



ASX Announcement

10 October 2023

Restructure and Cost Reduction Program to Achieve Cashflow Breakeven

LiveTiles Limited (ASX:LVT) (LiveTiles or the Company), a global leader in employee experience software for employee collaboration and communications, today announces the next stage in a comprehensive restructure and cost-reduction program outlined in the Q4 FY23 Appendix 4C and pursuant to the objectives and outputs under the cost reduction engagement with Vantage Performance Group Pty Ltd which is aimed at achieving cashflow breakeven in the second half of FY24. This initiative underscores LiveTiles' commitment to delivering long-term value to its shareholders and ensuring financial resilience in a challenging economic environment.

Key highlights of the cost reduction program include:

1. **Global Headcount Reduction:** In LiveTiles' efforts to streamline operations and reduce costs, the Company will be implementing a further global headcount reduction of forty-eight (48) with a combination of full-time employees and fixed term contractors, with a focus on retaining customer focus and revenue generation positions across all divisions and teams. While this decision involves some organisational change, it is a necessary step to align resources with the evolving market conditions and LiveTiles' strategic objectives.
2. **CEO Departure:** As part of this cost reduction program and in line with his career objectives, CEO David Vander has resigned and will be departing the organisation at the end of his six (6) months notice period. This will enable David to see through these changes and provide an orderly transition. The company will commence a search for a suitable replacement.
3. **Cost Reductions:** Accelerating efforts to reduce our operating costs including exiting of non-core office space(s), IT costs, marketing and reduced professional fees.
4. **Global Restructure:** Organisational restructure to better enable focus, speed and customer engagement.
5. **Cost Effective Locations:** Continued transition of certain roles to lower cost locations

Commenting on these developments, David Vander, CEO of LiveTiles, stated, "In this turbulent macroeconomic environment, we are experiencing softer sales volumes and lengthened deal cycles, which is impacting our revenues. Overall, this program will enable us to save \$16.2m in annualised costs and \$8.4m in FY24. We have recognised these conditions and decided to accelerate efforts to achieve positive cashflow in the second half of this financial year. These changes will provide LiveTiles with additional operational leverage in FY24, positioning the Company for improved financial performance in the future.

This program will enable us to focus on our core as the digital workplace arena. We remain steadfast in our commitment to clarity and attractiveness in our value proposition. These choices have not been easy, but we firmly believe that this cost-reduction program will put us in a stronger financial position and situate the business for a sustainable future.



“LiveTiles continues to hold strong customer connections, passion for our market-leading product and a clear path to claiming share of a multi-billion-dollar software market. We remain committed to delivering outstanding employee experience software solutions while adapting to changing market dynamics.”

-ENDS-

This announcement has been authorised for release by the Board of LiveTiles Limited.

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About LiveTiles:

LiveTiles is a global leader in the employee experience software for employee collaboration and communications, creating and delivering solutions that drive digital transformation, productivity, and employee engagement in the modern workplace.

LiveTiles have operations spanning North America, Europe, Asia and Australia, and services over 1,000 customers. LiveTiles is a leading player in the Employee Experience Platform Industry and has been acknowledged as such by Forrester and Gartner.