

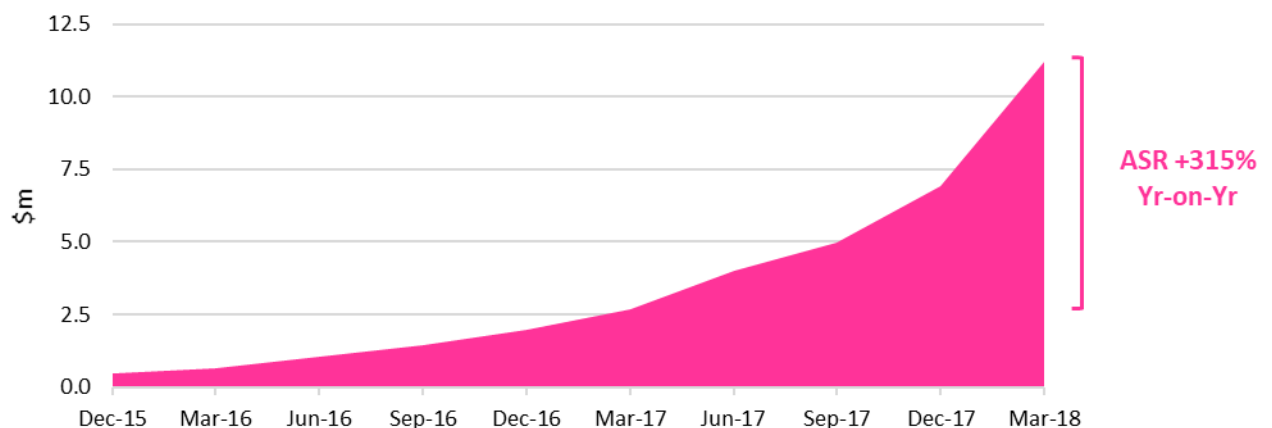
## ASX Announcement

10 April 2018

### Another record quarter delivers \$11.2m annualised subscription revenue, up 315% year-on-year

- Annualised subscription revenue<sup>1</sup> (ASR) reaches \$11.2 million as at 31 March 2018, up from \$6.9 million as at 31 December 2017 and \$2.7 million as at 31 March 2017
- ASR has grown by 315% in the last 12 months
- Significant strategic partnership with key Microsoft sales and marketing vendor boosts sales and marketing resources in North America
- Strong ASR growth expected in FY18 and beyond, driven by sales and marketing investment, Microsoft co-marketing initiatives and demand for recently launched AI products

#### Annualised subscription revenue growing rapidly

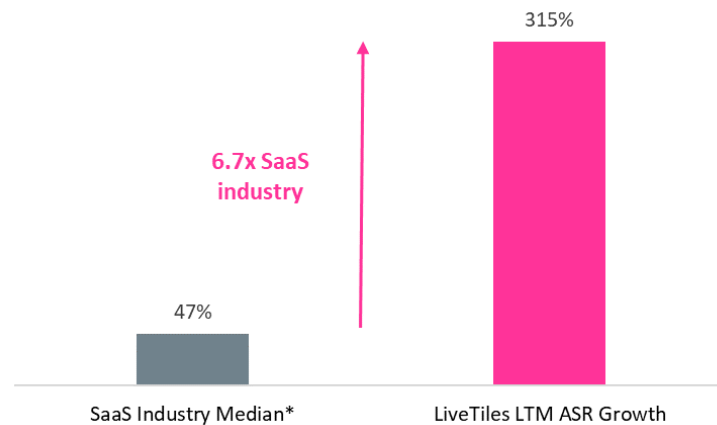


**LiveTiles Limited (ASX:LVT) (LiveTiles or the Company)**, a global software company that empowers its users to drive their own intelligent workplace experiences, is pleased to announce another record quarter of annualised subscription revenue (ASR) growth.

ASR reached \$11.2 million as at 31 March 2018, representing annual growth of 315%, with \$4.3 million of ASR added in the March quarter.

<sup>1</sup> Annualised subscription revenue (ASR) represents committed, recurring subscription revenue on an annualised basis

## LiveTiles is growing at almost 7x the rate of the Software-as-a-Service industry



Source: KeyBanc 2017 Private SaaS Company Survey (361 respondents)

Customer highlights in the March quarter included:

- N3, a sales and marketing consultancy based in the United States (US\$225,000 per month)
- A major financial services company in the United States
- A large retirement community business in the United States
- A pharmaceutical company based in the United States
- A large British government department
- A high-end department store business based in the United Kingdom
- A major agricultural company based in Australia
- Two large Australian universities
- A global beverage business headquartered in Australia

### MAJOR AGREEMENT SIGNED WITH MICROSOFT VENDOR

In February 2018, LiveTiles entered a strategic relationship with sales and marketing consultancy and execution firm N3. Based in Atlanta USA, N3 is the leading outsourced sales and marketing execution vendor for Microsoft's Azure and Dynamics platforms and services a global client base which includes SAP, IBM and Cisco.

As described in the Company's ASX announcement dated 27 February 2018, the strategic relationship comprises:

- A sales and marketing execution agreement, under which N3's sales and marketing resources will promote LiveTiles' products in North America; and
- A licensing agreement for the use of LiveTiles' SaaS products.



Over the past six years, N3 has been integral to the implementation and execution of Microsoft's integrated cloud sales strategy, delivering significant revenue growth for Microsoft and Microsoft partners. The combination of N3's expert understanding of Microsoft's products and its sophisticated sales and marketing platform is expected to generate strong and highly scalable customer and revenue growth for LiveTiles.

The agreement with N3 further strengthens the Company's relationship and alignment with Microsoft, and provides Microsoft's North American field representatives with greater visibility of LiveTiles' differentiated solutions.

#### **ONGOING CO-MARKETING WITH MICROSOFT**

During the quarter, LiveTiles and Microsoft engaged with several large enterprises in the United States to promote LiveTiles Bots as a quick-to-deploy artificial intelligence (AI) solution. The Microsoft campaign is a strong endorsement of LiveTiles' product offering and has already resulted in secured paid pilot projects with several large organisations. The paid pilot projects are not included in the Company's ASR.

**LiveTiles co-founder and Chief Executive Officer, Karl Redenbach said:** "Our continued investment in sales and marketing is driving significant growth in our sales pipeline. This investment, together with the recent launch of our AI products, co-marketing initiatives with Microsoft and the launch of our N3 partnership, gives us great confidence in our plan to deliver strong subscription revenue growth in FY18 and beyond."

LiveTiles will provide further details on its growth and operations with its 3<sup>rd</sup> quarter Appendix 4C in late April.

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#### **About LiveTiles:**

LiveTiles is a global software company headquartered in New York, with operations in Seattle, Tri-Cities (Washington State), San Francisco, Los Angeles, Chicago, Minneapolis, North Carolina, London, Zurich, Netherlands, Sydney, Melbourne and Hobart. LiveTiles offers intelligent workplace software for the commercial, government and education markets, and is an award-winning Microsoft Partner. LiveTiles' products comprise LiveTiles Design, LiveTiles Bots, LiveTiles Intelligence, LiveTiles for SAP Software, LiveTiles MX and LiveTiles Mosaic. LiveTiles' customers represent a diverse range of sectors and are spread throughout the United States, United Kingdom, Europe, the Middle East and Asia-Pacific.