

ASX Announcement

22 November 2021

Employee incentive scheme update

LiveTiles Limited (ASX:LVT) (LiveTiles or the Company), a global leader in Employee Experience workplace software, is pleased to provide details on the intended use of the Employee Incentive Plan (EIP) for the FY22-FY24 period.

FY22-FY24 Employee scheme under EIP

The Company recognises the importance of delivering appropriately structured equity incentives to employees which assists in aligning their interests with those of Shareholders of the Company. With this in mind, the Board has approved the EIP, which will be put to Shareholders at this year's AGM on 30 November 2021. The EIP has been designed to align employee performance to the Company's strategic goals, and to retain, reward and attract talent over the long term.

For the initial rollout of incentives for the FY22-24 period, the Board intends to issue approximately 12 million unlisted Rights to employees invited to participate in the EIP. The issue is scheduled to take place following the 2021 AGM following receipt of Shareholder approval of the EIP. If Shareholder approval is not obtained, the Company remains committed to incentivising its employees and aligning their interests with those of Shareholders, and will likely complete the grant by utilising its capacity.

The material terms of the Rights are **attached** as Annexure A.

The Rights will vest over a 3 year period, and the vesting conditions (continuous employment and specific share price performance) have been designed to align employee performance to the Company's strategic goals and increase of the Company's share price in the short-long term.

	Vesting Date	Share price Performance Hurdle
Tranche #1	June 30, 2022	25c
Tranche #2	June 30, 2023	35c
Tranche #3	June 30, 2024	50c

The Board considers that the Share price performance hurdle is important to ensure that the interests of Shareholders are aligned with key performers, management and employees of the Company.

Employee FY21 share bonus

As outlined in the Explanatory Statement for Resolution 7 of the Notice of Meeting, the Company indicated that it would issue Shares in lieu of cash bonuses to employees as part of their key employee performance reviews which was completed for the FY21 period. The Board has resolved to issue 2,564,848 Shares and 508,834 unlisted Options, which were completed today by utilising the Company's existing capacity.

LiveTiles Co-Founder and Chief Executive Officer, Karl Redenbach states: "We are happy to provide further transparency and clarity on the details of our Employee Incentive Plan which aligns with our shareholder interests, and to our recently announced Company Strategic Plan. This has been designed to drive our entire business to a common goal, and to attract and retain top talent."



This announcement has been authorised for release by the Board.

For further information, please contact:

Investors

Maureen Baker

maureen.baker@livetilesglobal.com

Media

Alex Liddington-Cox

+61 (0) 474 701 469

alexander.lc@livetilesglobal.com

About LiveTiles:

LiveTiles is a global leader in the employee experience market creating software for employee collaboration and communications. LiveTiles is 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

Annexure A Rights – Material Terms

Term

The Rights will expire 4 years from the date of issue and if not exercised within the Term the Rights will lapse.

Vesting Conditions

The Rights will have 3 equal tranches of vesting conditions. For each tranche, each of the vesting conditions will need to be satisfied for the Rights to vest.

If the Share Price Performance Hurdle for the relevant Tranche(s) is not satisfied by the Vesting Date, those Rights will immediately lapse thereafter.

An employee must remain employed at all relevant times up until each applicable Vesting Date

	Vesting Date	Share Price Performance Hurdle
Tranche #1	June 30, 2022	25c
Tranche #2	June 30, 2023	35c
Tranche #3	June 30, 2024	50c

The Share Price Performance Hurdle will be measured on a 10-day VWAP which is measured during the period before each relevant Vesting Date.

Termination of Employment

In the case of a termination of Employment during Term, the Rights will be dealt with under the terms of the EIP.