

First Half 2021 Business & Financial Results

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27 August 2021

limeade® ASX: LME



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Limeade Essentials

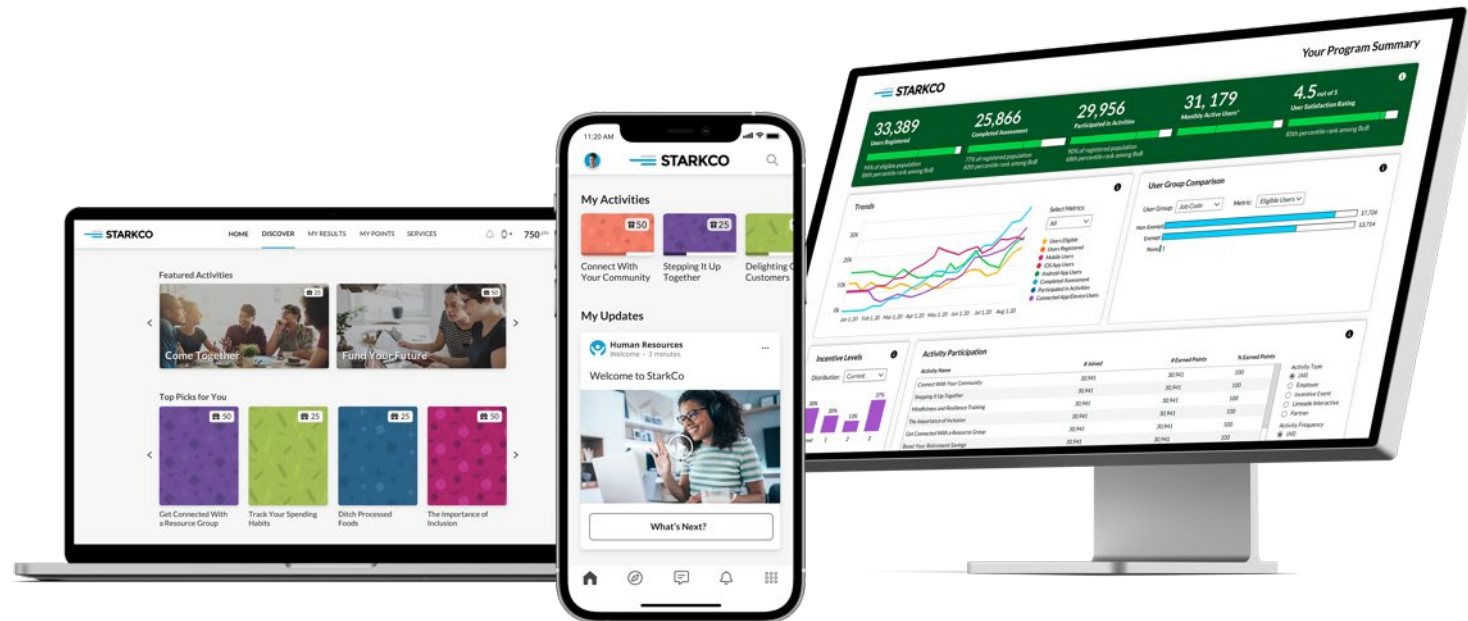
Financials

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

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Strong enterprise SaaS gross margins at 76%

Average customer size up 9%

\$26.9M

Revenue

Down 4% vs. 1H20 (\$28.0M)

94%

Recurring
Revenue

Down 4% vs. 1H20 (98%)

6

New Customer
Contracts (1H21)

7 new customer contracts
in 1H20

149

Total Customers

Direct – 103 (Down 2% vs. 1H20)
Indirect – 46 (Down 34% vs 1H20)

76%

Gross Margin

Down 1% vs. 1H20 (77%)

93%

NRR¹

Down 5% vs. 1H20 (98%)

Direct NRR 94% (Down 4% vs. 1H20)
Indirect NRR 82% (Down 15% vs.
1H20)

\$616K

Per Direct Well-Being
Customer

Average CARR

Down 4% vs. 1H20 (\$641K)

\$352K

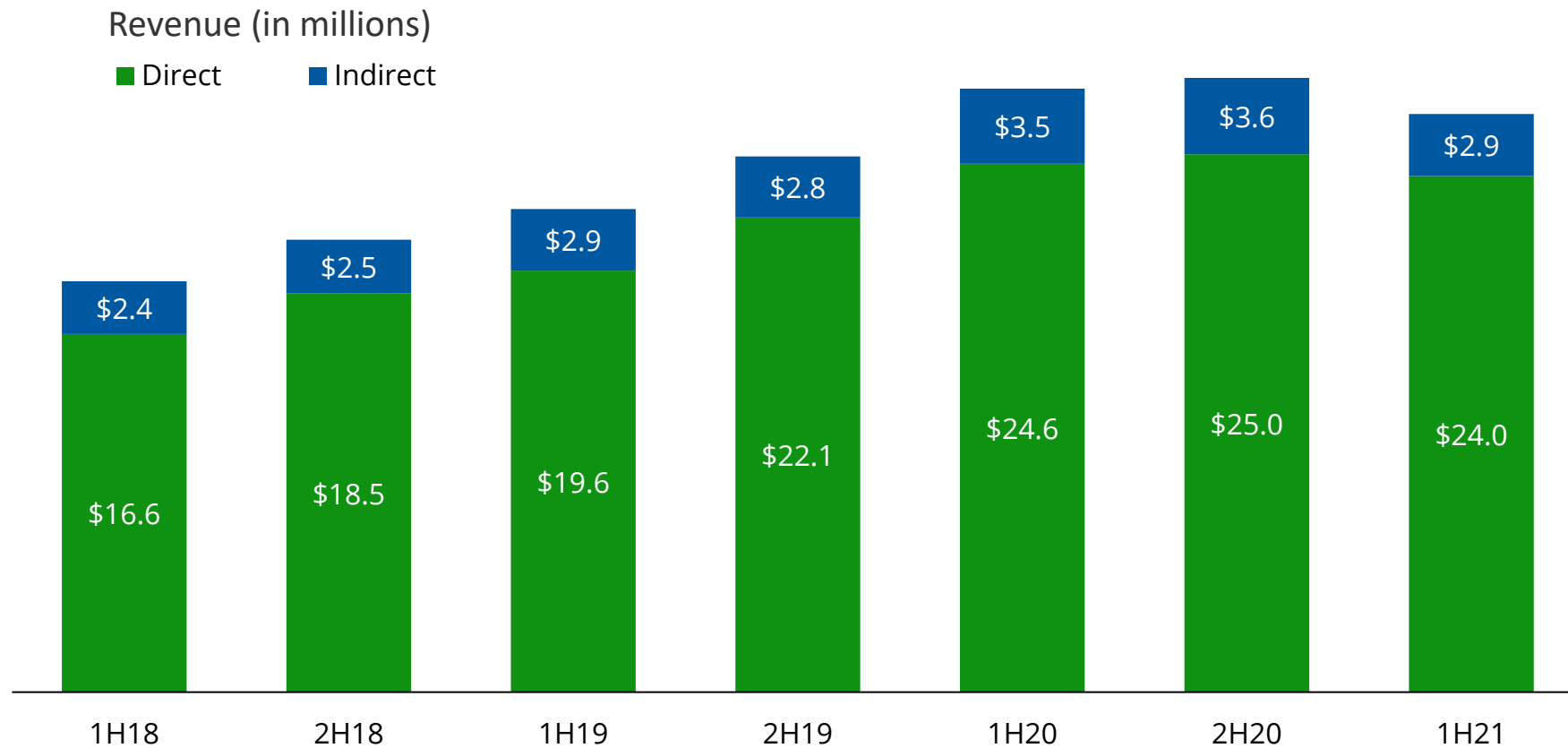
Per Customer

Average CARR

Up 9% vs. 1H20 (\$323K)

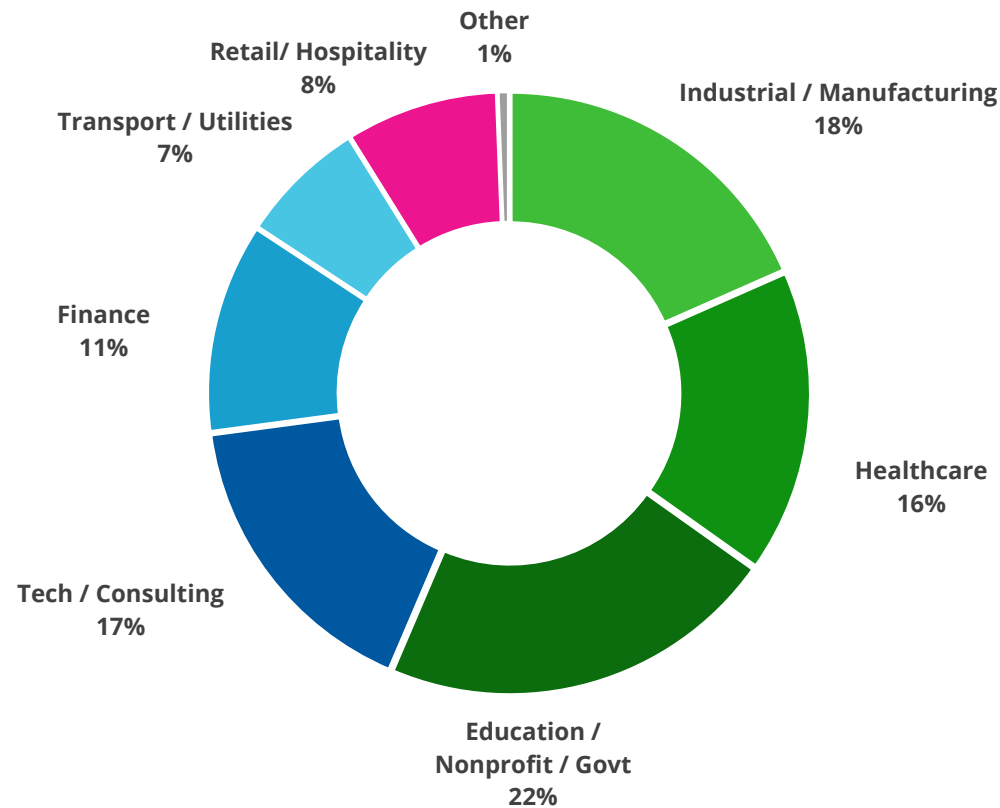
Direct channel revenue stable, down just 2.4% versus pcg

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

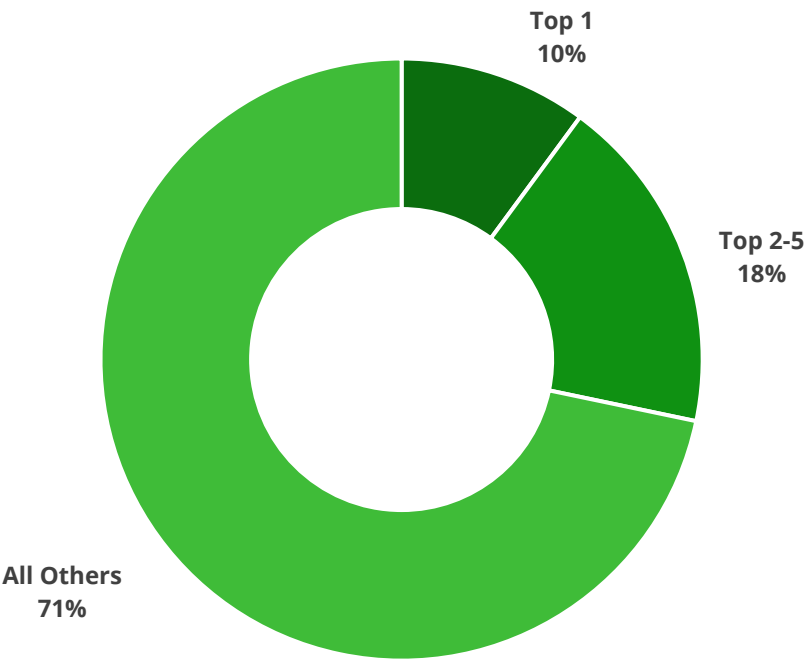


Diverse customer base

Highly diversified customer base¹



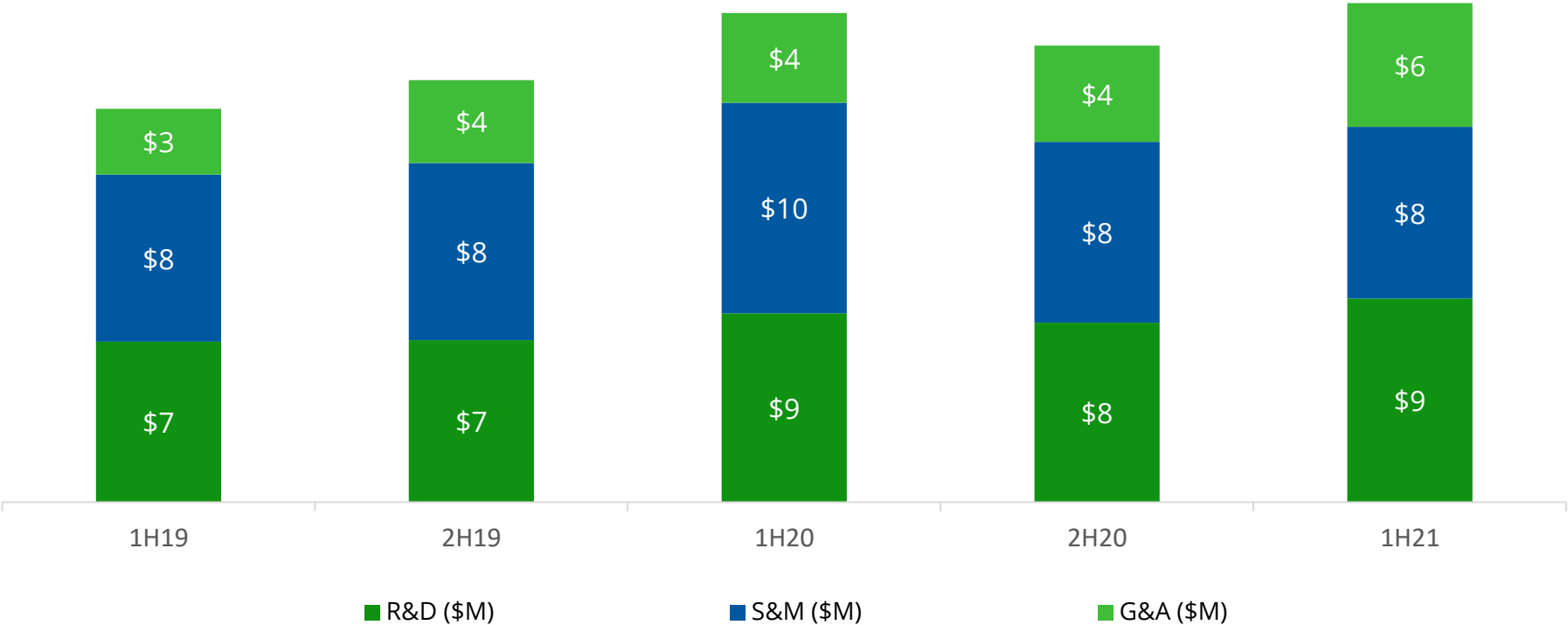
Customer concentration 1H21²



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

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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

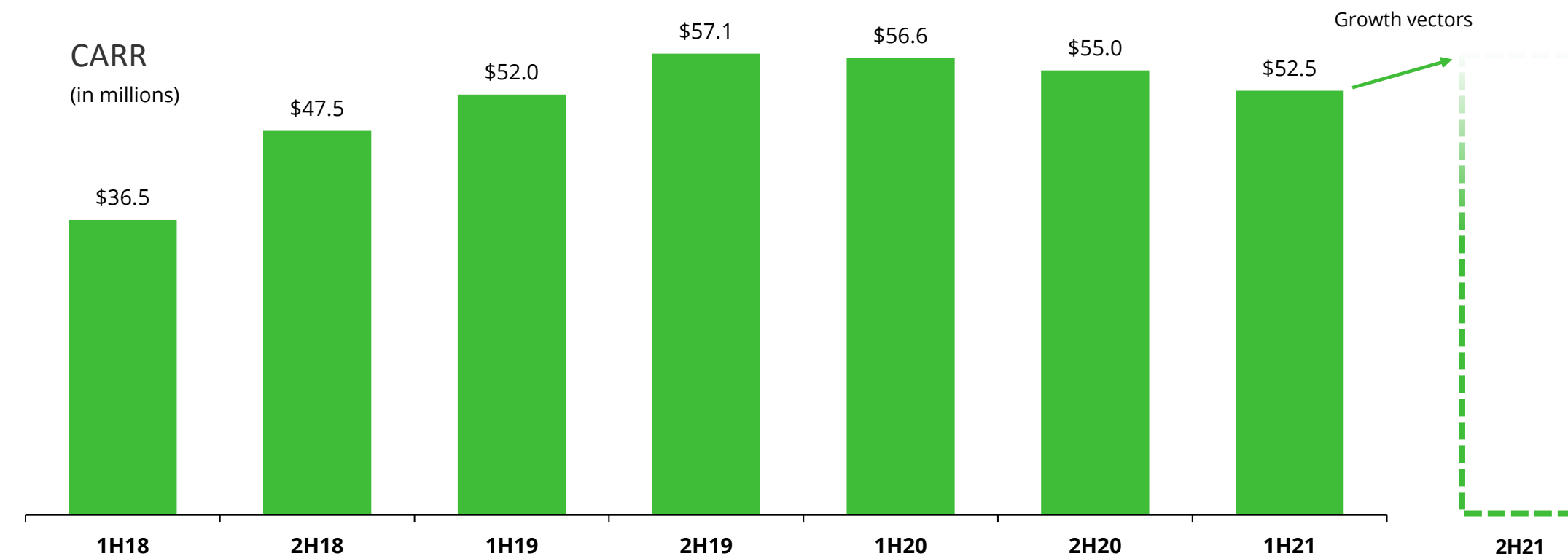


Indirect Channel Optimization

- ✓ 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

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Thank you

For more information please contact:

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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%

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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%)