



Third Quarter 2021

Earnings Call Supplemental Slides

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This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Act"), and Section 21E of the Securities Exchange Act of 1934, as amended. You can generally identify forward-looking statements by our use of forward-looking terminology such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "seek," "vision" or "should," or the negative thereof or other variations thereon or comparable terminology. These forward-looking statements involve risks, uncertainties and other factors that could cause actual results to differ materially from those projected. Please refer to our filings with the Securities and Exchange Commission, particularly the "Risk Factors" included in our periodic Form 10-K and Form 10-Q reports, for factors that could cause actual results to materially differ from those we project. The forward-looking statements contained in this presentation are made as of the date hereof and LivePerson, Inc. (the "Company") assumes no obligation to update such statements.

This presentation includes adjusted EBITDA, non-GAAP financial measure, which supplements the Company's financial statements prepared in accordance with GAAP. This non-GAAP financial measure is not intended to supersede or replace the Company's GAAP results. The most directly comparable GAAP financial measure and a detailed reconciliation between GAAP and non-GAAP financial measures is included in the Appendix to this presentation.

We obtained market, industry and other data in this presentation from our own internal estimates and research, publicly available information about industry and general publications and research, surveys and studies conducted by third parties. While we believe that the publications, research, surveys and studies that we have used is reliable, we have not independently verified the information from third-party sources. While we believe our internal estimates and research are reliable and the market definitions are appropriate, neither such estimates and research nor these definitions have been verified by an independent source.



We make life easier
for people and brands
everywhere through
trusted **Conversational AI**

Consumers don't want to call. They moved on to **messaging** in their personal lives and want the same **experience** with their favorite brands.

More than **100B**

messages are sent on WhatsApp, Facebook, and Instagram every day.



2.77B

mobile messaging app users per month estimated in 2020 globally.

NEW

93%

of WeChat users used the app for payments or purchases in 2020.



18M

texts were sent every single minute in 2019.



Sources: Facebook Q3 2020 Earnings Call, Daxue Consulting, Business Insider, Domo, eMarketer

Messaging impact and results have been **incredible**, but what can enhance the **customer experience** even further?

20%

Boost in customer satisfaction after making the switch to messaging.



2x

Uptick in employee efficiency. Moving to messaging also increases agent happiness.



Up to **10x**

Conversion rate versus traditional digital experiences.



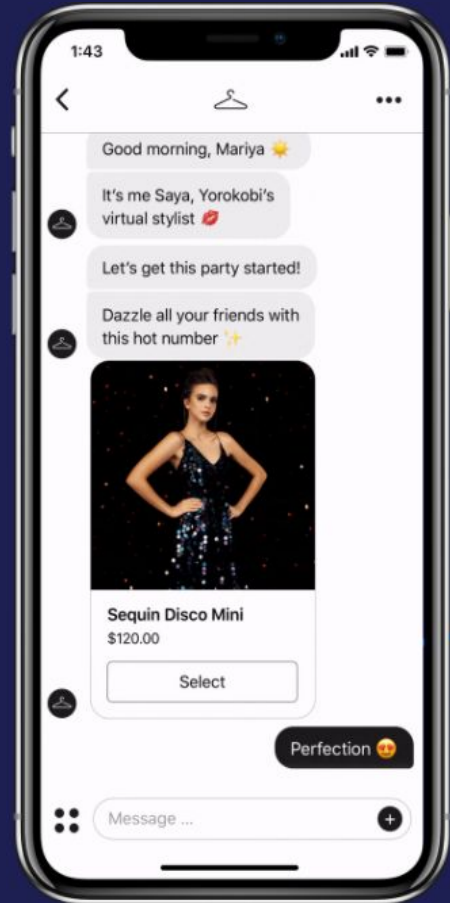
50%

Decrease in agent attrition rates after making the switch to messaging.



Source: LivePerson data based on specific customer examples

A successful **intents-driven Conversational strategy** puts you in a direct dialogue with your customers—**forever**—and you own all of it.



LivePerson's Conversational AI transforms brands' communication with consumers

DISCOVER

Receive intents and provide a unified view

UNDERSTAND

Automatically classify and route intents

DESIGN

Fulfill intents through automations

SCALE

Supervise automations with human agents

CUSTOMIZE

Connect backend systems seamlessly

Hey

Thank you for contacting Bolt Airways. I'm your automated travel assistant. How can I help you?

Conversation Builder
Greeting bot

I need to add a frequent flyer number to my upcoming flight

Intent Manager
Intent Analysis
Intent = Add frequent flyer

I can help you add a frequent flyer number to your flight.

Conversation Orchestrator
Route to Frequent Flyer bot

I see that you have a flight from JFK to SFO tomorrow at 7:00am, is that the flight you're referring to?

Conversation Builder
Frequent Flyer bot

LivePerson's **AI-powered Conversational Cloud**

Discover & Understand

Intent Manager:

Intent Builder

Intent Analyzer



Design & Scale

Conversation Builder

Conversation Manager

Conversation Orchestrator



Measure & Improve

Conversation Analytics:

Insights

Analytics Builder

Performance Dashboard



Connect to consumer endpoints

Customize with developer tools and APIs

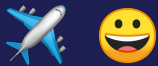
Optimize with expert services

Secure with enterprise-grade reliability, compliance and security

Automation and bots help businesses succeed with a brand's currently existing resources

90%

A major U.S. Airline saw a bot containment rate of **90%** and an 11% reduction in inbound agent interactions.



+35%

A European Telco experienced a **+35%** increase in agent efficiency.

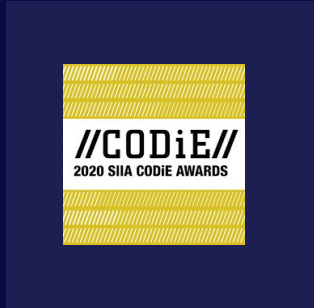


+30%

A Hospitality brand saw a **+30%** increase in average spend with a branded concierge bot.



Our **momentum** and **Conversational AI leadership** has been recognized



Third Quarter Business Highlights

Financial Update

- 3Q21 Revenue of \$118.3M, within the upper range of revenue guidance, growing at ~25% YoY
- Adjusted EBITDA of \$6.9M at a margin of 5.8%, within upper range of previously issued guidance
- Sixth consecutive quarter growing at 25% or greater growth rate

Go-to-market Update

- Progressed strategic investments in go-to-market capacity, infrastructure, expanded recruitment capacity, sales enablement, and sales supporting functions
- Continued to add leadership talent across the company to lead the next phase of growth
- Expanded in key verticals including Healthcare, Retail, and Commerce
 - Partnership with global top ten largest healthcare company
 - Seven 7-figure deals as well as an 8-figure expansion (largest contract in company history)
 - Six of the seven 7-figure deals were multi-year, multi-million dollar expansions with existing customers

Product Update

- Accelerated strategy for Voice AI with acquisitions of VoiceBase and Tenfold, accelerating roadmap to 1H22
- Messaging volume expanding as global economy re-opens; brands see sales volume ramping up
- Reached a new milestone of 1.5 billion conversations on Conversational Cloud, demonstrating the breadth and depth of data expertise that differentiates our high-quality and powerful AI
- Customer adoption of AI continues to drive platform usage, with volume rising 5% sequentially and 18% YoY
Total AI-enabled volume increased 50% YoY
- Messaging volume increased 40% YoY, as we accelerated migrating customers to asynchronous messaging

Notable Wins of the Quarter



A leading designer apparel brand in the U.S.

- Key offerings: AI-powered web messaging and SMS
- Use cases: powering automation for customer FAQs, driving higher sales conversions with asynchronous messaging



A global beauty and cosmetics company

- Key offerings: MCS analytics toolkit, AI-powered messaging
- Use cases: driving mobile first interactions, automation and self-service to drive up to 22% conversion rate



A Fortune 100 healthcare company

- Key offerings: AI-powered messaging, automation with Intent Manager and Conversation Builder
- Use cases: leading with care; checking order status, refill readiness, and submitting refill requests via web and in-app channels

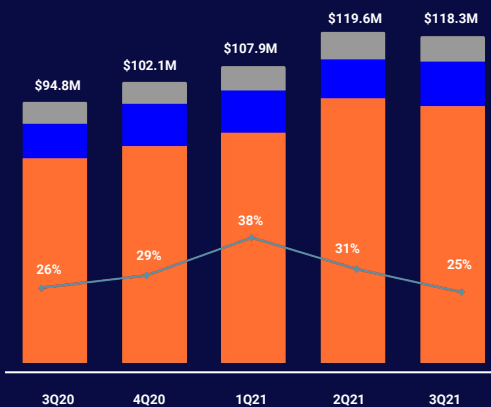


One of the three largest banks in Australia

- Key offerings: Gainshare, automation with Intent Manager and Conversation Builder, analytics with Insights
- Use cases: driving higher percentage of digital transactions over the next 12 months, accelerating automation and digital customer care

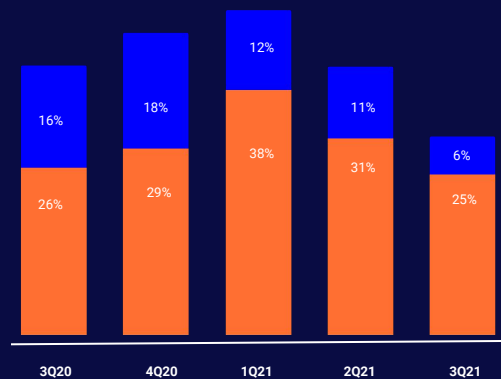
Third Quarter Financial & Operational Highlights

Quarterly Revenue



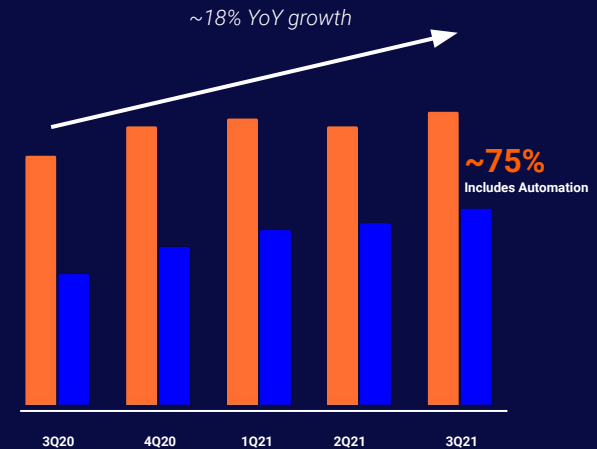
■ Hosted Service - Consumer
■ Hosted Service - Business
■ Professional Services
— Revenue YoY growth rate

Operating Leverage



■ Revenue YoY growth rate
■ EBITDA margin

Conversational Cloud Conversations



■ Total Conversations on Conversational Cloud
■ AI-powered messaging volume

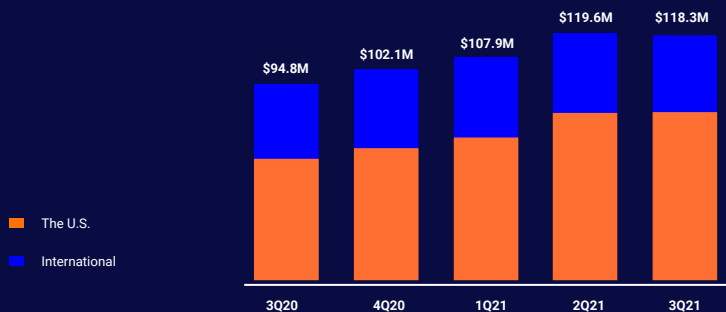
- Sixth consecutive quarter growing at 25% or greater
- Continued strong interest and growth in both Commerce and Care use cases
- Expanding long-term commitment with existing customers, expanding into key verticals (Healthcare, Retail and Commerce)

- Adjusted EBITDA within the top end of guidance range, driven by accelerated investments in go-to-market capacity and product innovations to drive growth and capture market demand

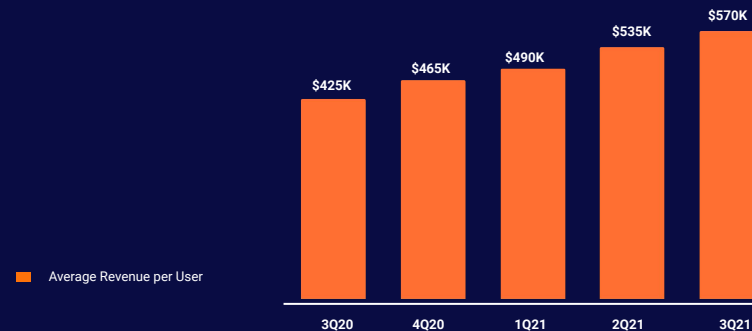
- Conversational Cloud volume increased 5% sequentially and 18% YoY
- Continued increase in automation with AI-powered messaging volume on the Conversational Cloud increasing 50% YoY

Third Quarter Financial & Operational Highlights (cont'd)

Revenue by Geographies



Average Revenue per User (ARPU)



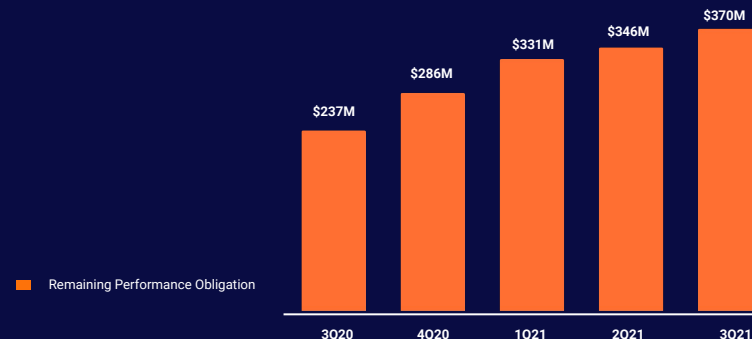
Revenue Retention Rate

Within target range of

105% to 115%

Seventeenth consecutive quarter within or above target range

Remaining Performance Obligation



*Note: Revenue retention rate measures the percentage of revenue retained at quarter end from full service customers that were either on Conversational Cloud or with LivePerson, respectively, at quarter end in the year ago period. ARPU is a measure of the average revenue per enterprise and midmarket customer over the trailing-twelve months.

Selected Pro Forma Guidance Measures⁽¹⁾

	4Q21 Guidance	2021 Guidance	2021 Previous Guidance
Revenue	\$122.2 - \$125.2	\$468.0 - \$471.0	\$464.0 - \$471.0
YoY revenue growth	19.6% - 22.6%	27.7% - 28.5%	26.5% - 28.5%
Gross Margin	~64.0%	66.0% - 67.0%	67.0% - 68.0%
GAAP Net Loss	\$(68.2) - \$(63.3)	\$(143.4) - \$(138.5)	\$(139.7) - \$(131.6)
Adjusted EBITDA	\$(21.7) - \$(17.3)	\$11.9 - \$16.3	\$14.8 - \$22.8
Adjusted EBITDA Margin	(17.8)% - (13.8)%	2.6% - 3.5%	3.2% - 4.8%

- Encouraged by strong Conversational Cloud volume trends, accelerating automation and AI adoption, growing opportunities in key verticals, and wide reaching customer wins on Conversational Commerce.
- Raises FY21 revenue guidance midpoint to \$469.5M in a range of \$468M to \$471M, targeting 4Q21 revenue in a range of \$122.2M to \$125.2M.
- Revised guidance for bottom line with 2021 adjusted EBITDA of \$11.9M to \$16.3M with the contribution of M&A assets and continued strategic investment plan on Go-to-market strategy and product innovations.

(1) Dollar amounts in millions. Adjusted EBITDA is a Non-GAAP financial measure. For a reconciliation of net loss to Adjusted EBITDA, please see slide 17. For detailed current financial expectations, please see our Press Release issued on November 2, 2021.

APPENDIX

Projected Non-GAAP adjusted EBITDA reconciliation

Guidance	4Q21E	2021E	Previous 2021 Guidance
GAAP net loss	\$(68.2) - \$(63.3)	\$(143.4) - \$(138.5)	\$(139.7) - \$(131.6)
Depreciation & amortization	\$10.9	\$36.2	\$38.5
Stock-based compensation	\$21.3	\$69.3	\$70.7
Other non-recurring costs	\$4.0	\$12.2	\$9.1
Provision for taxes	\$0.7 - \$0.2	\$3.0 - \$2.5	\$1.7 - \$1.6
Other (income) expense, net	\$9.6	\$34.6	\$34.4
Adjusted EBITDA	\$(21.7) - \$(17.3)	\$11.9 - \$16.3	\$14.8 - \$22.8

Note: Dollar amounts in millions. Certain items may not total due to rounding. Adjusted EBITDA is a Non-GAAP financial measure. Adjusted EBITDA excludes provision for (benefit from) income taxes, other (income) expense, net (including interest expense, net), depreciation and amortization, stock-based compensation, restructuring costs, acquisition costs and other costs. The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. GAAP. Please see our press release issued November 2, 2021 for more information concerning the reconciliation of non-GAAP measures to the nearest applicable GAAP measure.