



ASX Announcement

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19 September 2019

\$50 million raised to continue rapid global growth

- LiveTiles has successfully raised \$50 million via a share placement at \$0.35 per share
- A Share Purchase Plan to raise up to \$5 million will be launched by the Company to existing eligible shareholders
- Proceeds will be used to generate continued strong customer and revenue growth as LiveTiles targets \$100 million in annualised recurring revenue¹ by 30 June 2021

LiveTiles Limited (ASX:LVT) (LiveTiles or the Company), a global software company that empowers its users to create their own intelligent workplace experiences, is pleased to advise it has successfully raised \$50 million via a share placement to eligible institutional and other sophisticated and professional investors (**Placement**).

In addition, the Company will launch a Share Purchase Plan (**SPP**) to raise up to an additional \$5 million from existing eligible shareholders.

The proceeds of the transaction will be used to continue driving strong customer and revenue growth through investment in the Company's direct sales and partner channels, together with ongoing product development and enhancement. The funds raised via this transaction will be used to generate continued strong customer and revenue growth as LiveTiles targets \$100 million in annualised recurring revenue (**ARR**) by 30 June 2021.²

Placement

Under the Placement, \$50 million has been raised (before costs) via the issue of 142,857,143 fully paid ordinary shares at \$0.35 per share. All of the shares under the Placement will be issued utilising the Company's existing capacity under ASX Listing Rules 7.1 and 7.1A. Specifically, 76,790,397 shares will be issued under ASX Listing Rule 7.1 and 66,066,746 shares will be issued under ASX Listing Rule 7.1A.

The Placement received firm bids significantly above \$50m, requiring scaleback of applications. Placement shares have been allocated to a range of existing and new domestic and US-based institutional investors.

¹ Annualised recurring revenue (ARR) represents committed, recurring revenue on an annualised basis.

² The Company's ARR target is not a forecast or a guarantee of future performance. It depends on a number of assumptions and is subject to risks, including the risk factors set out under "Key Risks" in the "LiveTiles Limited – Investor Presentation" dated 18 September 2019 and lodged with ASX



Citigroup Global Markets Australia Pty Limited and Oppenheimer & Co. Inc acted as joint lead managers and bookrunners to the Placement and Blue Ocean Equities Pty Limited acted as co-manager.

Karl Redenbach, Co-Founder and Chief Executive Officer of LiveTiles stated:

“LiveTiles is the only global player and clear market leader in the rapidly emerging intranet software market. Our strong growth trajectory has seen the Company’s annualised recurring revenue grow 10-fold over the last two years. Notwithstanding our recent strong growth, we believe this market to be only 1% penetrated and that customers and partners are only starting to realise the potential of our platform.”

“We are pleased to secure additional growth capital from high quality Australian and US-based institutional investors, providing LiveTiles with additional capital to support our vision of reaching our annualised recurring revenue target of \$100 million by 30 June 2021.”

Share Purchase Plan

The Placement will be followed by an offer to existing eligible Australian and New Zealand shareholders of the Company to participate in a SPP at the same issue price as the Placement (\$0.35 per share). The SPP will provide existing eligible shareholders an opportunity to increase their holding by up to \$30,000. The SPP will be capped at \$5 million.

Existing eligible shareholders wishing to participate in the SPP should carefully read the SPP Offer Booklet and accompanying form which are expected to be despatched on or around 25 September 2019. A copy of the SPP Offer Booklet will be available on the ASX website.

Key dates for the Placement and SPP*

SPP Record Date	Wednesday, 18 September 2019
Placement details and SPP announced to ASX	Thursday, 19 September 2019
Settlement of new shares issued under the Placement	Monday, 23 September 2019
Allotment and normal trading of new shares issued under the Placement	Tuesday, 24 September 2019
Despatch of SPP Offer Booklet and SPP Opening Date	Wednesday, 25 September 2019
SPP Closing Date	5pm (AEDT), Friday, 11 October 2019
Issue of SPP Shares	Friday, 18 October 2019
Despatch of shareholding statements	Monday, 21 October 2019
SPP Shares commence trading on ASX	Tuesday, 22 October 2019

* Please note, the dates set out above are indicative only and are subject to change without notice. Any change in the timetable does not affect any rights or obligations you have as a result of accepting the SPP.



Further details on the SPP

The key details of the SPP are as follows:

- (a) Each eligible Australian and New Zealand shareholders of the Company who is registered on the Company's register of shareholders on the Record Date (18 September 2019) will have the opportunity to purchase a minimum of \$2,000 and up to \$30,000 worth of new, fully paid, ordinary shares in the Company (subject to discretionary scale back) (**SPP Shares**), without incurring brokerage or other transaction costs.
- (b) The issue price of each of the SPP Shares will be \$0.35 (the same as the issue price under the Placement) and the SPP Shares will rank equally with all existing shares.
- (c) The SPP will be capped at \$5 million and the Company reserves the right to scale back applications under the SPP. Accordingly, under the SPP, the Company will issue up to approximately 14,285,714 SPP Shares (subject to rounding).
- (d) The offer under the SPP is non-renounceable and non-transferable and, therefore, eligible shareholders cannot transfer their right to purchase SPP Shares to a third party.
- (e) The SPP is not underwritten, however, if there is a shortfall in the SPP, the directors of the Company (in their absolute discretion and subject to the Company's placement capacity under the ASX Listing Rules) may issue the shares subject of the shortfall in the SPP to sophisticated and professional investors.

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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, North Carolina, Rochester, London, Sligo, Copenhagen, Amsterdam, Sydney, Melbourne, Brisbane, Geelong 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 Intelligent Workplace, LiveTiles Design, LiveTiles Bots, LiveTiles Intelligence, LiveTiles for SAP Software, LiveTiles MX, LiveTiles Mosaic, Hyperfish and Wizdom. LiveTiles' customers represent a diverse range of sectors and are spread throughout the United States, United Kingdom, Europe, the Middle East and Asia-Pacific.



Important information

Not an offer

This announcement is for information purposes only and is not, and does not constitute, an invitation, solicitation, recommendation or offer of securities for subscription, purchase or sale in any jurisdiction. The announcement is not financial product advice, investment advice or any recommendation, and does not and will not form any part of any contract or commitment for the acquisition of LiveTiles shares. The announcement is not a prospectus, product disclosure statement or other offering document under Australian law or any other law.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States and may not be distributed or released in the United States or any jurisdiction in which, or to any person to whom, such an offer would be illegal. The LiveTiles shares offered and sold under the Placement (**New Shares**) and SPP (**SPP Shares**) have not been and will not be registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction exempt from or not subject to, such registration requirements and any other applicable securities laws. In addition, the SPP Shares may only be offered and sold to existing eligible shareholders in Australia and New Zealand in "offshore transactions" (as defined in Regulation S under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act. The distribution of this announcement in other jurisdictions outside Australia and New Zealand may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Forward looking statements

This announcement contains "forward looking statements" with respect to certain plans, strategies and objectives of management of LiveTiles, including but not limited to expectations and assumptions regarding the outcome and effects of the Placement and SPP and use of proceeds, and statements about our annualised revenue recurring targets, expectations and assumptions regarding the outcome of the placement and SPP, statements about the environment in which we operate and our addressable markets.

Forward looking statements should, or can generally, be identified by the use of forward looking words such as "believe", "expect", "estimate", "will", "may", "target" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements.

Financial data

Investors should be aware that certain financial data included in this announcement is 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by the Australian Securities and Investments Commission (**ASIC**) and 'non-GAAP financial measures' under Regulation G of the U.S. Securities Exchange Act of 1934. Such measures include annualised recurring revenue. Such financial measures are not recognised under the Australian Accounting Standards (**AAS**) and International Financial Reporting Standards (**IFRS**). Moreover, the disclosure of such non-GAAP financial measures in the manner included in this announcement may not be permissible in a registration statement under the U.S. Securities Act. Such non-IFRS / non-GAAP financial measures do not have a standardised meaning prescribed by the AAS and IFRS and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with the AAS and IFRS. Although LiveTiles believes such non-IFRS / non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of LiveTiles' business, readers are cautioned not to place undue reliance on any non-IFRS / non-GAAP financial measures included in this announcement.