



ASX Announcement

26 June 2019

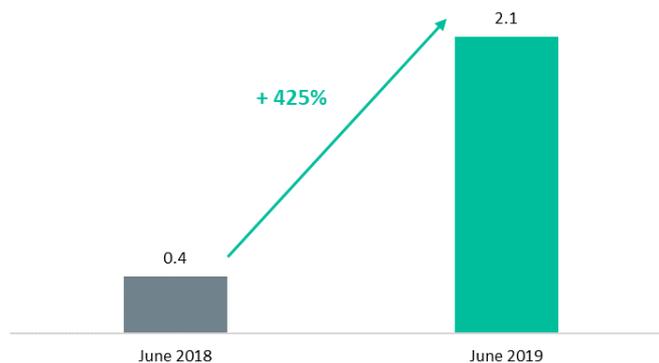
Hyperfish recurring revenue up 425% since acquisition

- Since its acquisition in June 2018, Hyperfish's annualised recurring revenue has grown by more than 425%, from \$0.4 million to over \$2.1 million
- Second (and final) earn-out achieved in full
- Hyperfish's unique technology has enabled LiveTiles to extend its intelligent workplace platform to deliver exciting new capabilities to our global customer base

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 announce that Hyperfish has exceeded its annualised recurring revenue (ARR) growth targets for the 6 month period to 30 June 2019 and therefore the second (and final) earn-out consideration will be issued in full.

LiveTiles acquired Hyperfish, a recognised leader in artificial intelligence-powered employee profile and directory management software, in June 2018. Since completion of the acquisition, Hyperfish's ARR has grown by more than 425% (from \$0.4 million to over \$2.1 million), substantially exceeding the median SaaS industry revenue growth rate of 39%¹. In addition to delivering rapid ARR growth, Hyperfish has exceeded its net dollar ARR retention target of 90% for the year to 30 June 2019.

Hyperfish ARR growth since acquisition (\$m)



The market demand for Hyperfish's capabilities has exceeded expectations and has driven several Intelligent Workplace deals combining all LiveTiles products, which in turn is driving up our average contract value (ACV).

¹ KeyBanc 2018 SaaS survey



Approximately 6.9 million LiveTiles shares will be issued to the Hyperfish vendors in July 2019 under the second (and final) earn-out. The second earn-out shares are subject to an escrow period of 12 months from the issue date. The total consideration for the Hyperfish acquisition of approximately 22.3 million LiveTiles shares (comprising the upfront consideration, first earn-out and second earn-out) represents an Enterprise Value / ARR multiple of 4.4x.

LiveTiles expects Hyperfish will be cash flow positive on a run-rate basis by 31 December 2019.

LiveTiles Co-Founder and Chief Executive Officer, Karl Redenbach states: “We are very pleased with the strong growth achieved by the Hyperfish team, with recurring revenue up more than 425% in the past year. In addition to achieving strong growth, Hyperfish’s unique technology has enabled LiveTiles to extend our intelligent workplace platform to deliver exciting new capabilities to our global customer base.”

“The Hyperfish team have been a brilliant addition to the LiveTiles group and will be fully integrated into our teams, systems and processes from 1 July 2019.”

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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.