

First Half 2021 Business & Financial Results

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27 August 2021

limeade® ASX: LME



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First Half 2021 Financial Results

27 August 2021

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1

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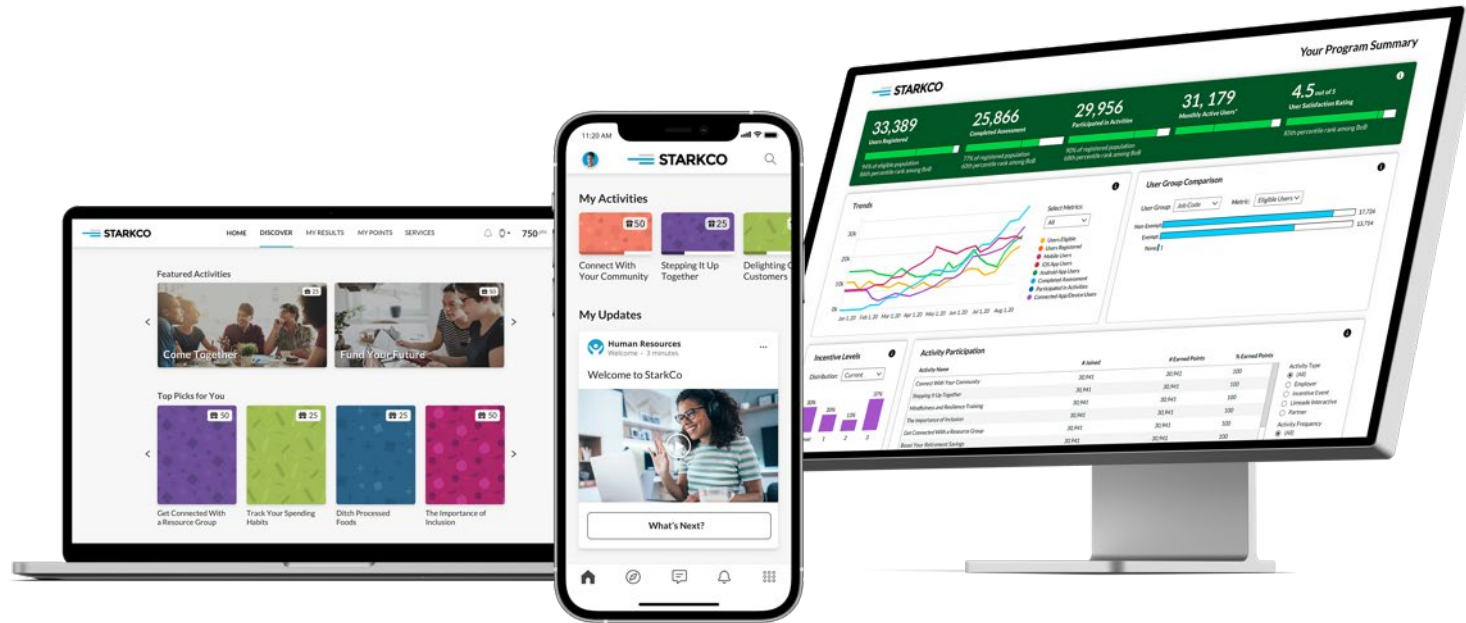
Financials

Strategy + Outlook

Q&A

Appendix

Limeade creates immersive well-being solutions for a healthy employee experience.



The only company with world-class listening and well-being solutions



AI-powered, personalized communications that drive benefits adoption



Integrating well-being and listening experiences into the daily flow of work



Consumer-grade software guided by Limeade Institute science

\$22 billion market growing at 22%



Companies grappling with increasingly remote global workforces



Employees dealing with heightened stress and anxiety; expecting support



Healthy corporate cultures essential to attracting and retaining millennial and Gen Z talent

First Half 2021 Financial Results

27 August 2021

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2 Financials

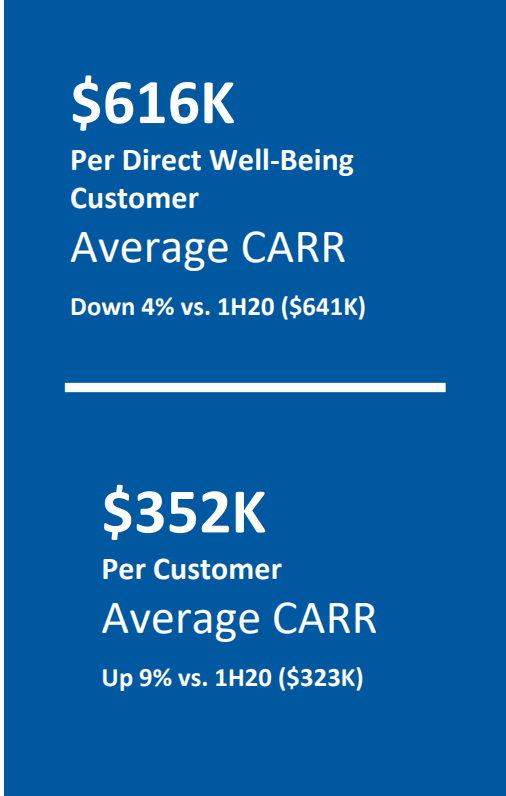
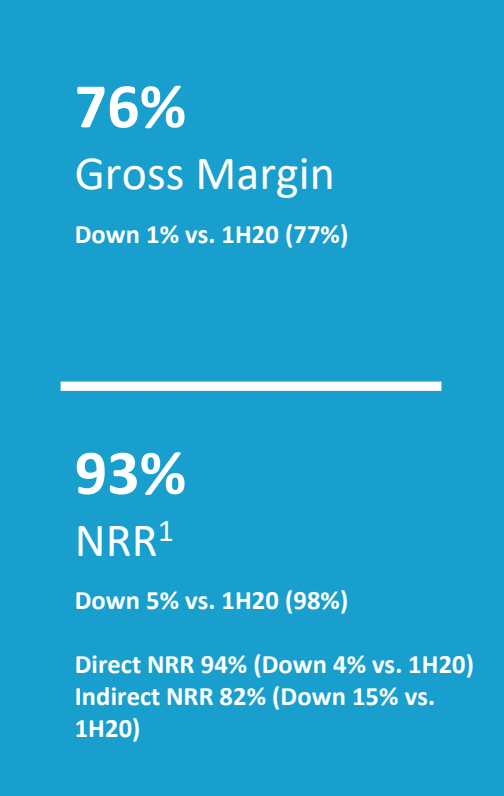
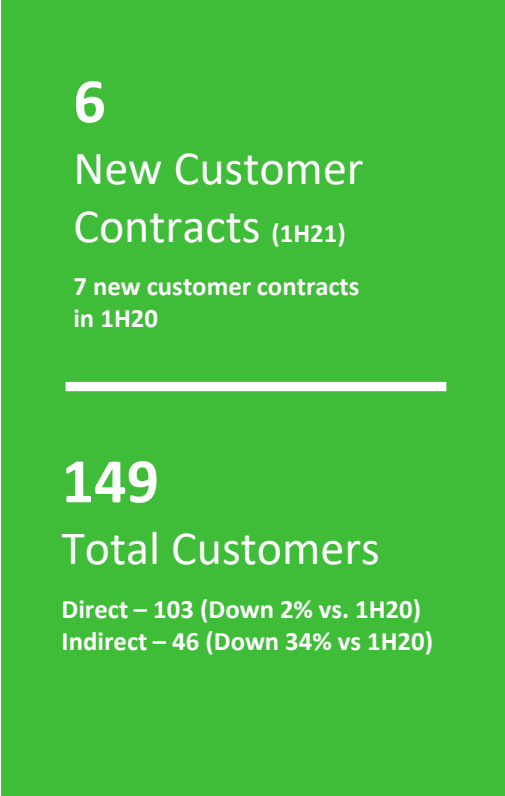
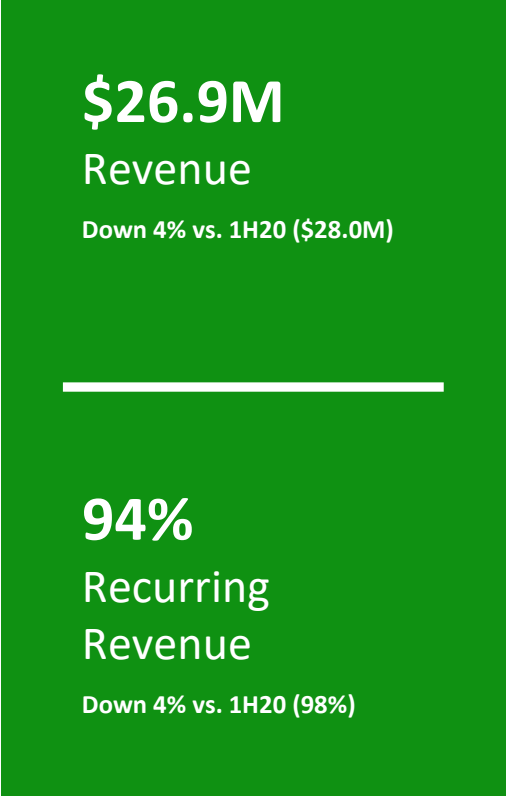
Strategy + Outlook

Q&A

Appendix

Strong enterprise SaaS gross margins at 76%

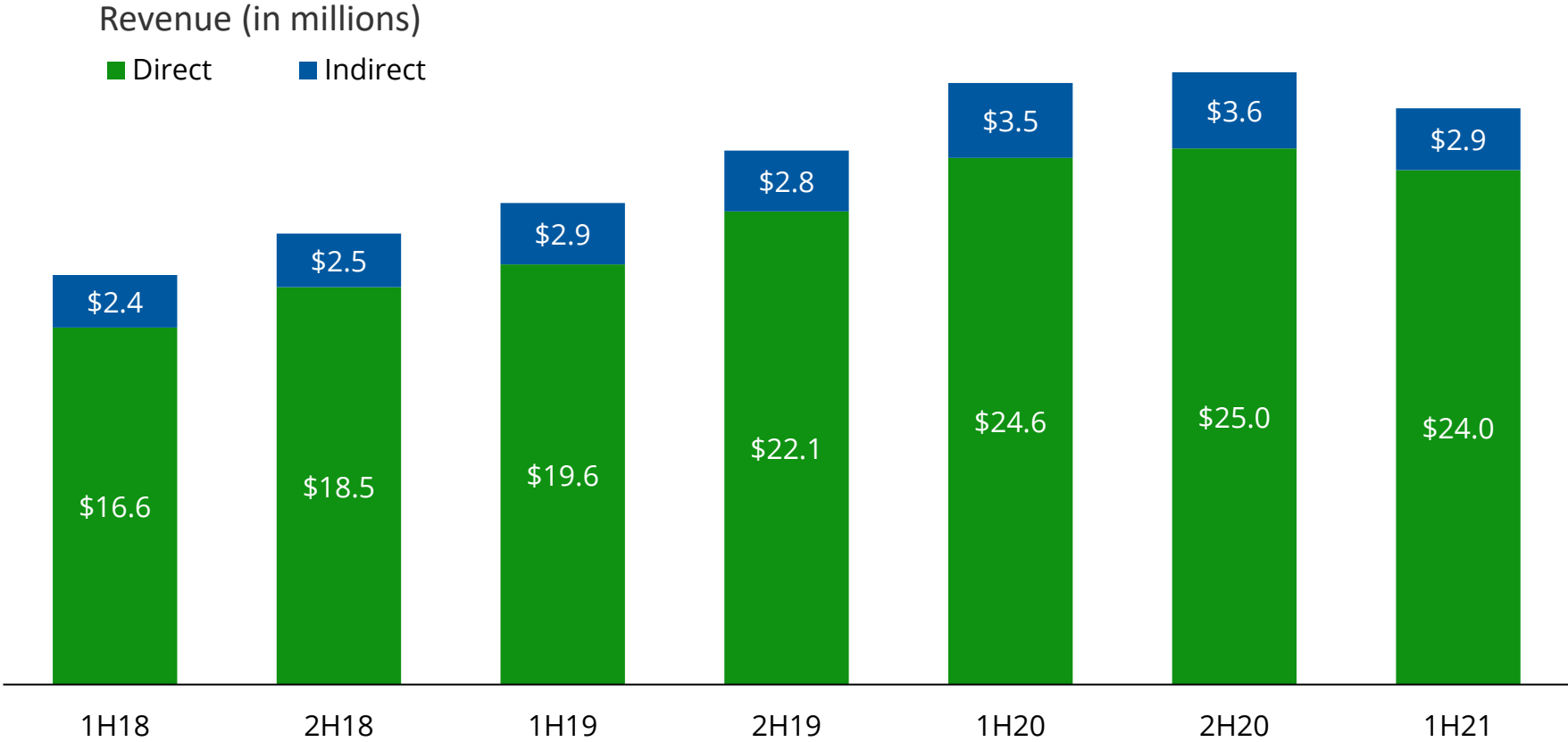
Average customer size up 9%



NOTE 1: Net revenue retention (NRR), defined as CARR at the beginning of the period plus any CARR added in that period through sale of new solutions to customers who were customers at the beginning of the period (existing customers) or expansion in the number of employees of existing customers; less any reduction in CARR in that period through existing customers who terminate, decide not to renew their subscription or reduce usage of Limeade solutions amongst their employee population, divided by CARR at the beginning of the period.

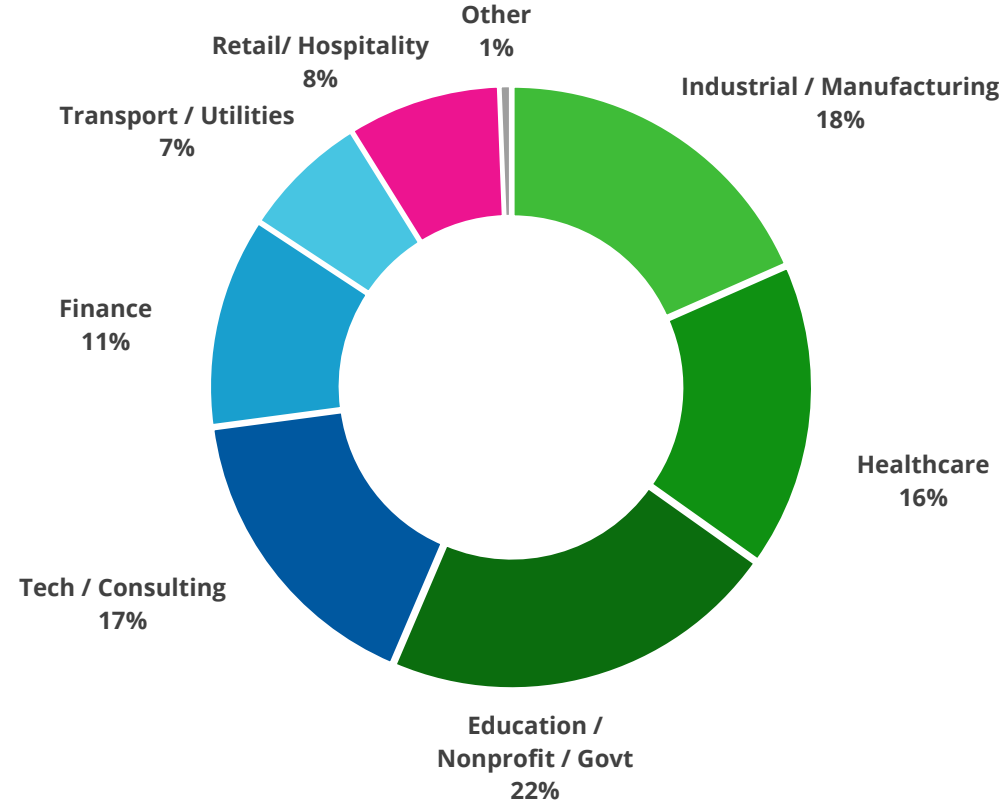
Direct channel revenue stable, down just 2.4% versus pcp

Half of the \$1.2M revenue reduction and 24 of the 26 net decrease in customer count occurred in midmarket reseller channel

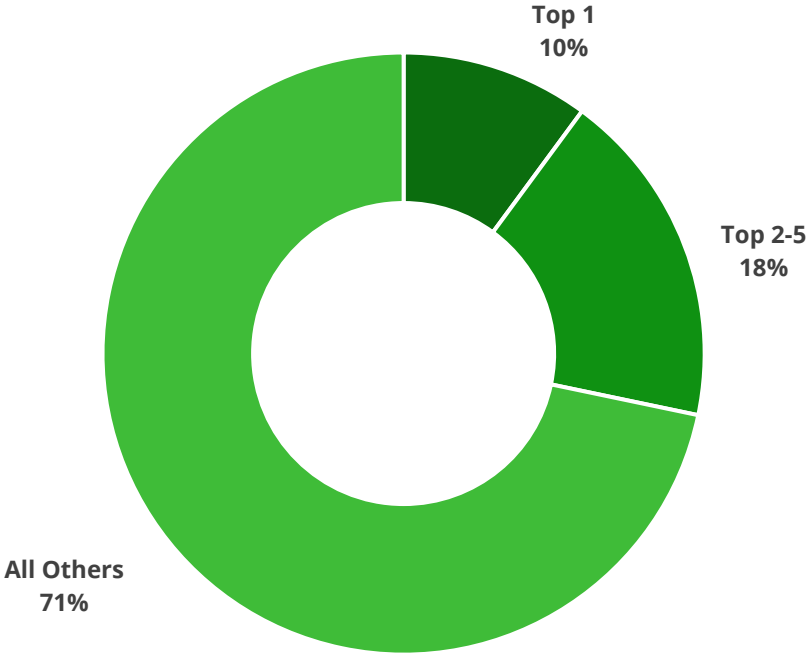


Diverse customer base

Highly diversified customer base¹



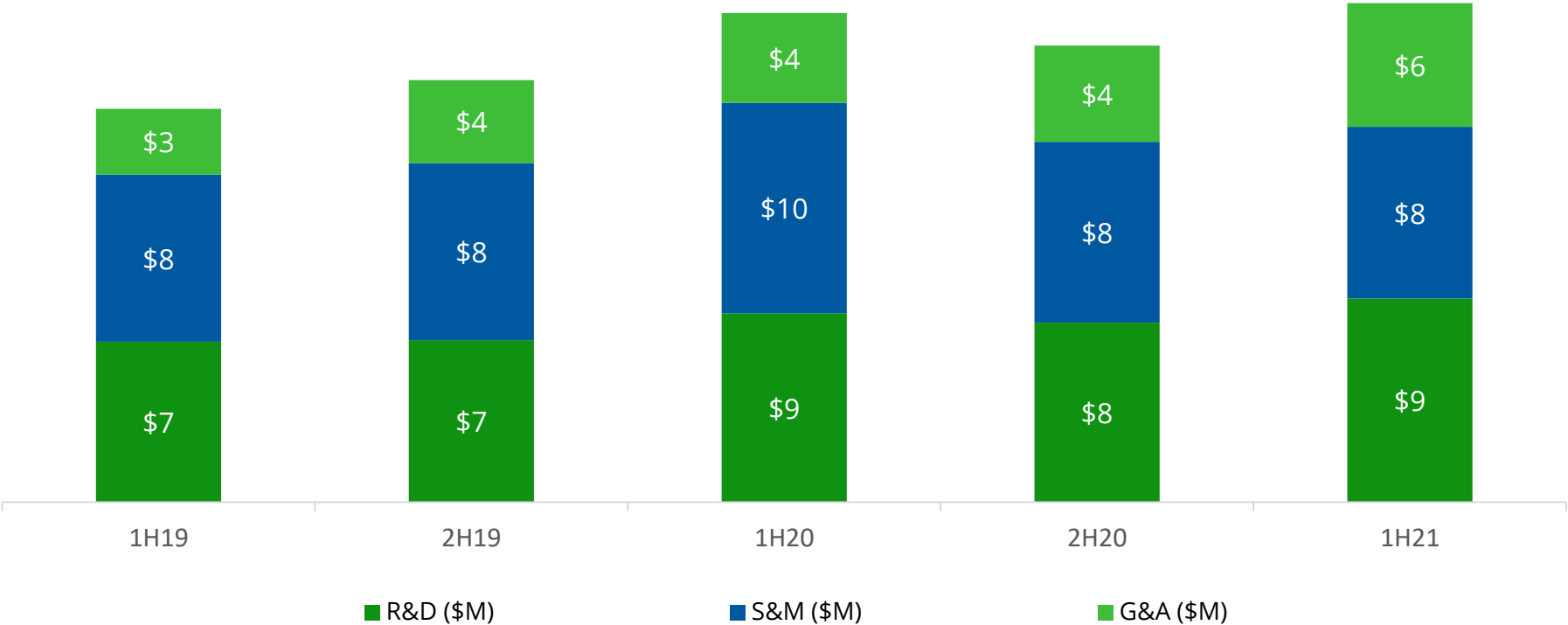
Customer concentration 1H21²



NOTE 1: CARR balance by industry as of 30 June 2021.
NOTE 2: As measured by CARR.

Operational discipline

Strong cash position of \$28.7 million as at 30 June 2021¹
Managed expenses while maintaining ability to scale with key R&D investments
Strengthened operational capability with key leadership hires



NOTE 1: pro-forma cash balance of \$19.6 million as at 29 July 2021, post-TINYpulse acquisition

First Half 2021 Financial Results

27 August 2021

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Limeade Essentials

Financial Data

3 Strategy + Outlook

Q&A

Appendix

Growth strategy



North American Enterprise Well-Being Market Focus

- ✓ Great product-market fit and \$156M¹ pipeline
- ✓ Limeade embedded in Office 365 and Microsoft Teams through Microsoft Viva



M&A to Drive Market Access and Long-Term Growth

- ✓ Direct access to mid-market through TINYpulse
- ✓ 40-person Vietnam-based R&D team



Platform Optimization

- ✓ R&D investment focused on speed and performance for global enterprises
- ✓ Nearly doubled engineering horsepower

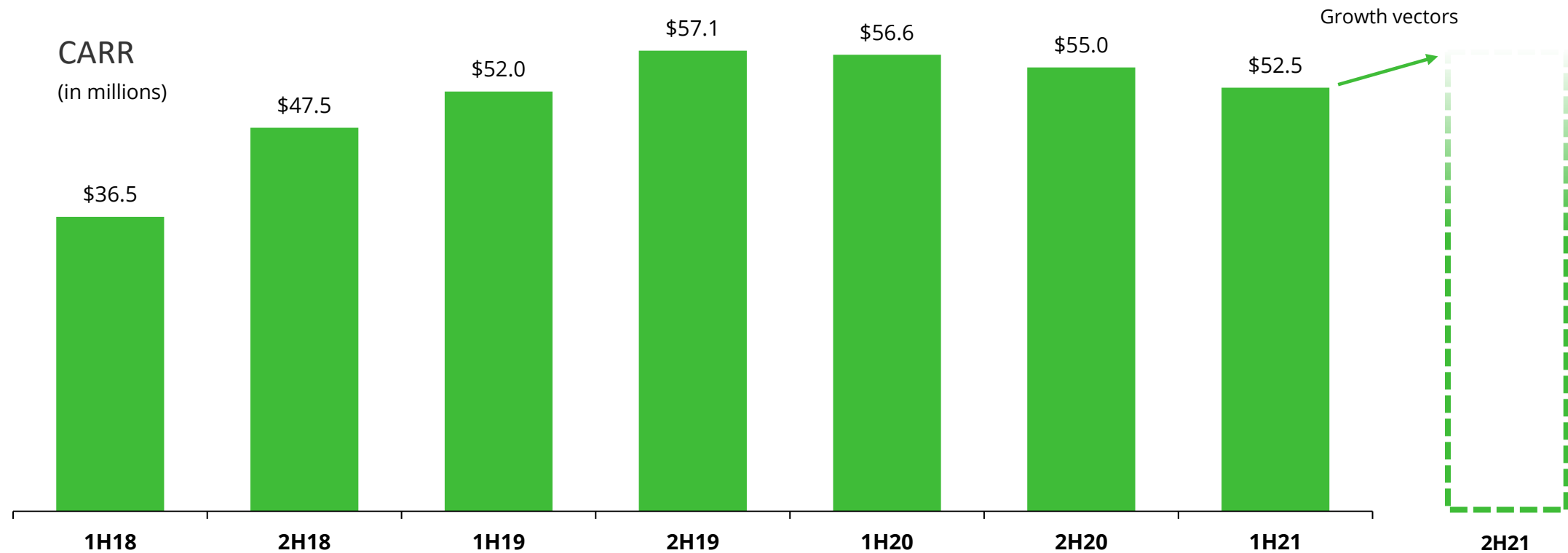


Indirect Channel Optimization

- ✓ Move away from midmarket underperformers
- ✓ Focus on larger, strategic enterprise-class relationships

Return to CARR growth in 2021

- New customer acceleration expected in second half, led by direct North American enterprise well-being with strong late-stage pipeline
- TINYpulse acquisition
- Microsoft Viva partnership



Reiterating full-year 2021 guidance

\$50-53M
Revenue

(\$5-8M)
EBITDA

(\$7-10M)
NPAT

1H21 Financial Results

27 August 2021

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4

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Appendix

Thank you

For more information please contact:

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First Half 2021 Financial Results

27 August 2021

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Financial Data

Strategy + Outlook

Q&A

5

Appendix

Income Statement

Summary of statutory consolidated income statements

US\$ in millions	1H21	1H20	\$ Change	% Change
Subscription Revenue	\$ 25.1	\$ 27.4	\$ (2.2)	(8.2%)
Other Revenue	1.7	0.7	1.1	163.7%
Revenue	26.9	28.0	(1.2)	(4.2%)
Cost of revenue	(6.4)	(6.4)	0.0	(0.2%)
Gross profit	20.5	21.6	(1.2)	(5.4%)
<i>Gross profit %</i>	76%	77%		(0.9%)
Sales and marketing	(7.8)	(9.6)	1.8	(18.4%)
Research and development	(9.3)	(8.6)	(0.7)	7.8%
General and administrative	(5.6)	(4.1)	(1.6)	38.0%
Total operating expenses	(22.7)	(22.3)	(0.5)	2.1%
EBITDA	(2.3)	(0.6)	(1.7)	(303.1%)
NPAT	\$ (3.2)	\$ (1.3)	\$ (1.8)	(137.7%)

Balance Sheet

Summary of statutory Balance Sheet

US\$ in millions	1H21	1H20	\$ Change	% Change
Cash	28.7	28.4	0.3	1.2%
Accounts receivable	5.2	6.0	(0.8)	(12.7%)
Other current assets	5.3	4.5	0.7	16.4%
Total current assets	39.2	38.9	0.3	0.8%
Intangible assets & Other	11.8	11.1	0.8	6.9%
Other non-current assets	0.4	0.8	(0.3)	(40.3%)
Total non-current assets	12.3	11.8	0.5	3.9%
Total assets	51.4	50.7	0.8	1.5%
Accounts payable	2.4	2.1	0.3	15.8%
Deferred revenue	9.7	10.5	(0.8)	(7.4%)
Other liabilities	13.1	12.1	1.0	8.2%
Total liabilities	25.3	24.7	0.5	2.2%
Total equity	26.2	25.9	0.2	0.9%

Cash Flow

Summary of statutory cash flows

US\$ millions	1H2021	1H2020	\$ Change	% Change
EBITDA	\$ (2.3)	\$ (0.6)	\$ (1.7)	(303.1%)
Change in working capital	0.9	0.1	0.8	1285.8%
Operating cash flow	(1.4)	(0.5)	(0.9)	(173.8%)
Capitalized development costs	(1.6)	(1.5)	(0.0)	2.5%
Other capital expenditures	(0.1)	(0.2)	0.0	(20.8%)
Free cash flow	\$ (3.0)	\$ (2.2)	\$ (0.9)	(40.4%)