LiveChat Software
Investor Presentation

February 2020
LiveChat history

- **First customers**
- **2008**
  - **LiveChat Sp. z o.o.**
  - **LiveChat Software S.A.**
- **2009**
  - **50% of shares acquired by Capital Partners**
- **2011**
  - **GG PRO**
  - A business version of Gadu-Gadu communicator
- **2010**
  - **EBITDA+**
  - Positive result for the first time in history
- **2014**
  - Debut on **Warsaw Stock Exchange**
- **2016**
  - Customers in **150 countries**
- **2018**
  - Launch of **ChatBot**
- **2020**
  - 1K+ customers of ChatBot
  - Launch of **HelpDesk**
  - **SaaS**
Annual Revenues (in PLN mn)

* revenues for fiscal year ended March 31
Clients

28,500+
Clients of LiveChat

1,000+
Clients of ChatBot

150+
countries

25+
Companies from 'Fortune 500' List
2019
in numbers

166 employees

30 industries

150 countries

28500+
Customers of LiveChat

1000+
Customers of ChatBot
Latest events

- Shortening LiveChat trial to 14 days (May 2019)
- Acquisition of livechat.com domain (July 2019)
- 1K+ Clients of ChatBot (January 2020)
- Commercial launch of HelpDesk (June 2019)
- 28k+ clients of LiveChat (January 2020)
- Introduction of new pricing model for LiveChat (January 2020)
170 employees

Meet our team at
www.livechatinc.com/team
At the end of 2019, the company had **166 employees**
Shareholders*:

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

*February 2020
Live chat technology in 2019

**Top 10 live chat providers**
across top 1 million sites

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

**Top 10 countries**
by number of websites using live chat

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

Source: thechatshop.com based on data from Build With ans SimilarTech
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 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.
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 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.
Financial results
Q3 2019/20 FY
Key events

Company

✓ Purchase of livechat.com domain in order to strengthen the company’s marketing potential.

✓ An advance toward an expected dividend paid (0.6 PLN per share) in January.

✓ The beginning of the process of building a sales department in the USA.

LiveChat

✓ New pricing model „pay per agent” (PPA), which replaced „pay per seat” (PPS) introduced in January, accepted by customers.

✓ More than 95% of customers migrated to new backend.

✓ Internal tests and closed beta of „continuous chat” feature.

ChatBot

✓ Milestone of 1K customers reached in January.

✓ New pricing plans (team and business) successfully introduced in January.

HelpDesk

✓ New plans (starter and enterprise) available from Q3 2019/20.
Financial results (PLN mn)

- Net Sales: 79.9 (9M 2018) to 94.9 (9M 2019), +18.8%
- EBITDA: 54.6 (9M 2018) to 62.4 (9M 2019), +14.2%
- Net profit: 42.1 (9M 2018) to 46.9 (9M 2019), +11.5%
Financial results (PLN mn)

- **Net Sales**: 27.8 (Q3 2018) to 32.4 (Q3 2019), +16.5%
- **EBITDA**: 17.9 (Q3 2018) to 21.2 (Q3 2019), +18.1%
- **Net profit**: 13.7 (Q3 2018) to 15.8 (Q3 2019), +15.1%
## Margins

<table>
<thead>
<tr>
<th></th>
<th>9M 2019/20</th>
<th>9M 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit margin</td>
<td>85.3%</td>
<td>83.3%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>65.7%</td>
<td>68.4%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>61.4%</td>
<td>65.1%</td>
</tr>
<tr>
<td>Net margin</td>
<td>49.4%</td>
<td>52.7%</td>
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<table>
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<tr>
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<th>Q3 2019/20</th>
<th>Q3 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit margin</td>
<td>84.5%</td>
<td>82.2%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>65.4%</td>
<td>64.5%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>60.9%</td>
<td>61.1%</td>
</tr>
<tr>
<td>Net margin</td>
<td>48.9%</td>
<td>49.5%</td>
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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.
Cash Position (PLN thousands)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Cash 01.04.2019</td>
<td>32,624</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>+51,398</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>-8,284</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>-36,307</td>
</tr>
<tr>
<td>Cash 31.12.2019</td>
<td>39,430</td>
</tr>
</tbody>
</table>

Financial activities include 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.

In January Company paid PLN 15.45 mn (0.60 PLN per share vs 0.54 PLN per share year earlier) as a advance toward planned dividend.
Revenues - geographical breakdown

% of sales

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