

# CY20 Results

Investor Presentation  
25 February 2021



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# Agenda

## Business and Strategy Update

Chris Hulls, Co-Founder and CEO

Randi Zuckerberg, Non-Executive Director

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## Financial Overview

Russell Burke, CFO

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## Outlook

Chris Hulls, Co-Founder and CEO

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## Q&A

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## Appendix

1. Operating metrics
2. Reconciliation to COGS expense presentation
3. Life360 Membership offering

Note : All references in this presentation to \$ are to US\$



# Business Update

A close-up, low-angle shot of a person's hands typing on a laptop keyboard. The person is wearing a light-colored, textured sweater. The laptop is dark-colored and is open. The background is softly blurred, showing what appears to be a modern interior with warm lighting. The overall mood is professional and focused.

# CY20 FY Performance Highlights

Delivering on our strategy to build and monetise our user base

- Successful launch of new Membership model with **34%** ARPPC\* uplift
- Resilient subscriber base in the face of COVID-19 with **8%** Paying Circles growth
- Strong revenue growth up **39%** year-on-year\*\*
- Net subscriber revenue retention above **100%** despite COVID-19 impacts
- Gross margin\*\* increased to **81.1%** from 79.8% in CY19
- Reduction in Underlying EBITDA losses by **69%** reflecting cost discipline
- Strong balance sheet with **\$56.6** million cash balance

\*Average Revenue Per Paying Circle

\*\*Includes non-recurring adjustment of approximately \$0.9 million in relation to deferral of subscription revenue

# CY20 User Highlights

Connecting families and saving lives

**2,038,768**

Help alerts sent

**52,957,392,571**

Miles driven with Life360 Crash Detection

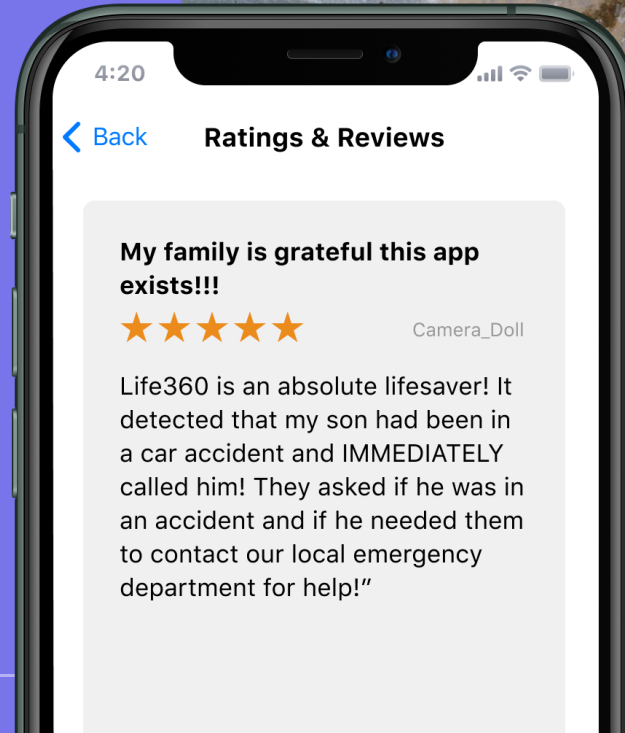
**14,209**

Ambulances dispatched

**11,269,693,552**

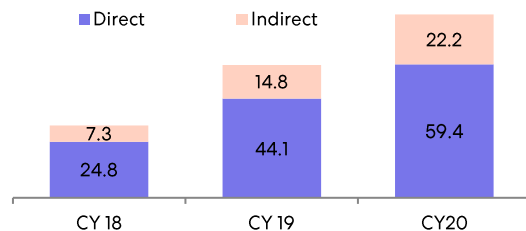
Safe arrival notifications

Note: Numbers are based on internal database sampling and are not exact.  
All numbers are worldwide except for Ambulances dispatched which is a US only service

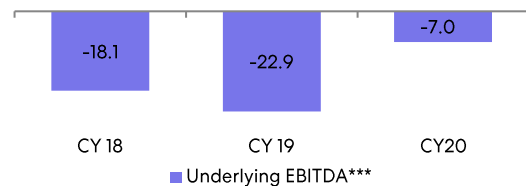


# Strong CY20 financial performance

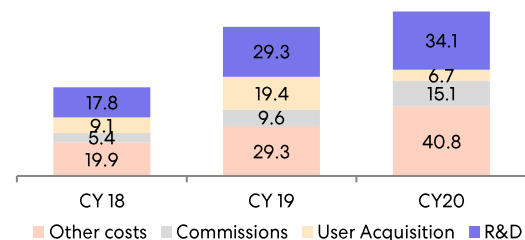
## STRONG REVENUE GROWTH SUPPORTED BY MONETISATION OF USER BASE\* (\$M)



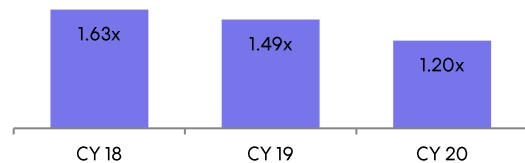
## REDUCED EBITDA LOSSES ILLUSTRATE OUR ABILITY OPERATE AT BREAK EVEN \*\*\*(\$M)



## FLEXIBLE AND CONTROLLABLE COST BASE \*\* (\$M)



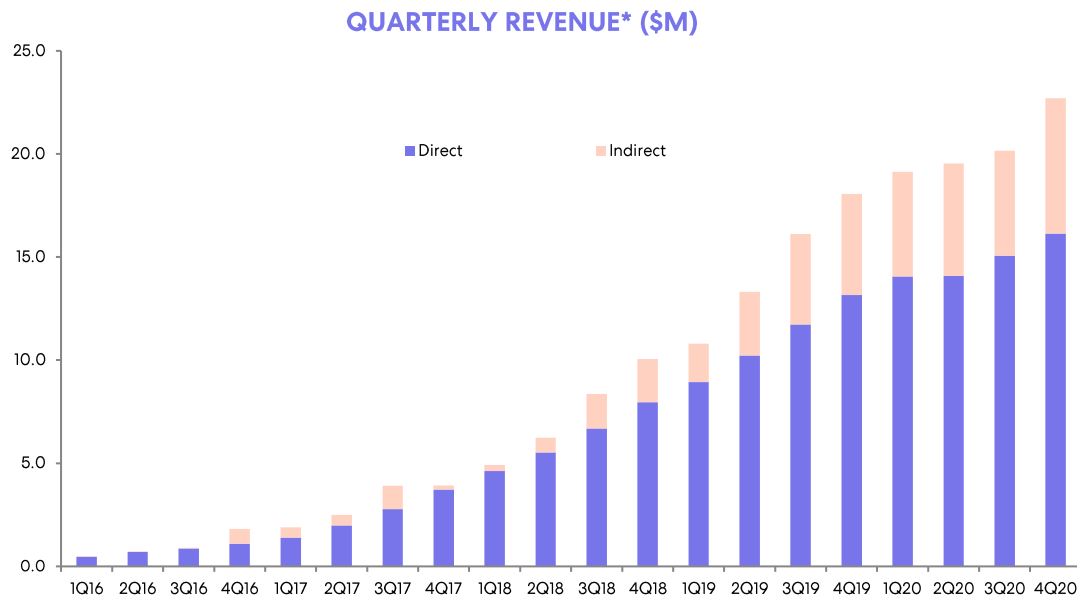
## IMPROVING RATIO OF EXPENSES TO REVENUE



\* Revenue is underlying revenue including non-recurring adjustment \*\* Stock Based Compensation is included in Other costs. 2018 costs have not been restated for new cost of revenue presentation

\*\*\*Underlying EBITDA excludes Stock Based Compensation and includes CY20 H1 non-recurring adjustment

# Growing revenue in midst of COVID-19



- Year-on-year revenue growth achieved in every quarter of CY20 despite COVID-19 impacts
- December 2020 Annualised Monthly Revenue (AMR) of \$89.7 million, up 19% YoY

\*Note:

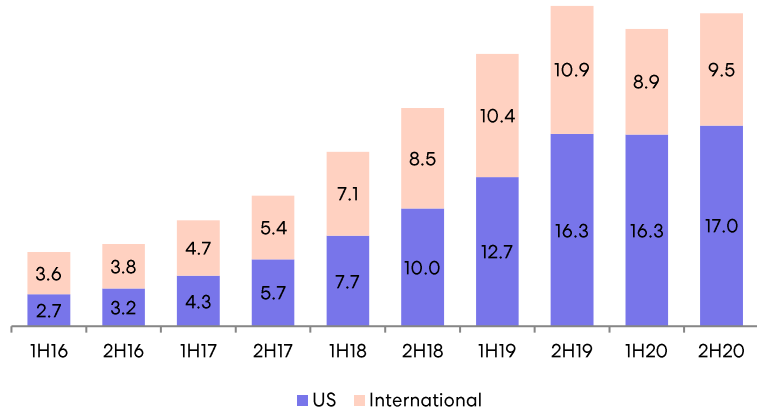
- Direct revenue comprises subscription fees paid by Paying Circles for subscription products. 2Q20 Revenue is underlying revenue including non-recurring adjustment
- Indirect revenue is revenue generated from the sale of third party products and services in partnership with companies such as Allstate, and anonymised insights into the data we collect from our user base
- Excludes ADT partnership revenue. December 2018 excludes revenue generated by the Allstate proof of concept trial



# Excellent durability in revenue-generating US MAU

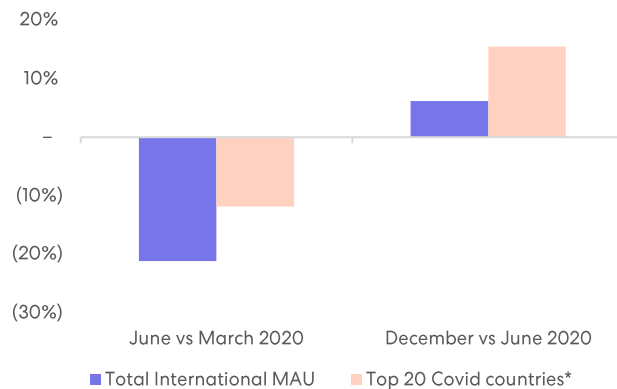
International MAU recovery in H2 particularly in countries less impacted by COVID

## MONTHLY ACTIVE USERS (MAU) (M)



- US CY20 MAU grew 4% YoY to 17.0m despite COVID impacts

## TOTAL INTERNATIONAL MAU VS TOP 20 BEST PERFORMING COVID COUNTRIES\* (% CH)



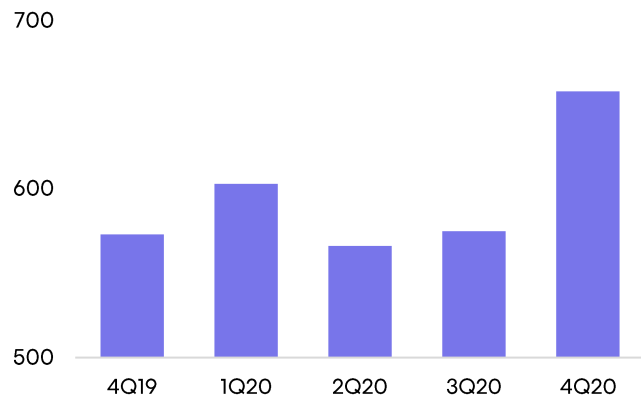
- Total International MAU delivered H2 growth following initial significant COVID-19 related declines
- MAU in countries managing the pandemic well outperformed during the initial crisis and have experienced a strong bounceback in H2

\*Defined as Top 20 best performing countries in Lowy Institute Covid Performance Index as at 9 January 2021

# Case Study: Australia

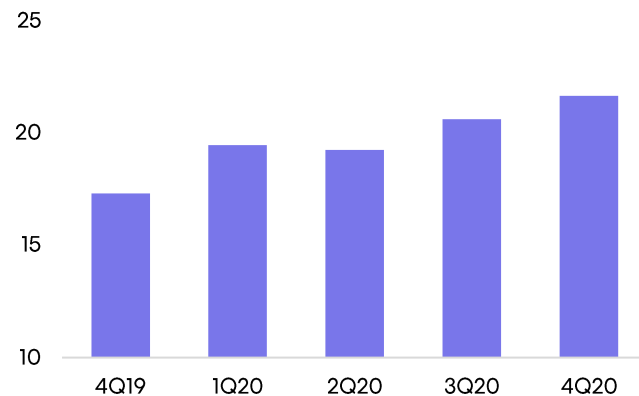
Encouraging indication of the growth opportunity once COVID-19 is under control in other regions

### AUSTRALIAN MAU (000s)



• CY20 Q4 MAU was 658k, up 14% QoQ and 15% YoY

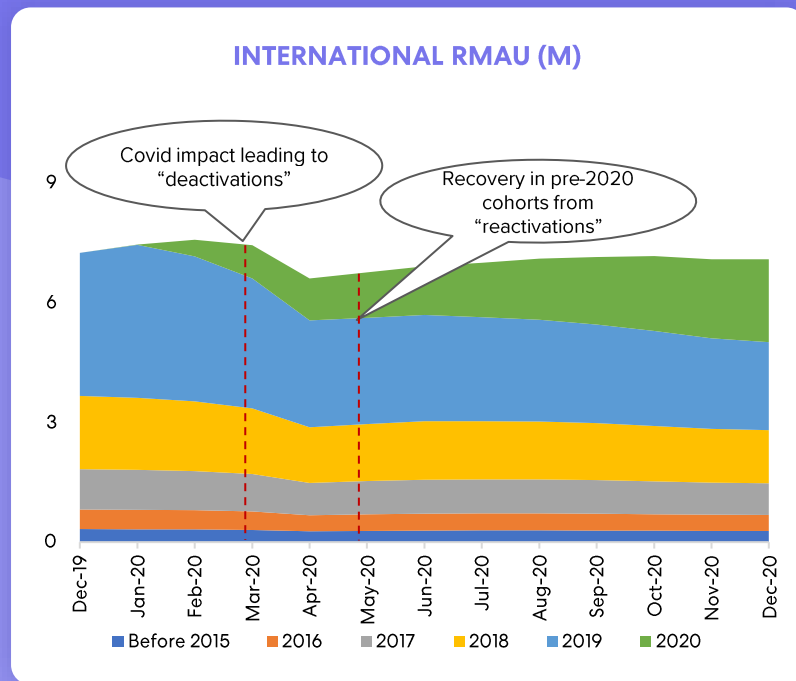
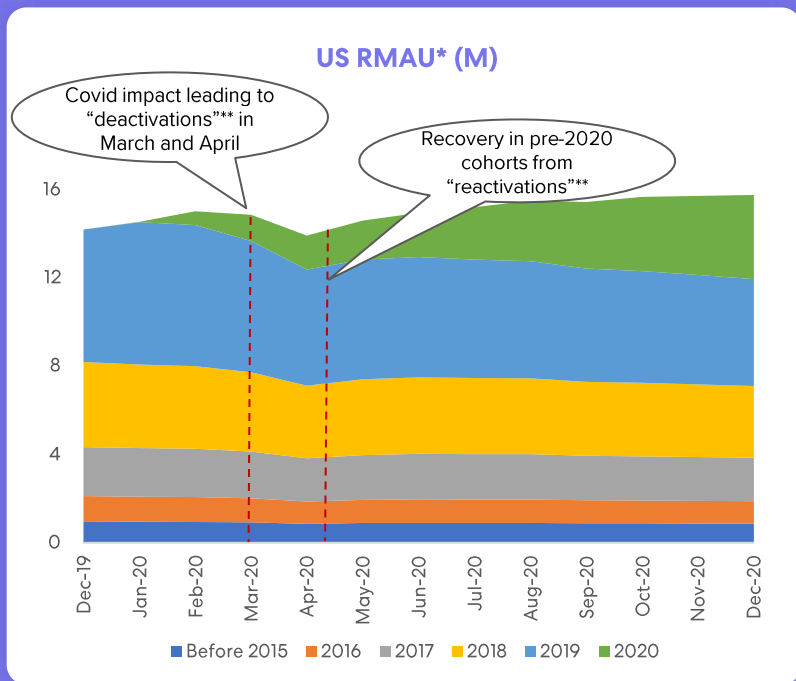
### AUSTRALIAN PAYING CIRCLES (000s)



• CY20 Q4 Paying Circles increased 7% QoQ and 28% YoY

# Retention remains very strong during COVID-19

Returning users (RMAU) remained very stable, with COVID-19 impact only materially impacting top-of-funnel new registrations



\* Returning Monthly Active Users (RMAU) are defined as users who have registered and returned in the month following their registration month (including users who registered previously but were inactive in the previous month)  
 \*\*Deactivations refer to RMAU who ceased using the app, reactivations refer to RMAU who re-commenced using the app

# Life360 and Google Collaboration

Bringing family co-ordination features to Google Assistant-enabled devices

- New feature rolled out in Australia, the U.S. and the U.K. allowing families to get an easy update on their family's whereabouts by creating a free Life360 account
- Brings Life360's leading family coordination services to Google Assistant-enabled devices, including Nest smart speakers, Smart Displays, and Android and iOS phones
- Life360 members aged 13 and above now have the ability to ask: "Hey Google, where's my family?" or "Hey Google, where's Sarah?" to get an update on their family's whereabouts, from at home or on the go, after linking their Life360 and Google accounts



**Stay connected with Life360 and Google.**

Get any family member's location just by asking, at home or on the go.

Learn more at [Life360.com/GoogleAssistant](https://Life360.com/GoogleAssistant)

Google and Google Nest Hub Max are trademarks of Google LLC.



# Life360 has a rapidly expanding brand profile and awareness

## Significant media coverage

THE WALL STREET JOURNAL

FINANCIAL REVIEW

USA TODAY

THE OZ SHOW

THE KIM KOMANDO SHOW

BUSINESS INSIDER

protocol

c|net

TODAY

Fatherly

WIRED

Better Homes & Gardens

## Brand recognition

YoY increase in aided brand awareness – all parents (US)

+36%

## Strong advocacy by teens

6.5 bn views of #GhostMode Hashtag challenge

“At first I didn't like your app, but you actually listened to us and you earned so much respect. Now I'm in 3 circles with friends and family. Thank u”

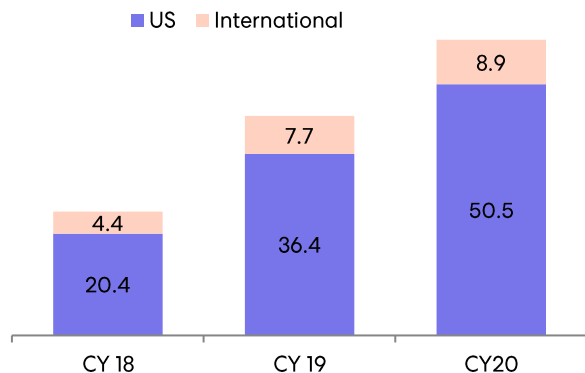
@Life360ceo channel



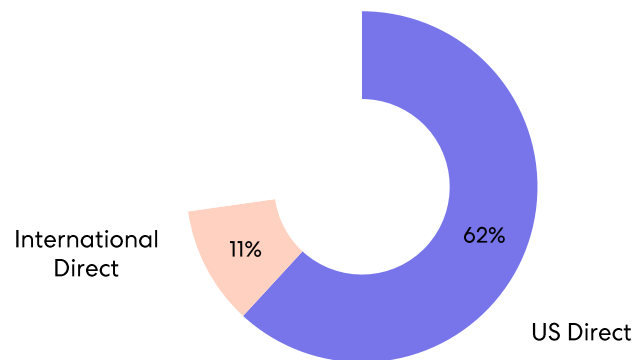
# Delivering strong +35% growth in Direct Revenue

CY20 YoY growth

### DIRECT REVENUE (\$M)\*



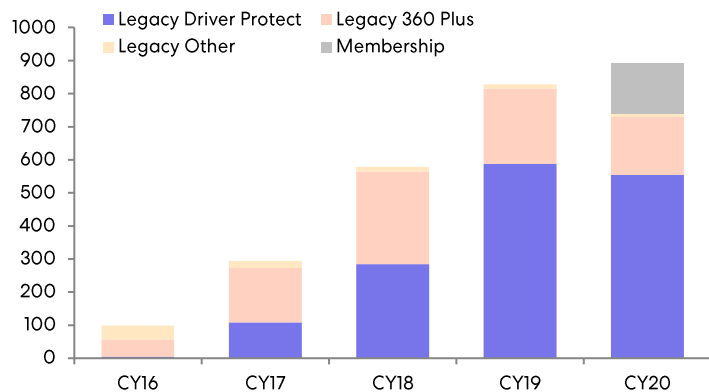
### DIRECT REVENUE AS A % REVENUE (CY20)



\*Includes non-recurring adjustment of approximately \$0.9 million in relation to deferral of subscription revenue

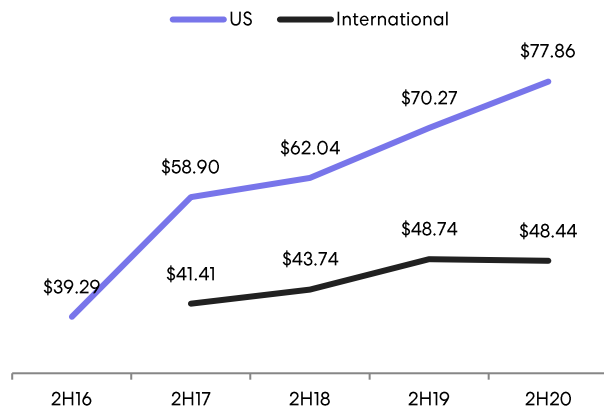
# Strong subscription retention while growing ARPPC

## PAYING CIRCLES (000s)



- 8% YoY growth in Paying Circles to 889K
- Impressive subscriber retention in the face of disruptions associated with COVID-19

## AVERAGE REVENUE PER PAYING CIRCLE (ARPPC)



- ~11% YoY increase in CY20 H2 US ARPPC supported by launch of new Membership model

# Membership offering

Competitive landscape



- ✓ Roadside Assistance
- ✓ Nurse Helpline
- ✓ SOS Alert
- ✓ Driver Reports
- ✓ Stolen Phone Reimbursement
- ✓ ID Theft Protection
- ✓ Crash Detection
- ✓ Disaster Assistance
- ✓ Travel Assistance
- ✓ Location Sharing And more...

Life360 Cost  
**\$19.99/month**

\*Assuming family household of four people. Prices may vary.

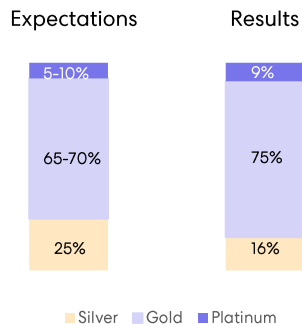
# Membership offering

Performance ahead of expectations despite challenging operating environment

## CY20 H2 ARPPC results vs expectations

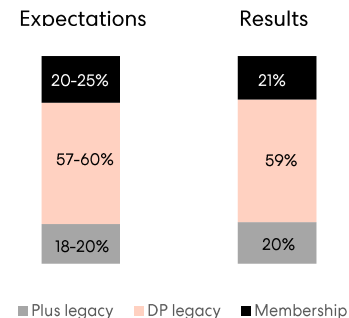
	Expectations	Results
New subscribers	<b>\$110-\$115</b> +~30% vs 1H 20	<b>\$116</b> +34% vs 1H 20
	<b>\$76-\$78</b> +~7% vs 1H 20	<b>\$78</b> +9% vs 1H 20

## CY20 H2 new membership subscriber mix



- Platinum membership performed at the upper end of expected range
- Gold outperformed expectations with ~75% of new memberships

## Paying Circle mix at December 2020

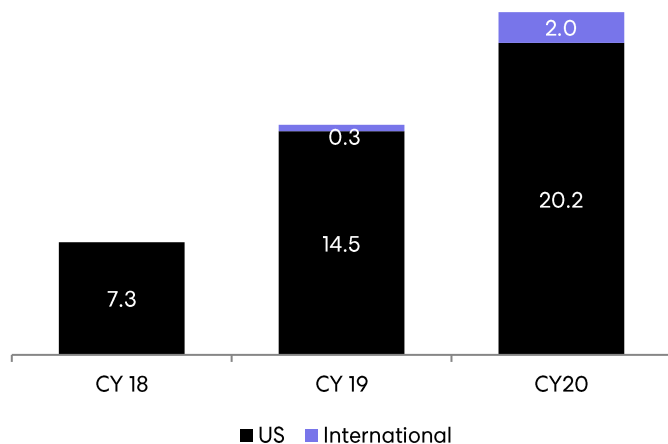


- New and upsell subscribers in the Membership plans of more than 152,000, 21% of US subscribers
- Retention of grandfathered subscribers has improved due to strengthened offering

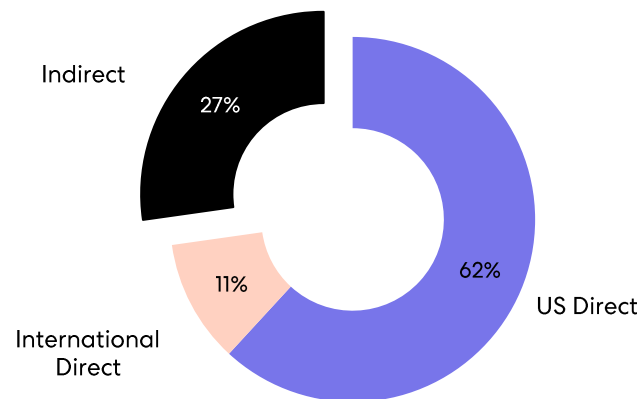
# Delivering 50% growth in Indirect Revenue

CY20 YoY growth

INDIRECT REVENUE (\$M)\*



INDIRECT REVENUE AS A % REVENUE (CY20)



\* Excludes legacy ADT revenue



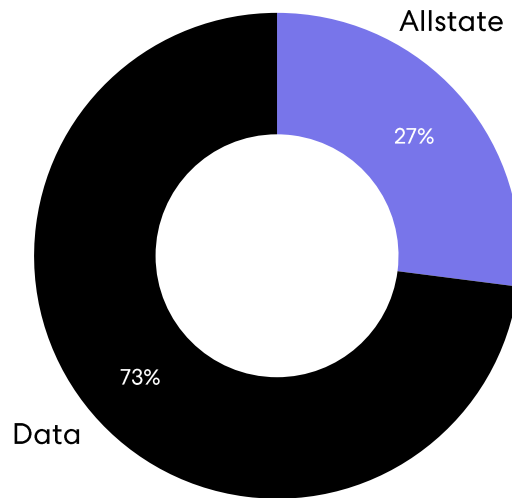
## Data

- Data revenue continued to deliver strong YoY growth despite COVID-19 impacts, reflecting Life360's expanded reach
- Some impact on the data business is expected from the implementation of Identifier for Advertisers (IDFA)

## Lead generation

- Auto insurance lead generation with Allstate formally launched in May 2019
- Monthly contribution of \$0.5 million of high margin revenue
- While COVID-19 has impacted the pace of expansion, this revenue opportunity continues to be developed, with significant upside available

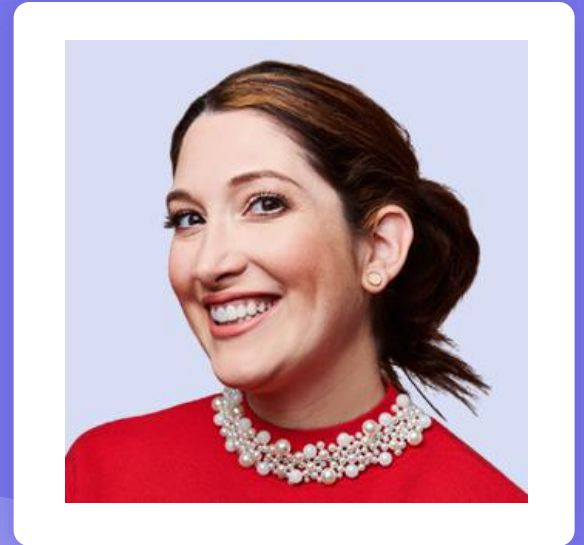
CONTRIBUTION TO INDIRECT REVENUE  
(CY20)



# Randi Zuckerberg

Independent Non-Executive Director

- Randi is passionate about helping families navigate our digital world. Through her company, Zuckerberg Media, she has created award-winning content and experiences around digital literacy and safety
- Randi is the best selling author of four books, producer of multiple television shows and theatre productions, and hosts a weekly radio show on SiriusXM called 'Randi Zuckerberg Means Business'
- Randi has been recognized with an Emmy nomination, two Tony awards, a Drama Desk Award, and a Kidscreen Award
- Prior to founding her own company, Randi was an early employee at Facebook, where she is best known for creating Facebook Live, now used by more than two billion people around the globe



# Strategy Overview and Update



# The ultimate opportunity

Disrupt the multi-billion dollar industries protecting what you care about most

Mobile-first approach to industries built on 90s technology

Incumbents do not meet the needs of digitally native families

Our engaged digital User base is a Trojan Horse for these categories



# Our Strategic Plan and Delivery

## OUR PLAN

## DELIVERY TO DATE



### Build

Build a large base of engaged mobile users



- 26 million+ Monthly Active Users
- 36% YoY growth in US parent brand recognition
- Thousands of lives saved



### Grow

Grow Membership to disrupt legacy incumbents



- Driver Protect disrupted roadside and crash assistance
- Now offering full 360 Membership



### Expand

Expand reach and revenue through additional lead gen and new services



- 27% of revenue comes from indirect monetisation
- Significant room to grow into new verticals



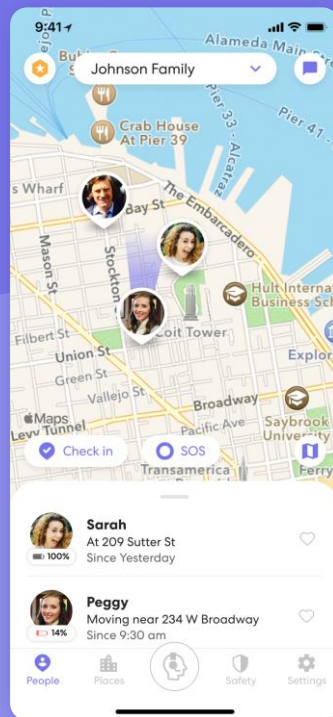


# Build User Base

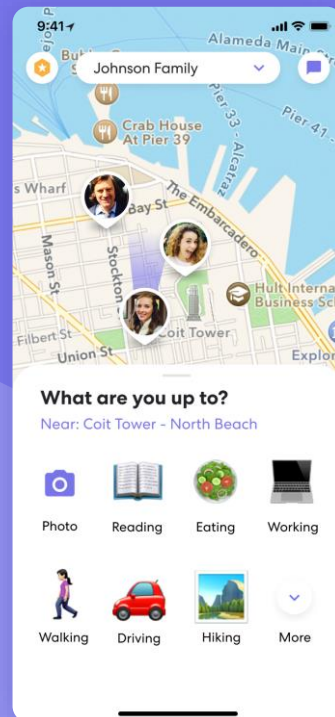
Investing in the free user experience

- Investing heavily in the free user experience to stay ahead of the competition
- Leveraging momentum with teens by offering features more specifically catered to their needs
- Evolving from “where are you” to “how are you” to allow for more emotional connection within Life360

## Where are you?



## How are you?



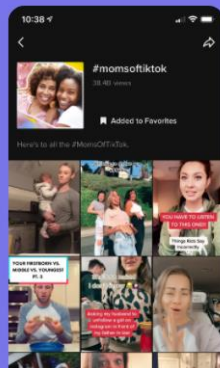
Note : image is conceptual



# Build User Base

Expanding marketing beyond pure performance channels

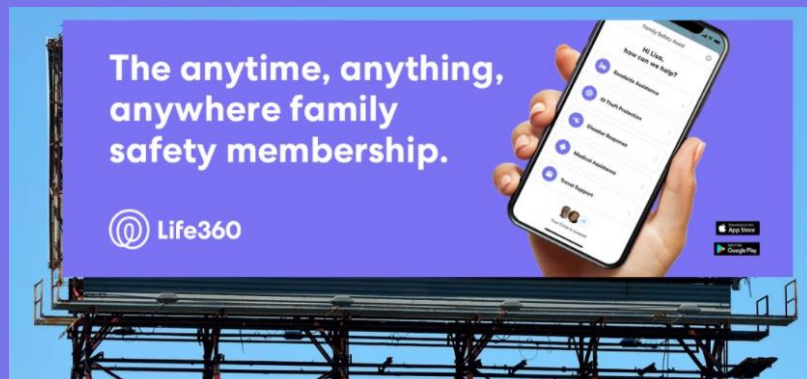
- Launching brand refresh centred around the concept of 'independence' rather than tracking
- Incorporating new Membership offering into campaigns to help build awareness of new broader suite of services



Doubling down on TikTok success



Launching new TV networks, programming and creative



Piloting integrated brand test campaign in selected markets



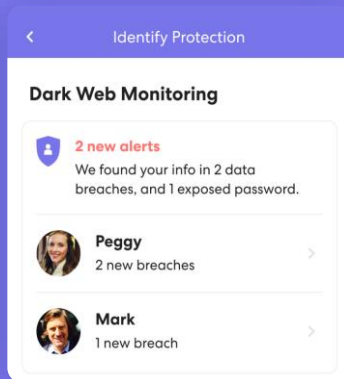
# Grow Membership

Bringing Membership features into the core user experience

- Current Membership offering is still in its early days
- Core focus of 2021 is to bring Membership features into the core user experience versus one that sits parallel today
- New initiatives will improve awareness, conversion and retention of Membership offering

## Identity Theft Protection Upsell example – Q2 launch

Show ID breaches for free



Provide ID breach solutions through premium upsell

### Extend your protection with Life360 Platinum membership

With a Platinum Membership, Circle members get Identify Theft Protection and Restoration, 24/7 support, and Credit Monitoring.



**Identity Theft Restoration**  
Unlock with Platinum



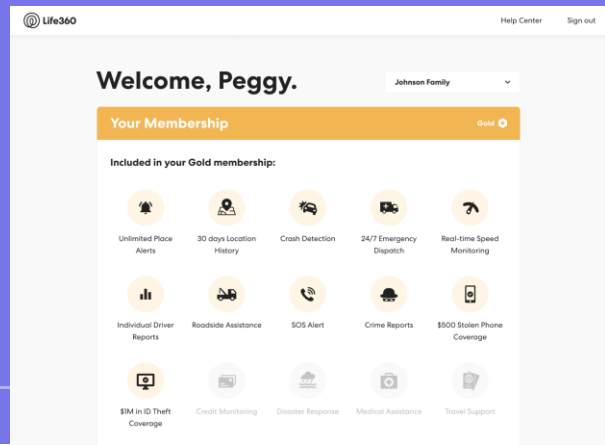
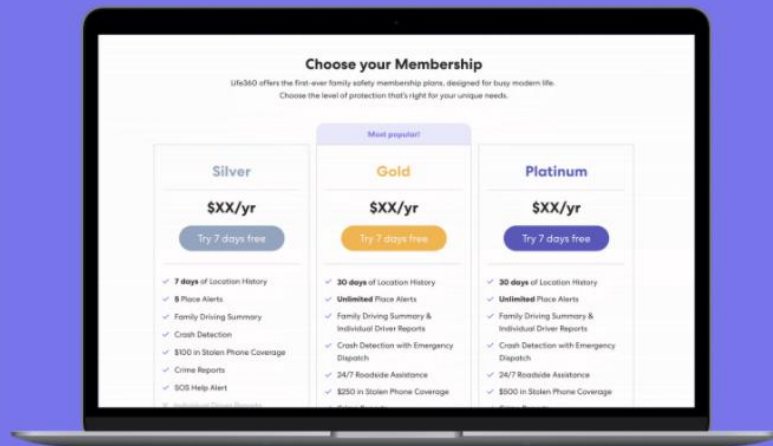
**Credit Monitoring**  
Unlock with Platinum



# Grow Membership

From app only to full e-commerce

- New feature allowing for direct paid Membership sign-up via the web
- Currently in beta, with plans to ramp up acquisition in the channel over the coming year
- Developing a web dashboard that will open up Life360 to members who may not use all location features





# Grow Membership

International expansion

- Launching full Membership experience in Canada in H2
- These results will serve as a playbook for further expansion into other regions in 2022 and beyond
- Primary focus is on Anglosphere and EU with strong cultural overlap
- Additional ongoing parallel investment to improve free app experience for all global users over the course of the year

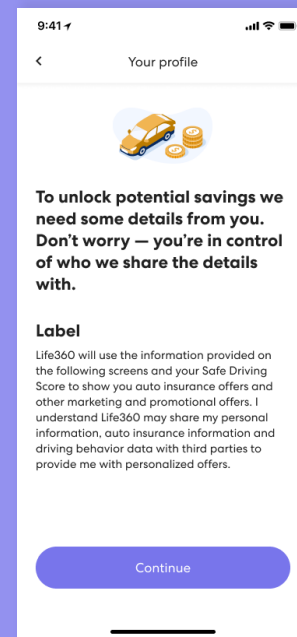
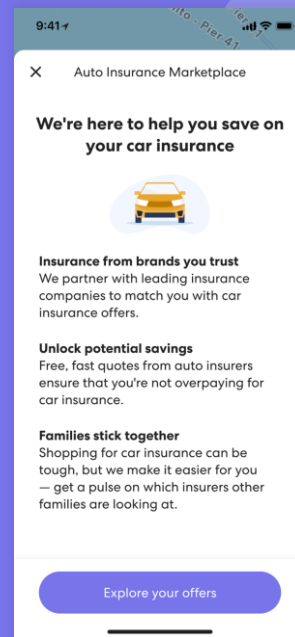
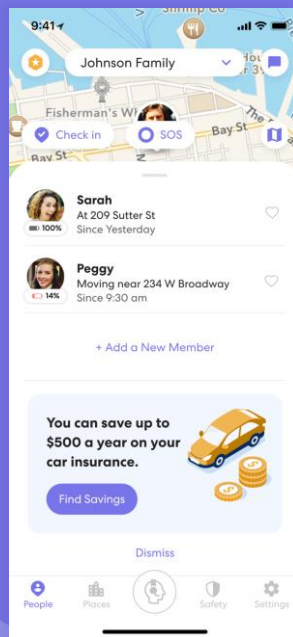
Priority	Characteristics	Countries
Tier 1	Primary Market	US
Tier 2	Similar Culture / Driving / High GDP	Canada Australia UK Europe
Tier 3	Safety Focus / Attractive demographics	South Africa Mexico
Tier 4	Other	Limited investment



# Expand Reach and Revenue

## Insurance lead-gen

- Accelerating efforts in insurance lead-gen where execution was hampered by COVID-19 during 2020
- Focus on providing value to customers versus the insurer-centric approach of version 1
- New product experiences will roll out in Q2, with early results expected in H2





# Expand Reach and Revenue

Testing new verticals

- Launch of early testing to explore new verticals to enter in 2022 and beyond
- Options include hardware devices for kids and pets, elder care, and family financial services





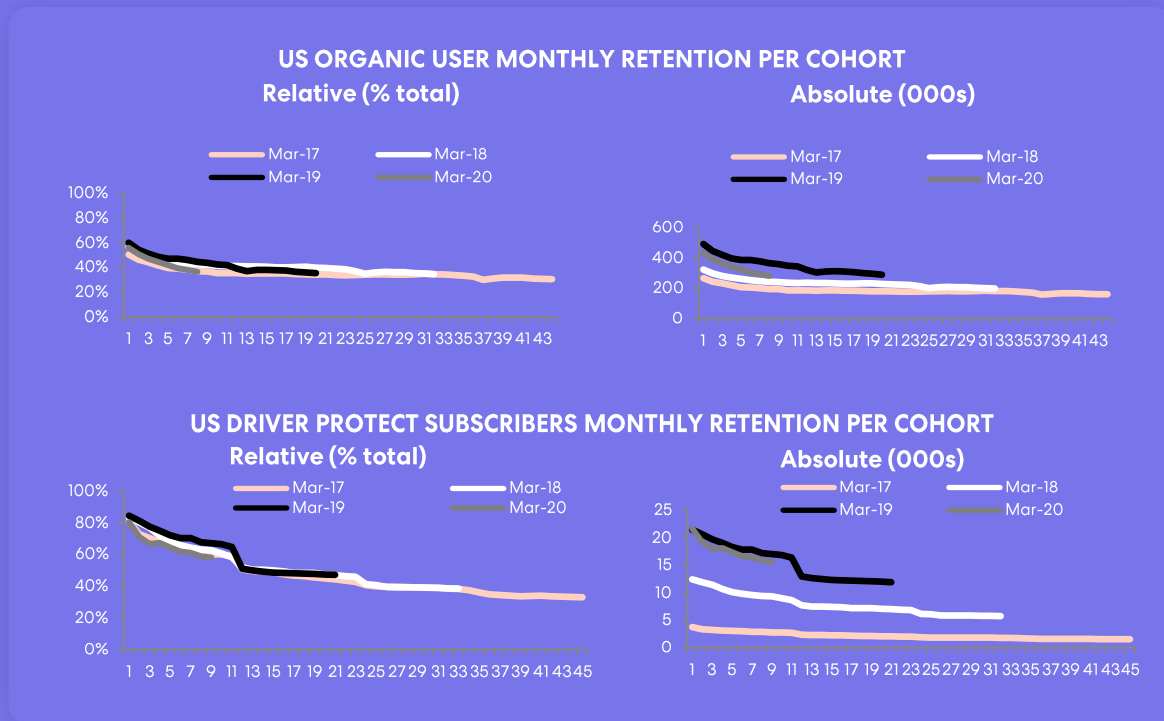
# Financial Overview

A person is shown from the chest up, driving a car. They are looking out the driver's side window at a house. The scene is dimly lit, suggesting it might be early morning or late afternoon. The car's interior, including the steering wheel and dashboard, is visible in the foreground.



# Resilient retention despite COVID-19 impact

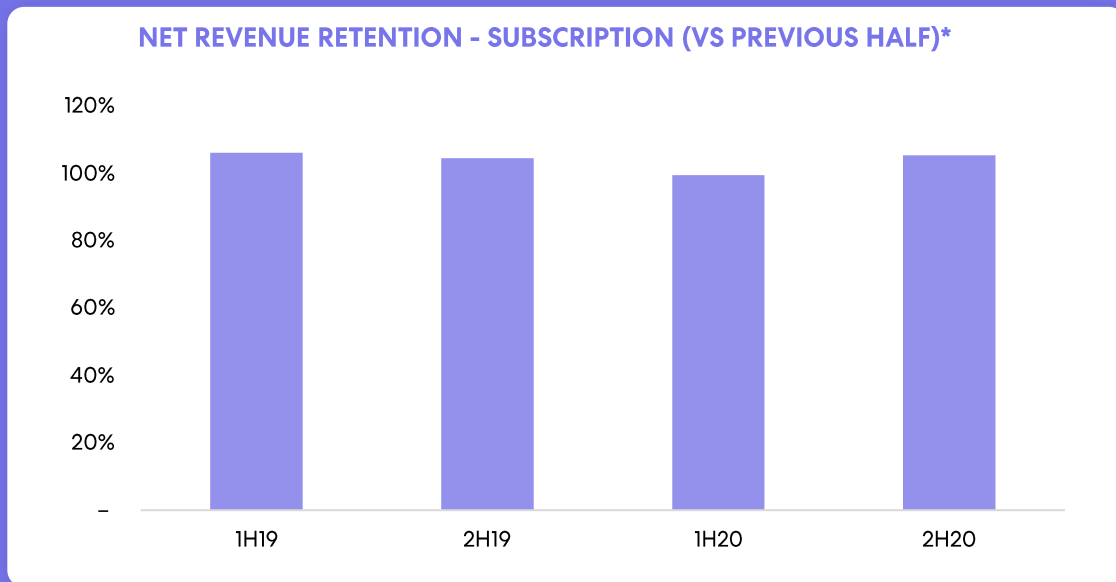
- Charts indicate how long users within a given cohort remain with Life360
- COVID-19 had an initial negative impact on organic users followed by a “bump” of reactivations
- User retention rates benefit from reactivation of previous users
- Minimal impact to long-term Premium users, with resilient retention rates for older Driver Protect cohorts



Note: Insufficient data to show new Membership offering. Driver Protect subscribers include upsell to new Platinum tier

# Unit Economics

Net subscription revenue retention exceeds 100%

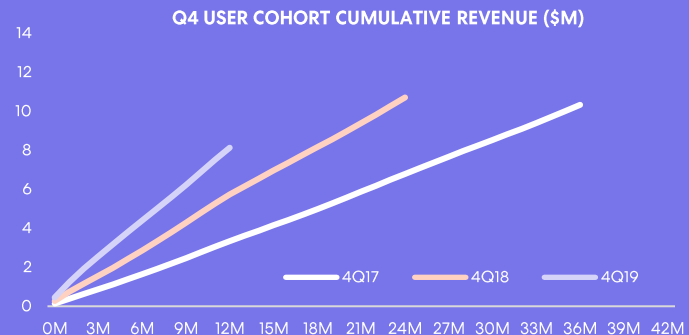
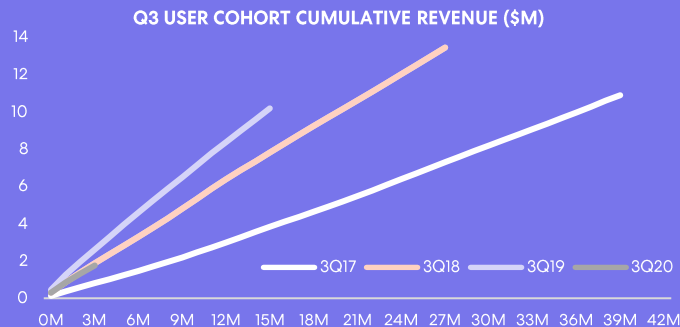
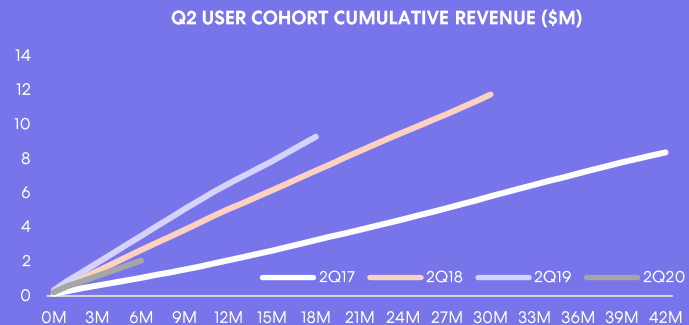
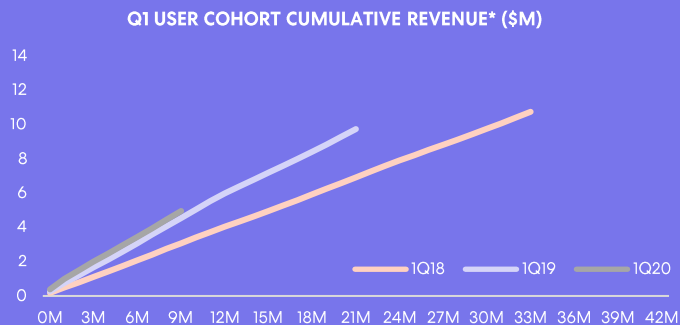


- The strength of Life360's freemium model is reflected in net subscription revenue retention exceeding 100%. This is supported by success in driving free users to paid subscriptions, and paid subscribers into higher price plans
- In each half year period (excluding 1H20), net revenue retention is above 100% across the cohort of users who had signed up by the end of the previous period
- In 1H20, there was a modest COVID-related decline in revenue retention, with a full recovery to historic levels in 2H20

\*Revenue retention is measured based on the revenue in the final month of the previous period compared to the revenue from the same set of users earned over the next six months e.g. for 1H19, revenue retention is calculated as the average monthly revenue over the period vs. the revenue earned in December 2018

# Unit Economics

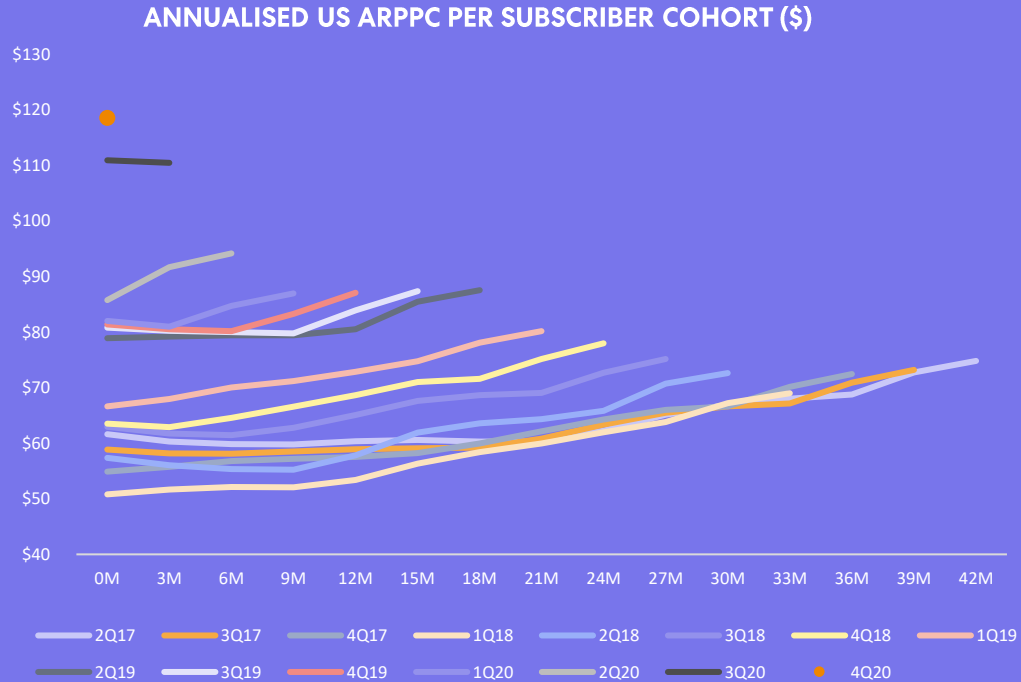
COVID impacted CY20 Q2 and Q3 2020 cohorts, revenue retention robust for older cohorts



\*Revenue per cohort includes global direct and indirect revenue generated by each quarterly cohort over time. Excludes legacy ADT partnership revenue

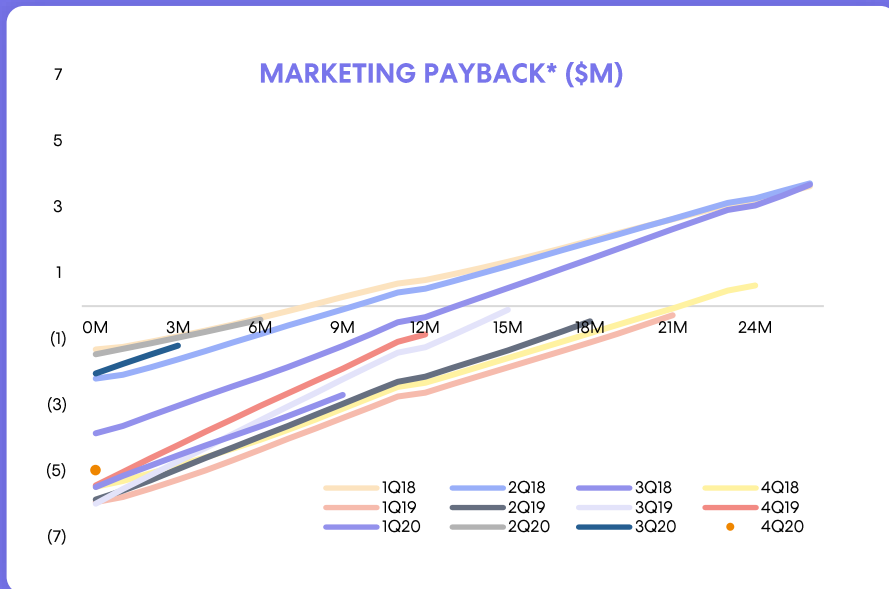
# Unit Economics

Significant US ARPPC uplift from the launch of membership with significant room for growth



# Unit Economics

Cohorts continue to perform in-line with expectations



- Blended summary provides performance insight into overall efforts across all channels in aggregate
- Top of the funnel pressure from COVID created uncertainty and reduced visibility into performance. As a result spend was largely paused in Q2 and Q3
- The environment in 1H21 is expected to be challenging from a customer acquisition perspective. Investment will be undertaken to support the launch of the direct-to-premium web channel combined with significant investment into brand marketing initiatives, with longer payback periods
- As conditions normalise in 2H21, a significant uplift in user acquisition spend is expected to drive growth

\*Marketing payback calculated as contribution profit, which includes cost of sales less sales & marketing expenses (excluding commissions and stock-based compensation)

# Income Statement

\$M	CY19	CY20	% ch YoY
<b>U.S. revenue</b>			
Direct	36.4	49.6	36%
Indirect	14.5	20.2	39%
<b>International revenue</b>			
Direct	7.7	8.9	16%
Indirect	0.3	2.0	567%
<b>Total revenue</b>	<b>58.9</b>	<b>80.7</b>	<b>37%</b>
Cost of Revenue	(11.7)	(15.0)	(28)%
Stock Based Compensation	(0.2)	(0.4)	(100)%
<b>Total cost of revenue</b>	<b>(11.9)</b>	<b>(15.4)</b>	<b>(29)%</b>
<b>Gross Profit</b>	<b>47.0</b>	<b>65.3</b>	<b>39%</b>
Gross Margin %	79.8%	80.9%	
Underlying Gross Margin (%)	79.8%	81.1%	
Research and Development	(29.3)	(34.1)	(16)%
User acquisition	(19.4)	(6.7)	65%
Sales and marketing	(14.2)	(23.1)	(63)%
General and administrative	(7.2)	(9.7)	(35)%
Stock Based Compensation	(5.6)	(7.7)	(38)%
<b>Operating expenses</b>	<b>(75.7)</b>	<b>(81.3)</b>	<b>(7)%</b>
<b>Statutory EBITDA</b>	<b>(28.7)</b>	<b>(16.0)</b>	<b>44%</b>
Depreciation and amortisation	(0.3)	(0.6)	(100)%
<b>EBIT</b>	<b>(29.0)</b>	<b>(16.6)</b>	<b>43%</b>
Net interest	0.0	0.3	100%
Other	(0.0)	0.0	NM
Tax	-	-	
<b>Statutory Net Profit/(loss)</b>	<b>(29.0)</b>	<b>(16.3)</b>	<b>44%</b>
<b>Non-GAAP Adjustments:</b>			
Stock Based Compensation	5.8	8.1	(40)%
Non-recurring adjustment*	0.0	0.9	NM
<b>Underlying EBITDA excl. non-GAAP adjustments</b>	<b>(22.9)</b>	<b>(7.0)</b>	<b>69%</b>
<b>Underlying net profit/(loss) excl. non-GAAP adjustments</b>	<b>(23.2)</b>	<b>(7.3)</b>	<b>68%</b>
Diluted share count (period end)	48,840,675	50,035,408	
Diluted share count (period avg)	34,533,237	49,346,050	

## Commentary

- Direct revenue growth of 35% (including non-recurring adjustment) supported by 8% YoY growth in Paying Circles to 889k. ~10% increase in ARPPC supported by the launch of the Membership model
- Indirect revenue growth of 50% underpinned by strong growth in Data revenue
- Increased transparency provided on the cost structure, with separate disclosure of cost of revenue. Includes customer support and technology expenses which increased with growth in subscriptions and users
- Gross Margin improvement reflects efficiencies related to hosting and technology costs, and higher revenue price points from the Membership launch
- Higher Research and Development expenses due to higher FTE to support product development
- Lower user acquisition expenses reflect deliberate pause in performance marketing investment to adapt to the COVID-19 pandemic
- Increased sales and marketing expense due to growth in commissions proportionate to subscription sales, and spend on new marketing channels including TV
- General and administration expense reflects disciplined overhead spend to scale the business
- Reduced EBITDA loss driven by strong revenue growth, significant reduction in user acquisition spend, and moderating growth in other expenses

# Balance Sheet

\$M	Statutory Dec 2019	Statutory Dec 2020
Cash and cash equivalents	63.8	56.4
Accounts receivable	7.9	9.0
Costs capitalised to obtain revenue contracts, net	4.5	3.4
Prepaid expenses and other current assets	5.3	10.0
<b>Total current assets</b>	<b>81.5</b>	<b>78.8</b>
Property and equipment, net	0.5	0.8
Costs capitalised to obtain revenue contracts, net of current portion	1.3	0.6
Intangible assets, net	1.0	0.8
Right of use asset	-	2.6
Other non-current assets	4.0	2.7
<b>Total non-current assets</b>	<b>6.8</b>	<b>7.5</b>
<b>Total assets</b>	<b>88.3</b>	<b>86.3</b>
Accounts payable and accrued expenses	3.9	7.6
Deferred revenue	11.1	11.9
<b>Total current liabilities</b>	<b>15.0</b>	<b>19.5</b>
Other non-current liabilities	1.0	2.3
<b>Total non-current liabilities</b>	<b>1.0</b>	<b>2.3</b>
<b>Total liabilities</b>	<b>16.0</b>	<b>21.8</b>
Common stock	0.1	0.1
Notes from affiliates	(0.6)	(0.6)
Additional paid-in capital	188.3	196.8
Accumulated deficit	(115.5)	(131.8)
<b>Total equity</b>	<b>72.3</b>	<b>64.5</b>
<b>Total equity &amp; liabilities</b>	<b>88.3</b>	<b>86.3</b>

Note : Certain prior year amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported results of operations.

## Commentary

- Cash and cash equivalents decreased by \$7.4m largely reflecting cash outflow from operating activities
- Prepaid expenses and other non current assets increased \$4.7m due to prepayment of technology and insurance expenses
- Recognition and amortisation of Right of use asset in relation to implementation of new lease standard
- Accounts payable and accrued expenses, and other non-current liabilities, increased by \$3.7m and \$1.3m respectively, mainly due to the adoption of the new lease standard

# Cash Flow

\$M	CY19	CY20
<b>Statutory EBITDA (pre user acquisition)</b>	(9.3)	(9.3)
User acquisition costs	(19.4)	(6.7)
<b>Statutory EBITDA</b>	<b>(28.7)</b>	<b>(16.0)</b>
Stock-based compensation	5.8	8.1
Deferred revenue	2.2	0.7
Costs capitalised to obtain contracts	(3.1)	(5.2)
Changes in other operating assets and liabilities	(9.2)	(2.2)
Other non cash items in EBITDA	2.5	7.3
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(30.5)</b>	<b>(7.3)</b>
Purchases of capital assets and cash paid for acquisition, net	(0.3)	(0.6)
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(0.3)</b>	<b>(0.6)</b>
Proceeds from issuance of common stock in initial public offering, net of underwriting commissions	75.5	0.0
Payments of deferred offering costs	(2.4)	0.0
Net proceeds from the exercise of options and grant of stock awards, net of repurchase	0.7	0.4
Proceeds from borrowings	0.0	3.1
Payments on borrowings	(5.0)	(3.1)
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>68.8</b>	<b>0.4</b>
Net Cash Inflow / (Outflow)	38.0	(7.5)
Cash at Beginning of Period	26.1	64.1
<b>Cash at End of Period</b>	<b>64.1</b>	<b>56.6</b>

## Commentary

- Net cash outflows from operating activities reduced by \$23.2m due to strong revenue growth and a \$12.7m reduction in user acquisition spend undertaken in response to the COVID-19 environment
- Net cash outflows from investing activities reflects minor investment in property, plant and equipment
- Net cash inflows from financing activities reflect proceeds from the exercise of options. In addition, during the period the Company received proceeds of a loan under the CARES Act and repaid the loan



# Outlook

A young girl with long dark hair, wearing a light blue dress, is running away from the camera on a grassy area. In the foreground, a large, brown, furry bear mascot is partially visible. In the background, a silver SUV is parked on a paved area, and another person is walking away. The scene is outdoors during the day.

# Outlook

- We are very encouraged that Life360 ended the year with strong annual growth in spite of the COVID-19 headwinds. Early signs of recovery in the top-of-funnel were evident in January 2021, with YoY subscription revenue growth of 20%.
- Having delivered two consecutive quarters of cash flow breakeven during CY20, we are confident to invest in additional initiatives to drive the growth of the business. For CY21 this includes scaling up our marketing and product teams, expanding marketing and acquisition channels, and the initial international rollout. While CY21 H1 will be significantly impacted by the current COVID-19 environment, these initiatives will position us to take full advantage of the key “back to school” period in the US. We view this period as a pivot point for reacceleration of growth in CY21 H2, once vaccines are widely implemented and the world returns to normalcy.
- While there are continuing risks in indirect revenue, we continue to see organic growth in core subscription revenue and early signs of recovery in the top-of-funnel. As a result we anticipate that by December 2021, Life360 will be delivering Annualised Monthly Revenue in the range of US\$110-120 million, a 23% to 34% YoY growth rate.
- Based on the planned investment in growth, in CY21 we expect an underlying EBITDA loss (excluding Stock Based Compensation) of no greater than US\$(15) million.

# Strategic Review

- Given current valuations in the US for high growth technology companies, Life360 has received inbound interest that could result in an accelerated listing/dual listing on a US exchange, the acquisition of a strategically important business, and/or merger with a larger entity.
- As a result, the Board has determined to conduct a review of strategic alternatives that will include these and other options. There is no certainty that the review will result in any transaction or any changes to current listing arrangements. We remain committed to our existing strategic plan, and will only consider complementary pathways that result in a significant increase in shareholder value.

# Q&A





# Appendix



# 1. Operating Metrics

	CY18 H1	CY19 H1	CY20 H1	CY17	CY18	CY19	CY20
<b>Monthly Active Users (millions)</b>							
U.S.	7.7	12.7	16.3	5.7	10.0	16.3	17.0
International	7.1	10.4	8.9	5.4	8.5	10.9	9.5
<b>Total</b>	<b>14.8</b>	<b>23.1</b>	<b>25.2</b>	<b>11.1</b>	<b>18.5</b>	<b>27.2</b>	<b>26.5</b>
<b>Paying Circles (millions)</b>							
U.S.	0.33	0.53	0.67	0.22	0.45	0.64	0.72
International	0.10	0.16	0.17	0.07	0.13	0.19	0.17
<b>Total</b>	<b>0.43</b>	<b>0.69</b>	<b>0.84</b>	<b>0.29</b>	<b>0.58</b>	<b>0.83</b>	<b>0.89</b>
<b>Direct ARPPC (US\$ annualised)</b>							
U.S.	59.83	64.28	71.72	50.25	60.75	67.30	74.41
International	42.31	46.15	51.35	34.78	43.64	47.16	49.32
<b>Total ARPU (US\$ annualised)</b>							
U.S.	2.76	3.66	4.15	2.19	3.27	3.86	4.24
International	0.64	0.72	0.94	0.38	0.63	0.79	1.03

Note: ARPU calculation excludes ADT revenue

## 2. Reconciliation to COGS expense presentation

\$M	Former cost presentation			COGS reclassification			New COGS Cost presentation		
	CY19 FY	CY20 HI	CY20 FY	CY19 FY	CY20 HI	CY20 FY	CY19 FY	CY20 HI	CY20 FY
Cost of revenue	0.0	0.0	0.0	(11.7)	(6.9)	(15.0)	(11.7)	(6.9)	(15.0)
Stock based compensation	0.0	0.0	0.0	(0.2)	(0.2)	(0.4)	(0.2)	(0.2)	(0.4)
<b>Total cost of revenue</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(11.9)</b>	<b>(7.1)</b>	<b>(15.4)</b>	<b>(11.9)</b>	<b>(7.1)</b>	<b>(15.4)</b>
<b>Operating expenses</b>									
Customer support	(2.0)	(1.5)	(4.1)	2.0	1.5	4.1	0.0	0.0	0.0
Research and development	(28.7)	(16.5)	(35.1)	(0.6)	0.2	1.0	(29.3)	(16.3)	(34.1)
User acquisition costs	(19.4)	(4.1)	(6.7)	0.0	0.0	0.0	(19.4)	(4.1)	(6.7)
Sales and marketing	(14.2)	(9.6)	(23.1)	0.0	0.0	0.0	(14.2)	(9.6)	(23.1)
General and administrative	(7.3)	(4.6)	(9.4)	0.1	0.3	(0.3)	(7.2)	(4.3)	(9.7)
Technology	(10.2)	(4.9)	(10.2)	10.2	4.9	10.2	0.0	0.0	0.0
Stock based compensation	(5.8)	(3.7)	(8.1)	0.2	0.2	0.4	(5.6)	(3.5)	(7.7)
<b>Total operating expenses</b>	<b>(87.6)</b>	<b>(44.9)</b>	<b>(96.7)</b>	<b>11.9</b>	<b>7.1</b>	<b>15.4</b>	<b>(75.7)</b>	<b>(37.8)</b>	<b>(81.3)</b>

### 3. Life360 Membership offering

Membership allows us to offer services that hit the emotional triggers of every life stage



Location and Communication

Crash and Roadside Assistance

Identity Protection

SOS




Disaster, Medical, and Travel Assistance

Ongoing Features & Services (i.e. wearables, Life360 insurance offerings, etc)



# 3. Life360 Membership offering

## Membership tiers

<b>Basic Life360 Account</b> Free	 <b>Silver</b> Make daily coordination a breeze \$4.99/mo	 <b>Gold</b> Protect your family on the go \$9.99/mo	 <b>Platinum</b> Be prepared for anything, anywhere \$19.99/mo
<ul style="list-style-type: none"><li>✓ Real-time Location Sharing</li><li>✓ 2 Place Alerts</li><li>✓ 2 days of Location History</li><li>✓ Unlimited Check-Ins</li><li>✓ Crash Detection</li><li>✓ Family Driving Summary</li><li>✓ SOS Alert</li></ul>	<p>All <b>basic</b> Life360 features, plus...</p> <ul style="list-style-type: none"><li>✓ 5 Place Alerts</li><li>✓ 7 days of Location History</li><li>✓ Crime Reports</li><li>✓ \$100 Stolen Phone Coverage</li></ul>	<p>All <b>Silver</b> features, plus...</p> <ul style="list-style-type: none"><li>✓ Unlimited Place Alerts</li><li>✓ 30 days of Location History</li><li>✓ Individual Driver Reports</li><li>✓ 24/7 Emergency Dispatch for Crash Detection &amp; SOS Alerts</li><li>✓ Roadside Assistance</li><li>✓ 5 miles free towing</li><li>✓ \$250 Stolen Phone Coverage</li><li>✓ \$25K in ID Theft Coverage</li><li>✓ ID Theft Restoration</li></ul>	<p>All <b>Gold</b> features, plus...</p> <ul style="list-style-type: none"><li>✓ Disaster Response</li><li>✓ Medical Assistance</li><li>✓ Travel Support</li><li>✓ Credit Monitoring</li><li>✓ 50 miles free towing</li><li>✓ \$500 Stolen Phone Coverage</li><li>✓ \$1M in ID Theft Coverage</li></ul>