

Wilson's Rapid Insights Conference

Henry Albrecht, CEO

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limeade[®] ASX: LME



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Limeade



A refreshing way to infuse

care

... into work



What We Do

Limeade is a global, enterprise-focused **employee experience software company** that helps every employee know their company cares.

Limeade integrates solutions for Well-Being, Engagement & Inclusion with robust Communications capabilities in a simple, modern interface.



Why We Exist

To transform work into a source of positivity, energy, humanity and purpose.

The Employee Experience (EX) Market + Limeade



Significant
Market Size

The EX technology market is sizeable and broadly defined (\$21.8b¹ to \$300b²) – spanning well-being, engagement, communications, collaboration and productivity software, HRIS systems



Primed
for Growth

Perfect storm of challenges – COVID-19, racial and social injustice, remote work, millennial and Gen Z workforces and emotional health epidemics provide headwinds to companies and tailwinds to Limeade and our well-being and employee experience technology



Ripe for Partnerships +
Consolidation

Countless vendors are chasing the EX market – creating opportunity for consolidation via acquisitions and partnerships. Limeade provides well-being services to a Top 3 global technology company



Limeade is
Well-Positioned

Limeade is a pioneer within the Employee Experience market – well positioned and focused to capitalize upon a \$21.8b market opportunity for its technology within the broader \$300b EX market



NOTE 1: Global Market is estimated based on the number of employees in all global organizations, of which Limeade only services organizations with 500+ employees and for solutions Limeade currently offers. The global market was estimated at \$18.2 billion approximately one year ago with a 20% annual increase. Source: Bret Starr, 'Independent Market Report: Employee Experience Market' (2019), commissioned by Limeade.

NOTE 2: Empowering every employee for the new digital age.

About Limeade

Global



100+ countries
 2.6M+ users
 Based in Bellevue, WA, USA
 Offices in Canada, Germany

Award-Winning



We invest in our employee experience so you can elevate yours.

Market-Leading



“Shines for its holistic focus on employee well-being”

Employee Experience (EX) Management Platforms For Large Enterprises, Q1 2020

Enterprise SaaS



Employee experience (EX) provider to 150 of the best companies in the world

\$56.6M¹
 97% recurring revenue²

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Overview + Highlights

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FY20 Operational Highlights



Met Challenges From Covid-19

- ✓ Seamlessly transitioned to completely remote operations and workforce
- ✓ Launched 100+ COVID activities to support employee Well-Being, Inclusion, Engagement and Communications, critical culture-connectors in the new world of remote work



Business Highlights

- ✓ Exceeded Revenue, EBITDA and NPAT guidance in FY20
- ✓ \$3.8M operating cash flow positive
- ✓ Top 12 workplace culture award
- ✓ Limeade ONE platform refresh
- ✓ Increased monthly active users (MAU) 20% YoY

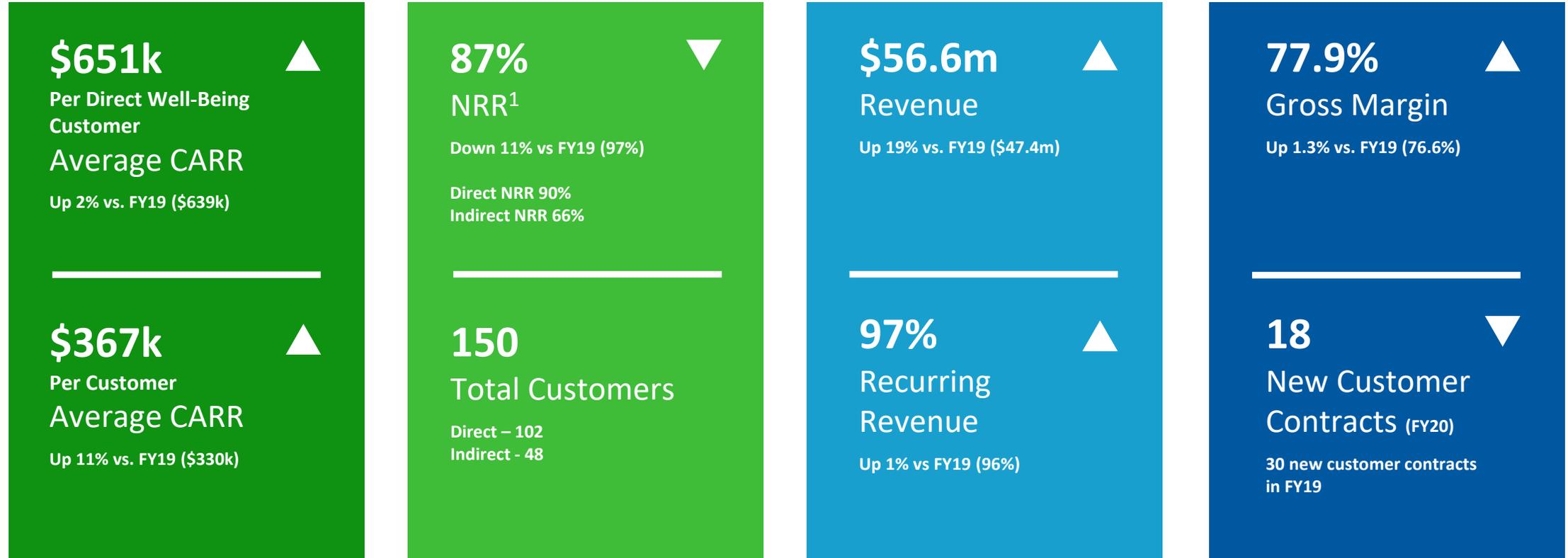


Key Executive Appointments & Workforce

- ✓ Chief Technology Officer
- ✓ VP of Product
- ✓ 264 LimeMates in US (headquarters), Canada, Germany, Switzerland, UK and Australia

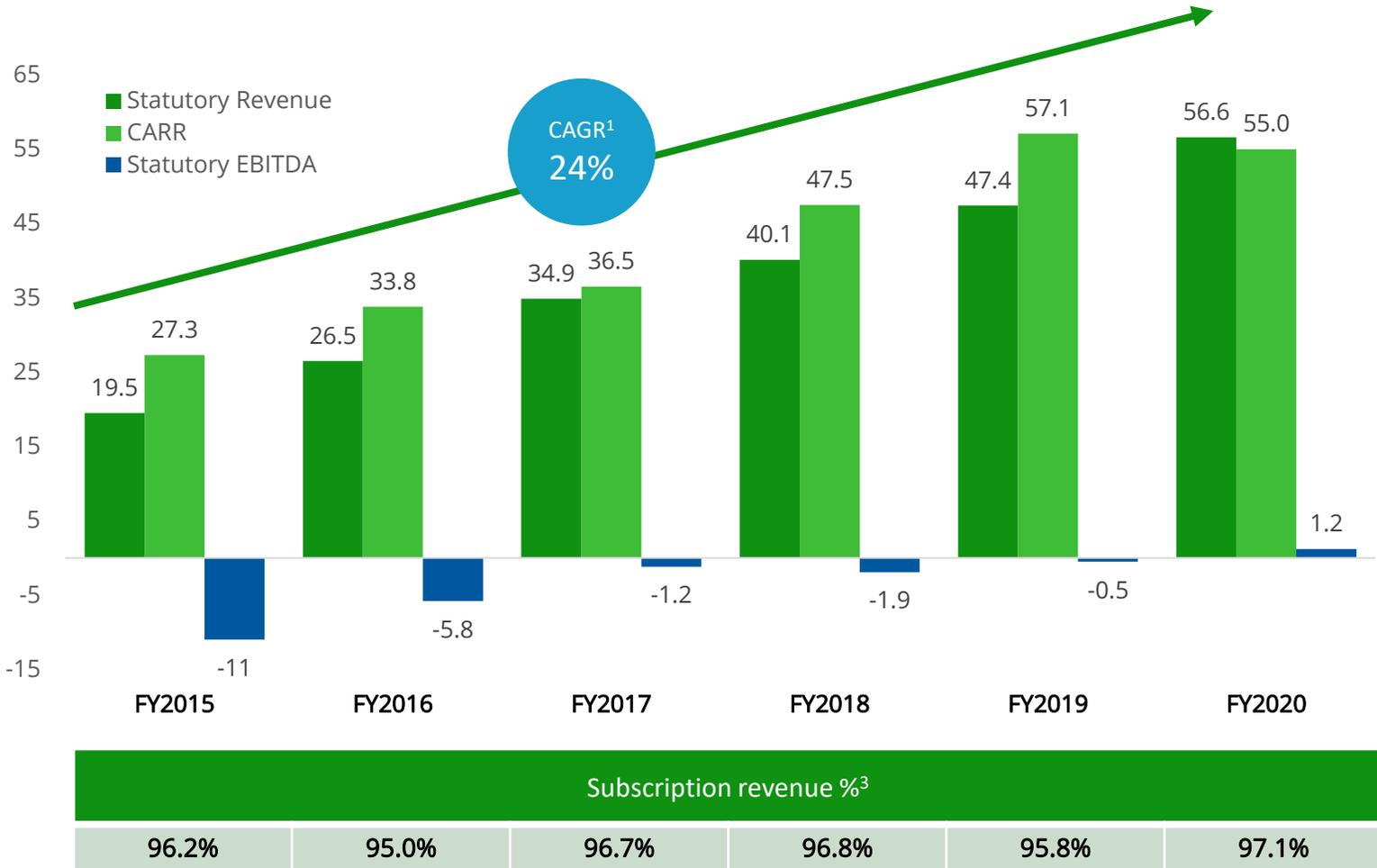
FY20 Key Operating Metrics

Limeade maintained stability and financial strength during the global pandemic.



NOTE 1: Net revenue retention (NRR), defined as CARR at the beginning of the period plus any CARR added in that period through sale of new solutions to customers who were customers at the beginning of the period (existing customers) or expansion in the number of employees of existing customers; less any reduction in CARR in that period through existing customers who terminate, decide not to renew their subscription or reduce usage of Limeade solutions amongst their employee population, divided by CARR at the beginning of the period.

Financial Summary



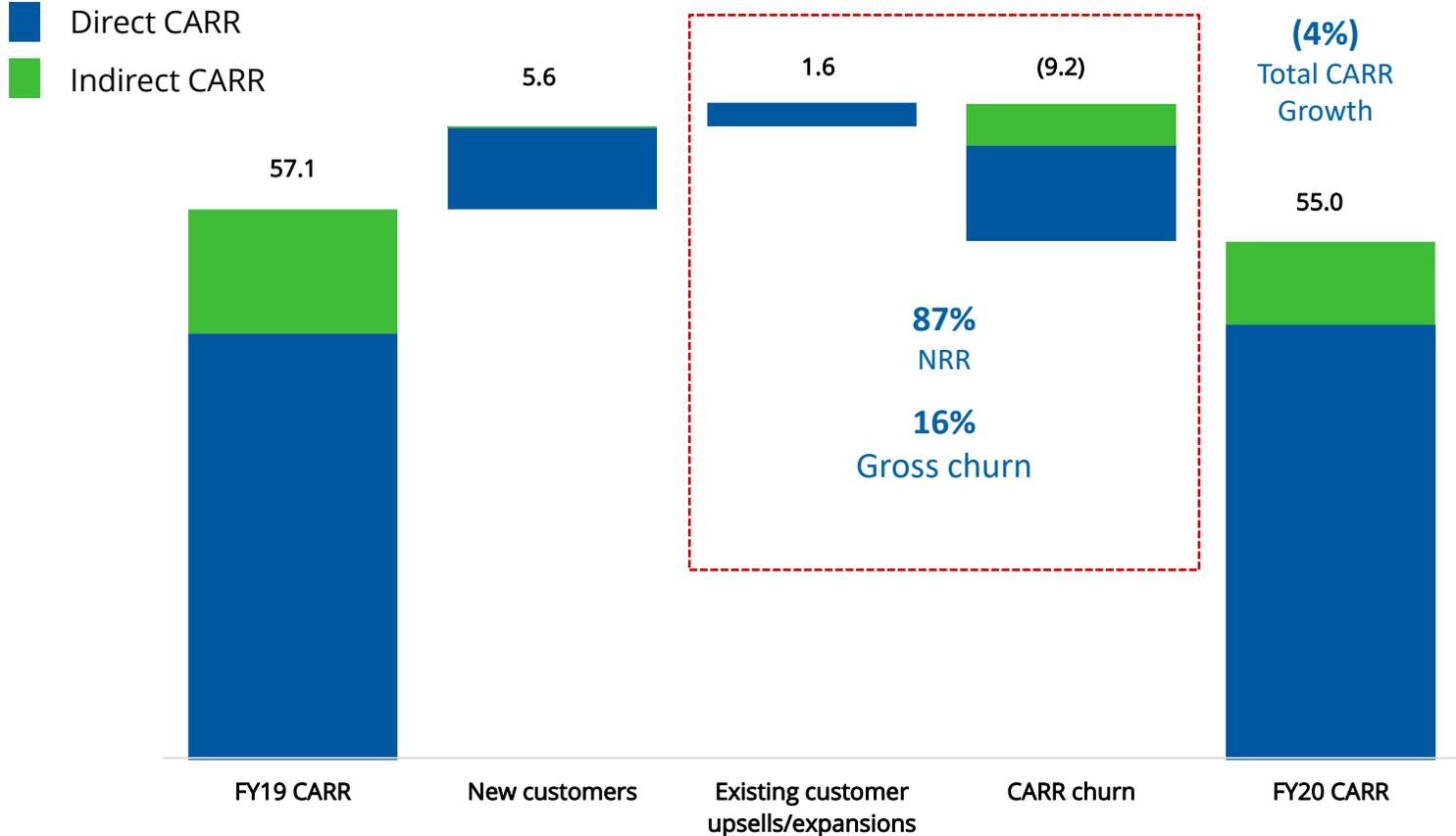
Commentary

- Revenue growth of 19.3% in FY20
- CARR leading indicator of forecast revenue
- Increasing EBITDA and profitability in FY20
- Increasing subscription revenue model

NOTE 1: Revenue CAGR between FY2015 to FY20
 NOTE 2: Contracted Annual Recurring Revenue CAGR: 15%
 NOTE 3: Subscription revenue as a % of total statutory revenue

CARR Performance

In US\$M



Commentary

- Direct channel base remains strong. The economic impact of COVID-19 slowed new customer growth and upsells/expansions, but Limeade maintained its overall direct book of business with FY20 direct channel growth of 1%
- Indirect customer channel decreased with a key reseller focused on midmarket impacted by COVID-19

FY20 Churn Analysis

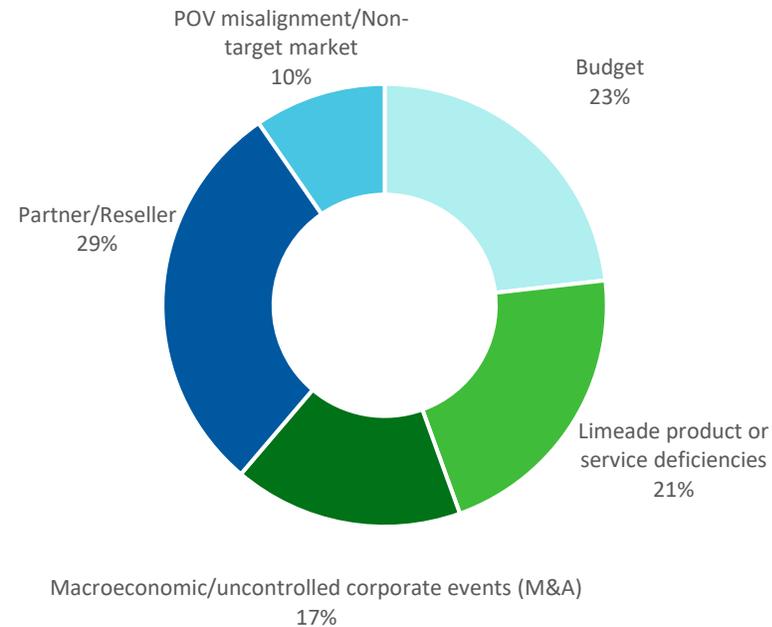
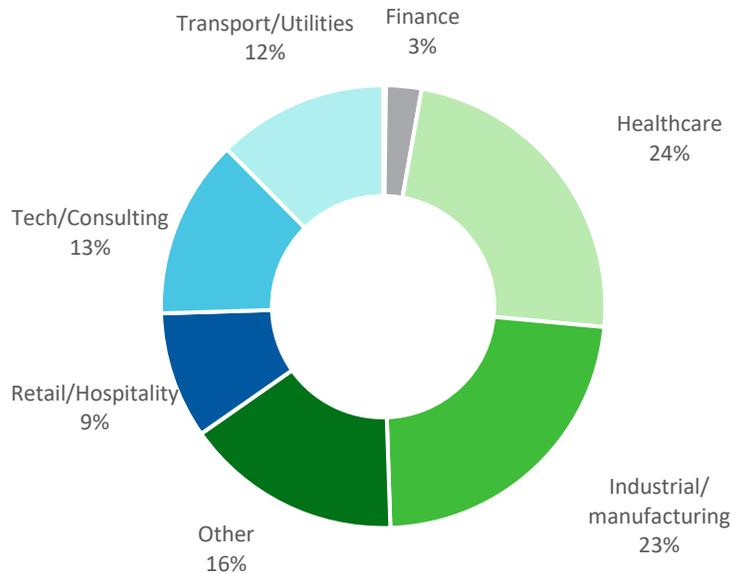
Commentary



Churn by Industry



Churn by Reason

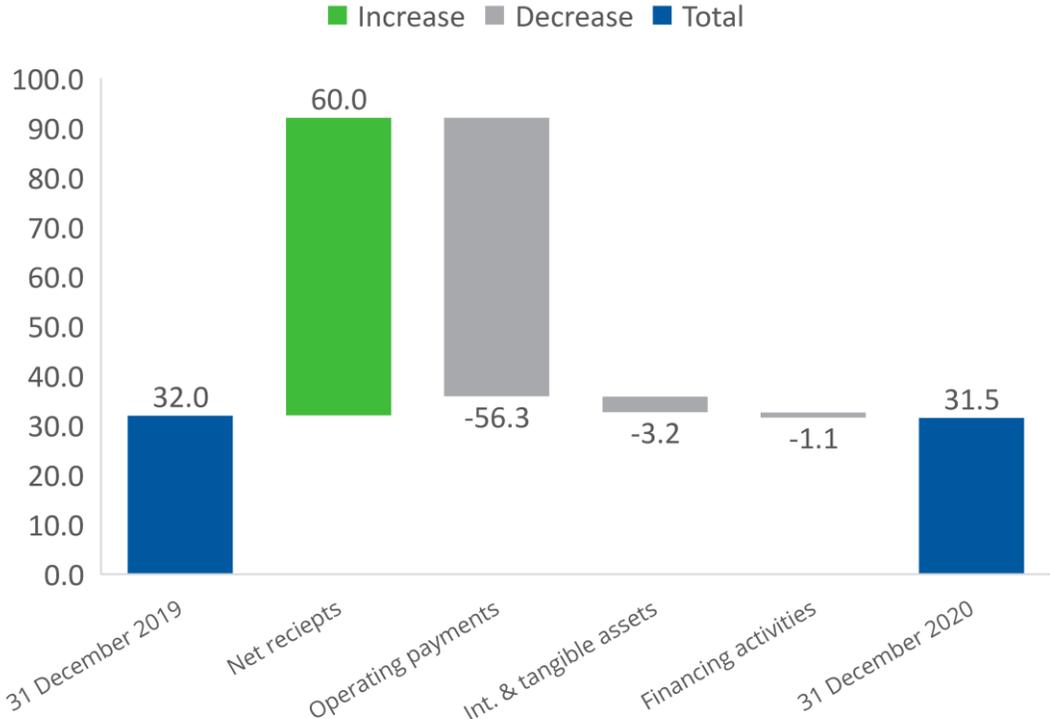


- Direct gross churn of **13%** in FY20 vs 14% in FY21 despite COVID-19 effects reflects:
 - Value of the Limeade solution
 - High switching costs
- CARR churn by industry roughly inline with overall highly diversified customer base
- Focus:
 - Strengthen the core well-being offering
 - Upgrade customers to Limeade ONE, increasing focus & agility
 - Enhanced UX and content
 - Direct to employer

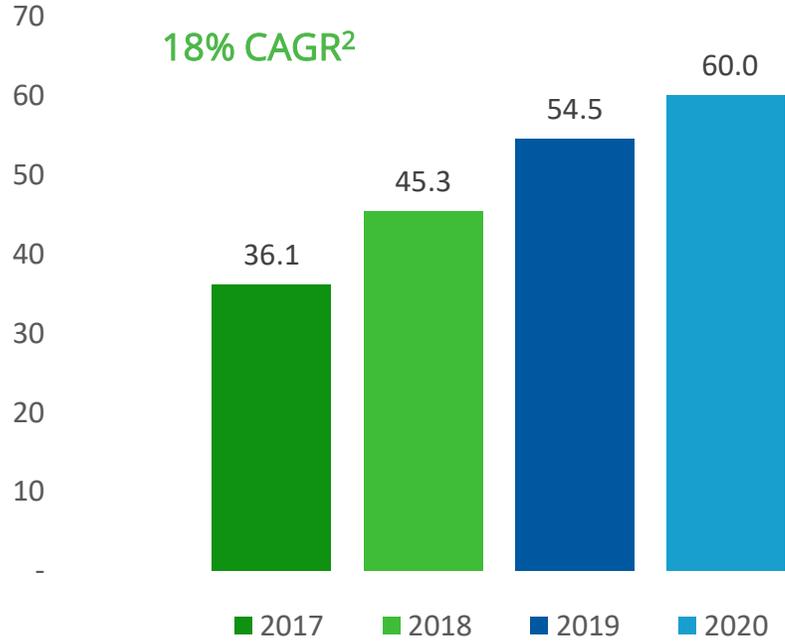
Cash Flow

FY20 Operating cash flow of \$3.8M up 36% from FY19. Cash balance of \$31.5M with no debt as at 31 Dec 2020. Strong cash management during COVID-19. Well capitalised to fund ongoing organic and inorganic growth investments.

Cash Flow Bridge (US\$M)



Annual Net Cash Receipts¹ (US\$M)



NOTE 1: Annual cash receipts from customers after adjusting for payments made in relation to the sale of third-party products and services.
 NOTE 2: Net cash receipts CAGR from FY2017 – FY2020

Pipeline

HIGHLIGHTS

474%

Increase in qualified leads generated by Limeade webinars

275%

Increase in Limeade Engage March 2021 conference registrations YoY

268%

Increase in Limeade Engage new business prospects with >5,000 employees YoY

CREATING STRONG PIPELINE

+120%¹

FY20 webinar registrants

+53%²

FY20 Prospect Meetings Booked

\$182M^{3,4}

Total Pipeline Q1 2021

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Employee well-being is *More Essential* Than Ever

32%



Reduction in physical activity
due to COVID restrictions.¹

14%



Hear leaders *discuss the importance of mental health.*²

49%



Experiencing a *negative impact on finances and planning.*³

69%



Lack a strong sense of purpose at work.⁴

40%



Feel isolated at work.⁵

80%



Identify well-being as *critical to business success* in 2021.⁶

The Case for Care

Employees who perceive that their companies care are¹:



2x
MORE LIKELY
to be engaged
at work

4x
LESS LIKELY
to suffer from stress
and burnout

7x
MORE LIKELY
to feel included at
work

9x
MORE LIKELY
to stay at their
company for 3 or
more years

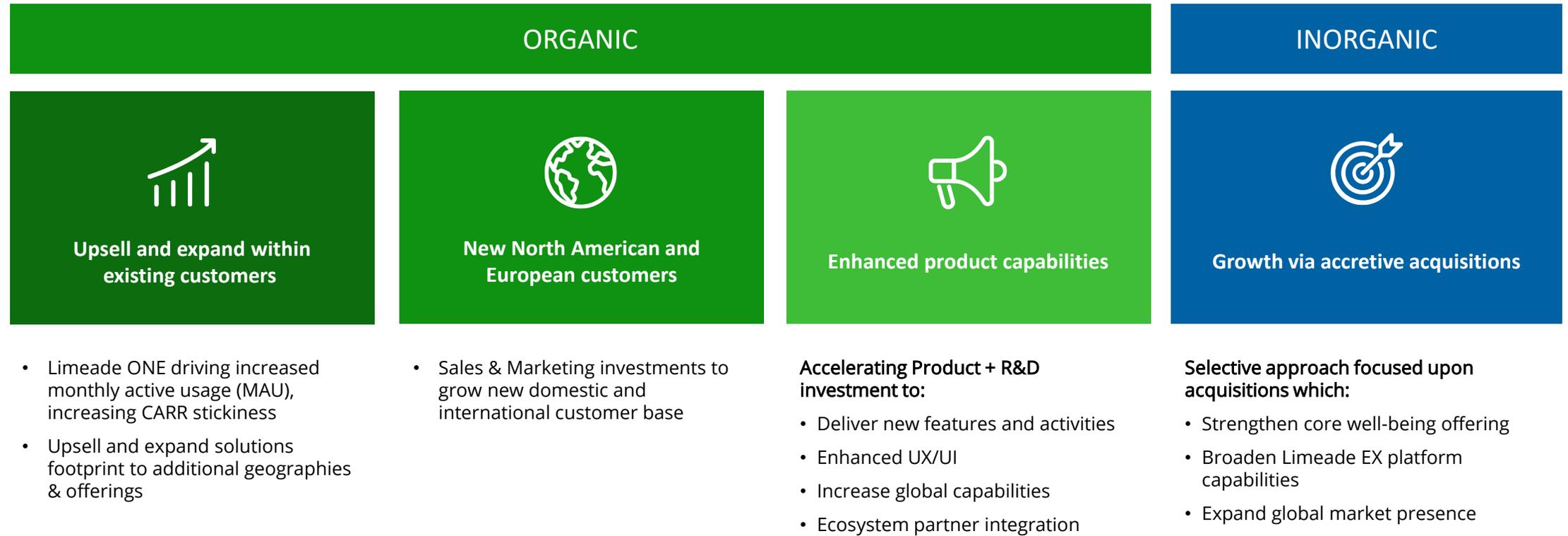
10x
MORE LIKELY
to recommend their
company as a great
place to work

And employees who participate in Limeade activities are 3x less likely to turnover²

NOTE 1: Source: [The Science of Care \(2019\)](#), Limeade Institute
NOTE 2: Source: Limeade user data, 2019-2020

Strong, Primarily Organic Growth Strategy

Deeply rooted in the pioneering science of Well-Being



Poised and positioned to lead within the explosive-growth Employee Experience market

FY21 Guidance

Continuing to invest in a strong return to growth.

\$50-53M Revenue

(\$5-8M) EBITDA

(\$7-10M) NPAT

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Commentary

- COVID-19 slowed new customer growth in 2020 and therefore impacted revenue outlook when coupled with 2021 forecast churn
- Growth in new 2021 customer acquisitions will continue to be seasonal, accelerating in H2 and contributing to revenue growth in 2022
- Continued investment in sales and marketing to capture growth in the booming demand for employee experience software, focused on the flagship Limeade Well-Being solution
- Continued investment in product and platform innovation
- New senior executive appointments made in May 2021: Chief Financial Officer and Chief People Officer

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Thank You

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