
- 2019/20: 62.4
- 2020/21: 84.7
- Increase: +35.8%

Net profit:
- 2019/20: 46.9
- 2020/21: 72.4
- Increase: +54.9%
### Revenues – products

<table>
<thead>
<tr>
<th></th>
<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><strong>LiveChat</strong>*</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>
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<tr>
<td><strong>ChatBot</strong></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>
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<tr>
<td><strong>HelpDesk</strong></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>
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</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>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Q1 – Q3 2020/21</th>
<th>Q1 – Q3 2019/20</th>
</tr>
</thead>
<tbody>
<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 an advance dividend for 2020/21 financial year. It was paid out in January 2021.
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](#)
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.