



ASX Announcement

31 October 2019

LiveTiles invited to present at Microsoft's largest global customer event

- LiveTiles will present on Intranets and Microsoft Teams at Microsoft's largest customer event, Microsoft Ignite, in Orlando Florida in November
- Over 25,000 attendees will attend Microsoft Ignite, with a large majority being customers already subscribed to core Microsoft platforms Office 365 (including SharePoint), Microsoft Teams and Azure
- LiveTiles' core products, including Wizdom and Hyperfish, can be deployed and used within Microsoft's Teams collaboration platform
- Following the Company's recent announcement that it has co-sell status in 39 countries with Microsoft, selling, deploying and driving adoption of Microsoft Teams is now one of the primary scorecard goals for Microsoft's estimated 50,000-strong global sales team
- Microsoft co-sell program has contributed US \$13.9B of revenue for key Microsoft partners in just 2 years and remains a significant opportunity and focus for LiveTiles
- LiveTiles' strong alignment with Microsoft, in addition to ongoing developments by the Company's product team extending Microsoft Teams capabilities for customers, creates a very strong opportunity to drive FY20 and FY21 pipeline

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 it has been invited to present at Microsoft's largest global customer event, Microsoft Ignite. Further, the Company provides updates relating to the Microsoft co-sell program and developments relating to the Company's Microsoft Teams offering for customers.

LIVETILES INVITED TO PRESENT AT MICROSOFT IGNITE

Microsoft Ignite is the tech giant's largest customer event globally, with more than 25,000 attendees and will take place in Orlando, Florida, on the 4th-8th November. As announced at Microsoft's annual partner event Inspire in July, the strong adoption of Microsoft Teams is now a very high priority on Microsoft's scorecard.

LiveTiles President Daniel Diefendorf will present on the topic of driving customer value and employee productivity with Intranet solutions through Microsoft Teams at the event. This will place LiveTiles in front of some of the largest customers in the world.

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MICROSOFT TEAMS - UNPRECEDENTED GROWTH HISTORY

Microsoft Teams is now Microsoft's fastest growing application in its history¹, and is used by over 500,000 customers. With over 13 million daily active users and 19 million weekly active users, it has surpassed Slack as the most used communications platform globally. On 23 October 2019, Microsoft CEO Satya Nadella presented on Microsoft's FY20 Q1 results², where strong growth was reported on Office 365 commercial revenue, which includes Microsoft Teams revenue, and expands LiveTiles' target addressable market.

Since LiveTiles last provided a Microsoft Teams update, the Company has seen strong evidence of customer uptake in Microsoft Teams within the enterprise. Discussions with customers are active through Microsoft, reseller partners and direct sales channels, with pipeline growth well underway.

MICROSOFT CO-SELL PROGRAM UPDATE

The co-sell program is designed to motivate Microsoft field sellers to promote partner solutions such as LiveTiles, with Microsoft paying its sellers 10% of the total value of the partner solution. Under Microsoft's co-selling program, Microsoft's estimated 50,000-strong sales team are financially incentivised to sell additional software, including LiveTiles products, to their customers. Leads through the co-sell program are generated by both Microsoft and LiveTiles.

In late January 2019 at Microsoft's earnings call to investors³, Satya Nadella stated that the co-sell program had generated \$11.6 billion in revenue for partners since its introduction in mid 2017. The statistic was presented as part of a broader comment about the way Microsoft is partnering with companies across the software industry to build their digital capabilities, creating new opportunities for both customers and Microsoft's partner ecosystem. At Inspire in July 2019, Microsoft Corporate Vice-President of the One Commercial Partner team Gavriella Schuster advised that the revenue⁴ generated through the Microsoft co-sell program to partners had reached \$13.9 billion.

¹ <https://www.microsoft.com/en-us/microsoft-365/blog/2019/07/11/microsoft-teams-reaches-13-million-daily-active-users-introduces-4-new-ways-for-teams-to-work-better-together/>

² <https://www.microsoft.com/en-us/Investor/earnings/FY-2020-Q1/press-release-webcast>

³ <https://www.microsoft.com/en-us/Investor/events/FY-2019/earnings-fy-2019-q2.aspx>

⁴ <https://blogs.partner.microsoft.com/mpn/welcome-inspire-fy20-opportunities/>

THE MICROSOFT TEAMS OPPORTUNITY FOR LIVETILES

The growth of Microsoft Teams presents a unique opportunity for LiveTiles to embed its solutions in front of millions of new users. LiveTiles products have the flexibility to be used through a web browser with solutions like a company-wide modern Intranet, and now also through the Microsoft Teams application, supporting the specific collaboration needs of teams within a company.

Since the most recent Microsoft Teams update in September 2019, LiveTiles has undertaken go-to-market activities with Microsoft and partners in major cities across Australia, the USA and the UK. Interactive in-person seminars and workshops have been conducted with enterprise customers, and customer feedback and engagement levels have been pleasing.



LiveTiles Chief Product Officer, Simon Tyrrell, delivering an interactive seminar and running the Microsoft Teams card game with Enterprise customers at Microsoft

As Microsoft continue to extend the capabilities of Microsoft Teams for partners to build their solutions within, LiveTiles will be ready to release new products to solve core business needs within the market and drive co-sell wins with Microsoft.



LiveTiles CEO, Karl Redenbach, says: “I remember only three years ago when LiveTiles had just delivered our first million dollars of ARR with a small sales and marketing team and riding the Office 365 SharePoint opportunity. We are now in excess of \$43 million ARR after capitalising on that opportunity, and the explosive growth of Microsoft Teams feels like another significant moment in our evolution as we pursue \$100 million of ARR with a larger sales and marketing team, and a much stronger partner ecosystem.”

LiveTiles President, Daniel Diefendorf, says: “The opportunities that LiveTiles is pursuing with Microsoft and partners through Microsoft Teams will drive strong pipeline and recurring revenue impacts. LiveTiles is working with Microsoft to run Teams workshops at Microsoft Technology Centres throughout the US, APAC and EMEA, bringing the product knowledge directly to our customers. We are well placed to take advantage of this opportunity in the market, with what many technology analysts are seeing as one of the most pivotal moments in Microsoft’s history.”

LiveTiles Chief Product Officer, Simon Tyrrell, says: “As part of our deep relationship with Microsoft we work very closely with their engineering teams in Seattle, and we have been aware and preparing for this Microsoft Teams moment and corresponding market opportunity. The investments we have made with our product teams over the past two years have planned for this imminent wave of customer demand that Microsoft is driving. We are as ready as we can be to capitalise on this opportunity. Microsoft Teams is further expanding Microsoft's investment into changing the way work is done in companies, and LiveTiles is at the forefront of making that a reality across our product portfolio by being front and centre of where users go to get work done.”

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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 Page Designer, 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.

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