lightspeed

Capital Markets Day

November 23, 2021



Opening remarks

Gus Papageorgiou
Head of Investor Relations



lightspeed

Disclaimer

General

All references in this presentation to the "Company", "Lightspeed", "us" or "we" are to Lightspeed Commerce Inc (formerly Lightspeed POS Inc.). All references in this presentation to dollars, "$" or "US$" are to United States dollars, and all references to Canadian dollars and "C$" are to Canadian dollars.

Cautionary Note Regarding Forward-Looking Information

This presentation contains "forward-looking information" and "forward-looking statements" (collectively, "forward looking information") within the meaning of applicable securities laws. Forward looking information may relate to our financial outlook (including revenues, Adjusted EBITDA, Adjusted EBITDA as a percentage of revenue, long-term targets regarding growth rates and Lightspeed's cost structure) and anticipated events or results and may include information regarding our financial position, business strategy, growth strategies, addressable markets, budgets, operations, financial results, plans and objectives. Particularly, information regarding our expectations of future results, profitability, performance, achievements, prospects or opportunities or the markets in which we operate, prospects and customers, the achievement of advances in and expansion of our platform, expectations regarding our revenue and the revenue generation potential of our payment-related and other solutions, expectations regarding our future profitability, expected acquisition outcomes and synergies, and the impact of the COVID-19 pandemic declared by the World Health Organization on March 11, 2020 thereon is forward-looking information.

This forward-looking information and other forward-looking information is based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that we considered appropriate and reasonable as of the date such statements are made, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the risk factors identified in our most recent Management's Discussion and Analysis of Financial Condition and Results of Operation, under "Risk Factors" in our most recent Annual Information Form, and in our filings with the Canadian securities regulatory authorities and the U.S. Securities and Exchange Commission, all of which are available under our profile on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information.

The forward-looking information contained in this presentation represents our expectations as of the date of this presentation (or as of the date they are otherwise stated to be made), and are subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

Non-IFRS Measures and Industry Metrics

This presentation makes reference to certain non-IFRS measures and key performance indicators, which do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Refer to the section "Non-IFRS Measures" of Lightspeed's press release dated November 4, 2021 for more details. In addition, the terms "Average Revenue Per User" or "ARPU", "Customer Locations", "Gross Transaction Volume" or "GTV" and "Payments Penetration Rate" or "PPR" are operating metrics used in our industry. See "Appendix A" of this presentation for the definition of each such industry metric.

Market and Industry Data

Market and industry data presented throughout this presentation was obtained from third-party sources and industry reports, including from AMI Partners, and from publications, websites and other publicly available information, as well as industry and other data prepared by us or on our behalf on the basis of our knowledge of the markets in which we operate, including information provided by suppliers, partners, customers and other industry participants.

We believe that the market and economic data presented throughout this presentation is accurate and, with respect to data prepared by us or on our behalf, that our estimates and assumptions are currently appropriate and reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and economic data presented throughout this presentation are not guaranteed and none of us makes any representation as to the accuracy of such data. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Although we believe it to be reliable, none of us has independently verified any of the data from third-party sources referred to in this presentation, analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying market, economic and other assumptions relied upon by such sources. Market and economic data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. In addition, certain of these publications, studies and reports were published before the global COVID-19 pandemic and therefore do not reflect any impact of the COVID-19 pandemic on any specific market or globally.

Agenda

Time	Topic	Presenter
8:00 AM	Opening remarks	Gus Papageorgiou
8:05 AM	Q2 recap	JP Chauvet
8:15 AM	The Lightspeed story	Dax Dasilva
8:30 AM	A vision of the future	JP Chauvet
9:15 AM	Break & demo	Evan Johnston
9:25 AM	Our business	Michael DeSimone & JD St Martin
10:05 AM	Go-to-market	JD St-Martin
10:25 AM	Break & demo	Evan Johnston
10:35 AM	Our business model	Brandon Nussey
11:20 AM	Recap	JP Chauvet
11:30 AM	Q&A	All speakers

Q2 recap

JP Chauvet
President



lightspeed

Our progress so far

March 2019, IPO[1]

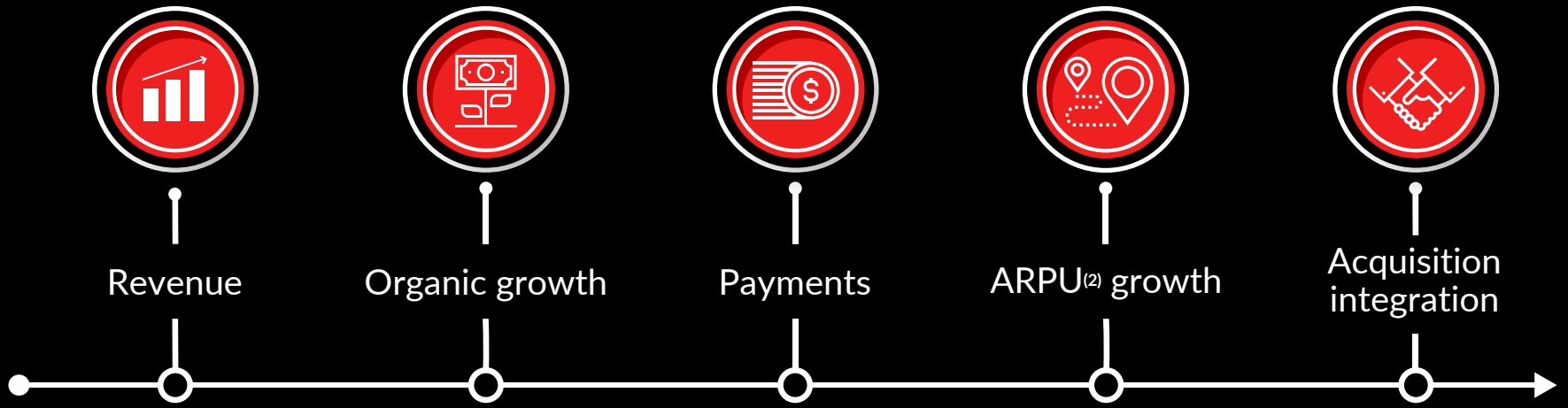
- >47,000 Customer Locations[3]
- LTM GTV[3] >$13B
- $72M LTM revenue
- Lightspeed Payments available to U.S. retail customers only
- Revenue CAGR[5] of 36%

Today[2]

- ~156,000 Customer Locations
- LTM GTV >$55B
- $389M LTM revenue
- $2B in payments processed in most recent quarter; Lightspeed Payments now available to majority of Customer Locations globally
- LTM organic[4] growth for subscription and transaction-based revenue was 58%

[1] As at December 30, 2018.
[2] As at September 30, 2021
[3] Key Performance Indicator. See Appendix A
[4] References herein to "organic" growth exclude the impact of any acquisitions that occurred since the end of the prior comparable period so as to provide a consistent basis of comparison. For greater clarity, where an acquisition occurred part way through the prior comparable quarter, such acquisition's contributions in the current quarter are included for purposes of calculating organic growth only to the extent of the same months they were included in the prior comparable quarter
[5] Our total revenue had increased from $30.7 million in the fiscal year ended March 31, 2016, to $71.9 million for the 12 month period ended December 31, 2018, representing a CAGR of 36%.

Q2 in review



Revenue

Revenue of $133M, ahead of guidance. 193% growth YoY

Organic growth

58% organic[1] growth rate of subscription and transaction-based revenue

Payments

Ongoing growth of Payments. Payments Penetration Rate[2] (PPR) 11% of GTV, up from 5% one year ago

Lightspeed Payments launched in new markets

ARPU[2] growth

ARPU now at ~$270 per month up from >$170 one year ago

Acquisition integration

Proof points:

- Launch of flagship Lightspeed Restaurant product
- Ecwid integration to retail offerings
- Launch of Lightspeed Payments for North America customers acquired in the Vend acquisition

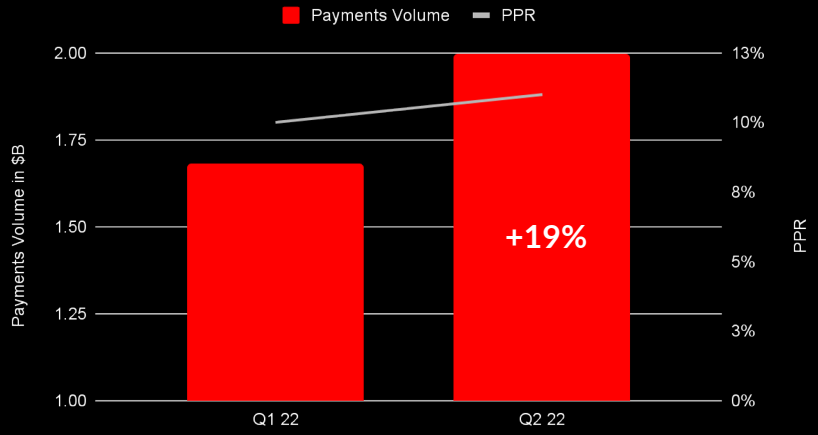
[1] References herein to "organic" growth exclude the impact of any acquisitions that occurred since the end of the prior comparable period so as to provide a consistent basis of comparison. For greater clarity, where an acquisition occurred part way through the prior comparable quarter, such acquisition's contributions in the current quarter are included for purposes of calculating organic growth only to the extent of the same months they were included in the prior comparable quarter.
[2] Key Performance Indicator. See Appendix A

Q2 common questions



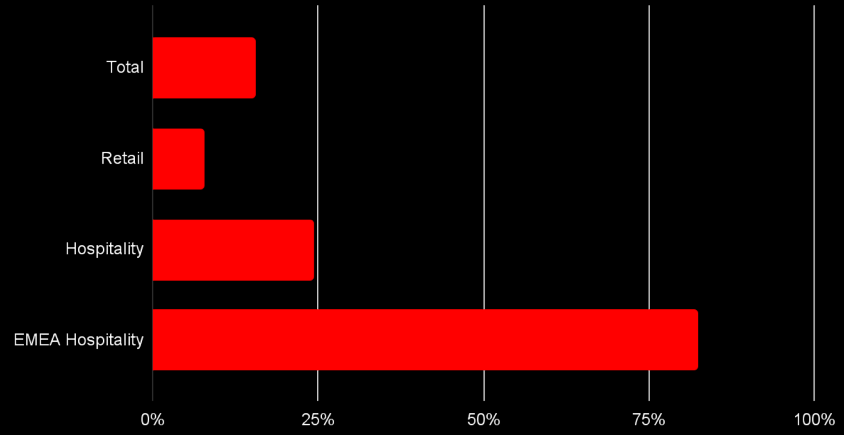
Payments Penetration—
more processing volume and a growing GTV

Payments volume and Payments Penetration Rate



- Payments volume in dollars[1] increased 19% in Q2 from Q1

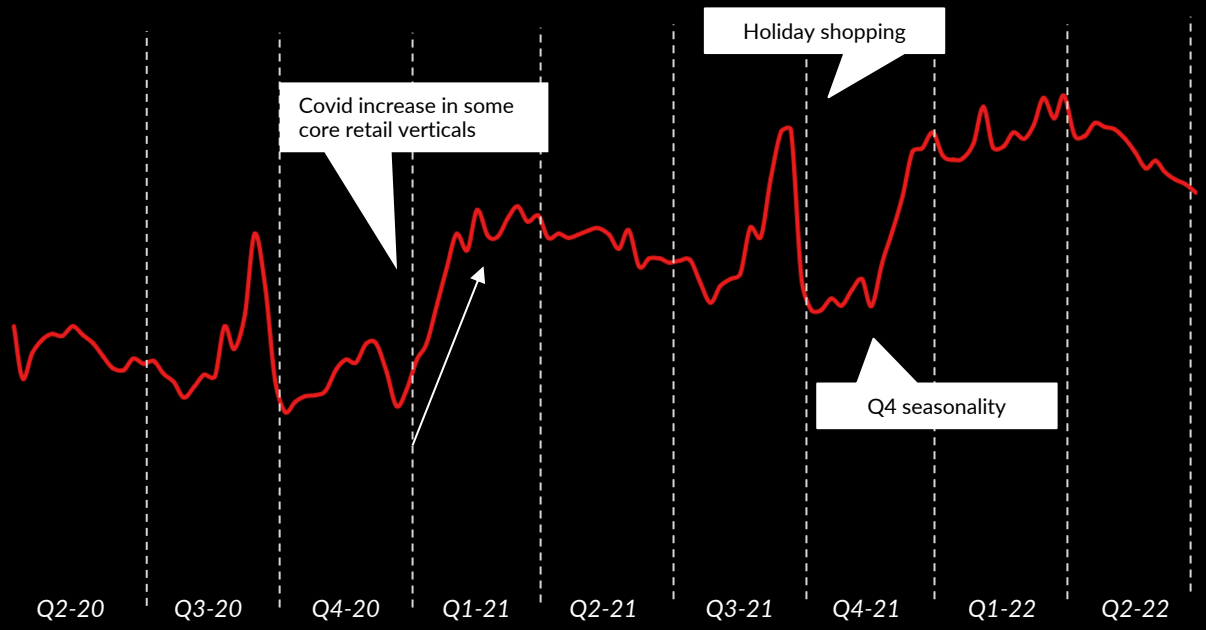
FY22 Q2 over Q1 GTV growth



- Payments volumes to date are concentrated in NoAm
- Payments only recently launched for EMEA hospitality

(1) Payments volume in dollars represents the total dollar value of transactions processed in the period through our payments solutions in respect of which we act as the principal in the arrangement with the customer, net of refunds, inclusive of shipping and handling, duty and value-added taxes. Payments volume in dollars, as used on this slide, is the numerator of our Payments Penetration Rate.

Payments volume per Customer Location by week (U.S. Retail only)



Average payments volume in dollars per week(1) per Customer Location

Tailwinds

1. Merchants are growing
2. Credit cards continue to be favored over cash
3. We are attracting more mid-market customers

Factors considered for guidance

1. Whether supply chain disruptions impact our merchants' ability to meet holiday demand
2. Potential slowdown in verticals benefitting from COVID (bike, home/garden, etc).
3. Seasonality in Q4

(1) Payments volume in dollars represents the total dollar value of transactions processed in the period through our payments solutions in respect of which we act as the principal in the arrangement with the customer, net of refunds, inclusive of shipping and handling, duty and value-added taxes. Payments volume in dollars is the numerator of our Payments Penetration Rate and is presented on this slide on a per week basis for U.S. Retail Customer Locations only.

The Lightspeed story

Dax Dasilva
Founder & CEO



lightspeed

Building communities through commerce

Lightspeed powers the businesses that are the backbone of the global economy.



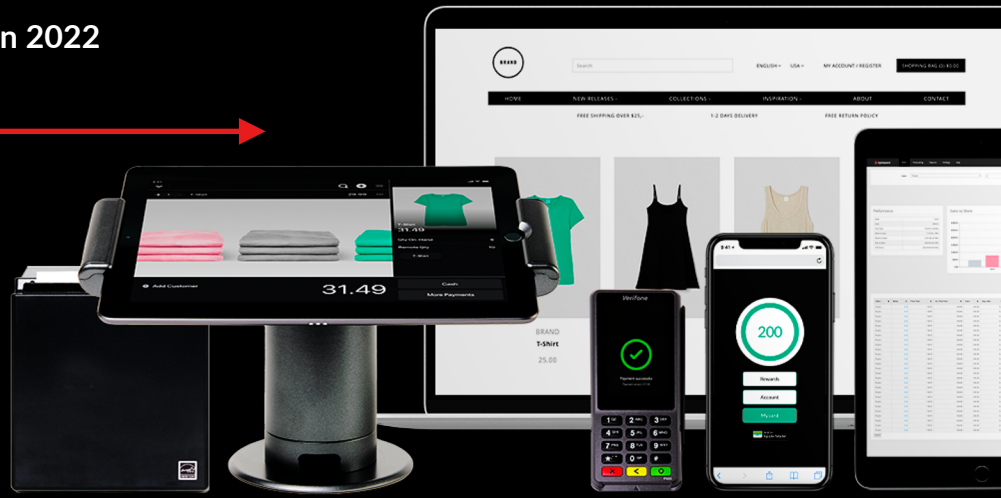
Track record of innovative solutions for the evolving needs of independent merchants

A history of transformative innovation in commerce…

- Mac-based Retail POS solutions
- Mobile-based POS solutions
- Cloud-based POS solutions
- Reporting and Analytics
- POS solutions for Restaurants
- Omnichannel engagement
- Home Delivery
- Loyalty
- Lightspeed Payments

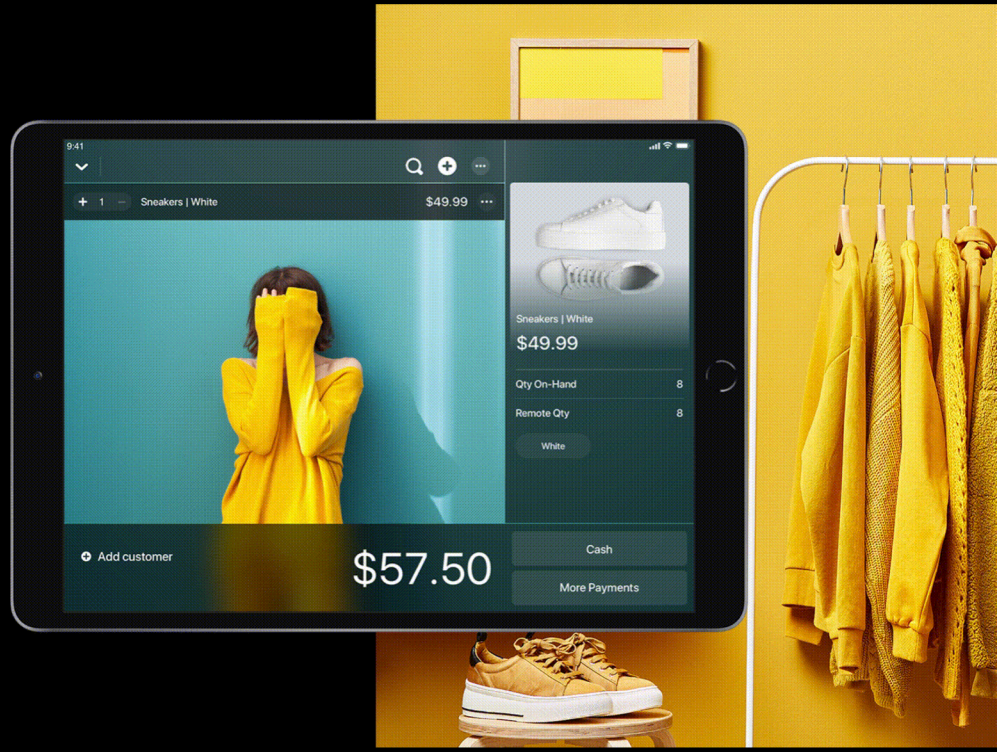
…accelerating in 2022

- Lightspeed Capital
- Lightspeed Supplier Network
- Global Retail & Restaurant flagships



A one-stop commerce platform

Sophisticated, yet intuitive. Powerful, yet simple. Lightspeed is more than a POS—it's the center of a business, online and in-store.



~156k customer locations in over 100 countries*

We provide a one-stop commerce platform for merchants around the world.



*Based on data reported as at September 30, 2021

New York Stock Exchange

September 2020



A vision of the future

JP Chauvet
President



lightspeed

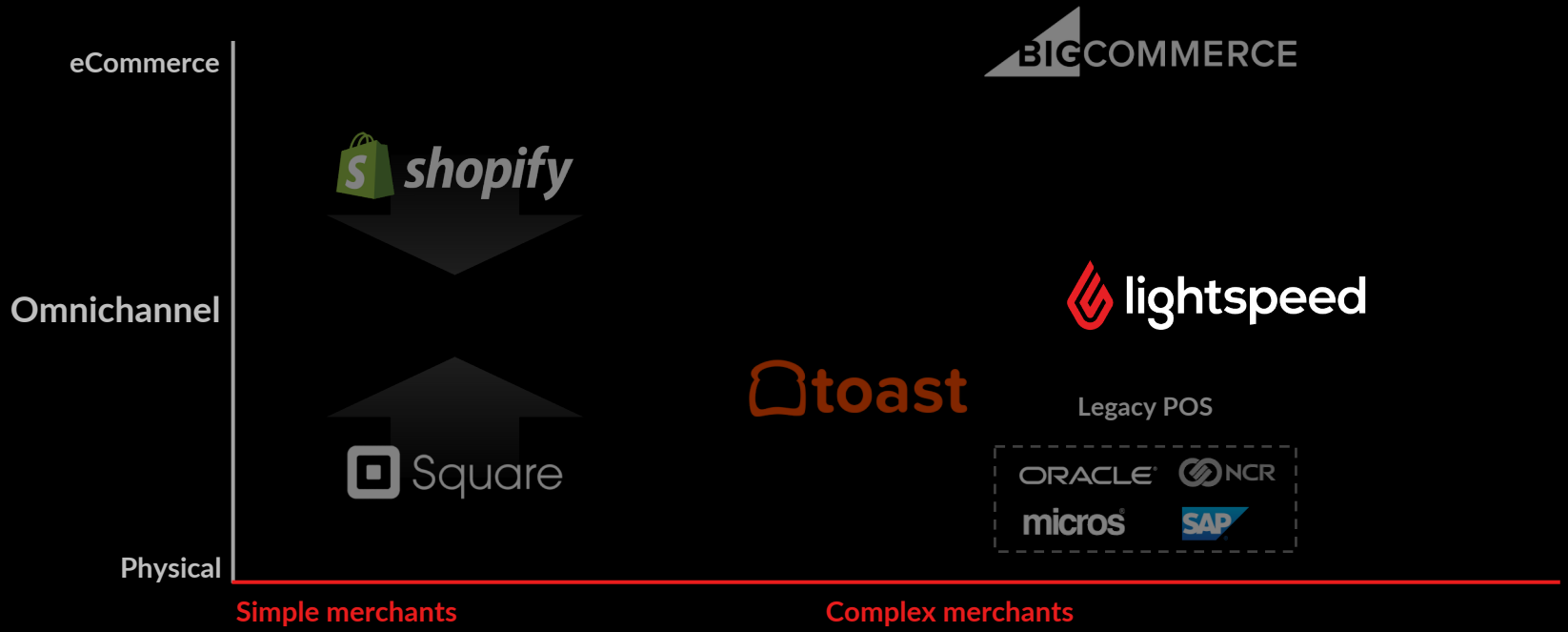
Large total addressable market

Large market opportunity as digital transformation accelerates.



(1) Source: 2018 data from AMI Partners. SMBs employing 5 to 499 employees in the Retail and Restaurant industry sectors. AMI Partners defines "SMBs" as businesses employing 1 to 499 employees in the following industry sectors: Retail, Restaurant, Agriculture/Mining, Banking/Financial, Construction, Healthcare, Hospitality, Information & Media, Insurance, Life Sciences, Other Services, Pharmaceuticals, Process Manufacturing, Discrete Manufacturing, Professional Services, Real Estate, Telecommunications, Transportation, Utilities, and Wholesale.
(2) Source: 2018 data from AMI Partners. SMBs employing 1 to 499 employees in the Retail and Restaurant industry sectors.

Winning in a market segment that we believe is inadequately served



This chart outlines information with respect to other selected publicly-traded software as a service providers (the "comparables"). The information relative to the comparables has been obtained or derived from public sources and has not been verified by the Company.

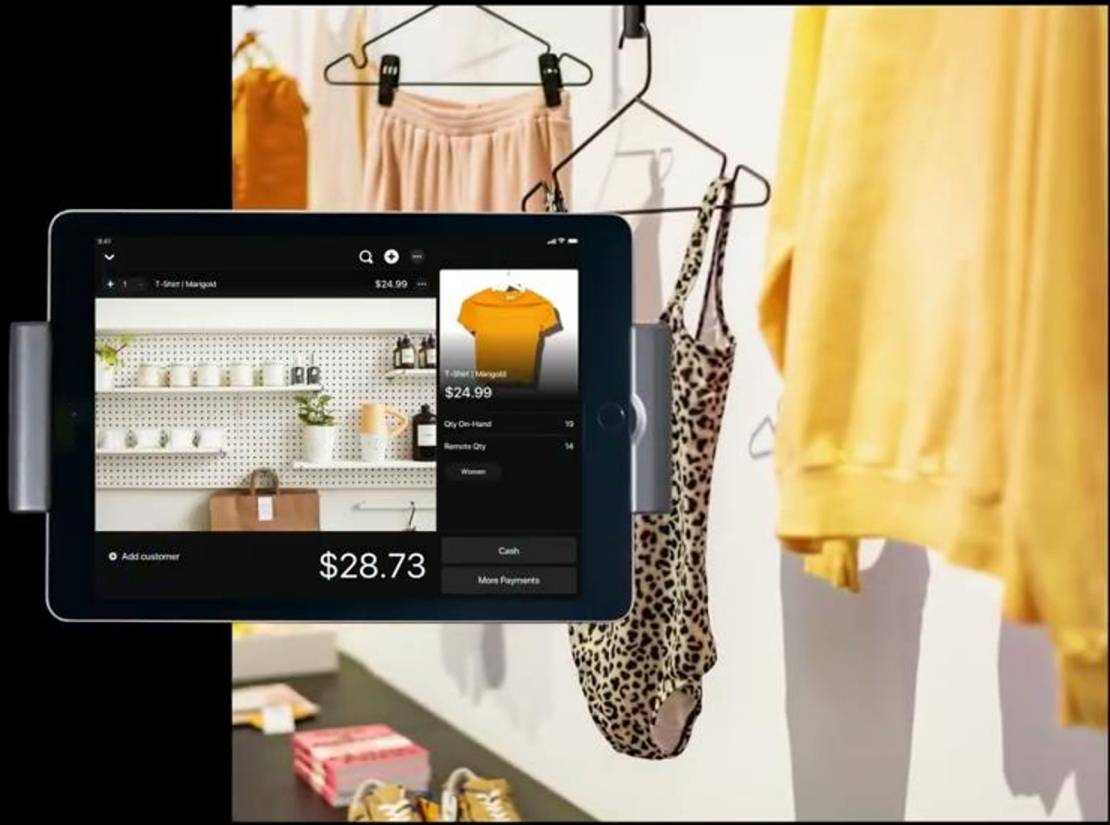
The Lightspeed difference

	Legacy POS Systems	Omnichannel Commerce OS	Typical cloud POS
Cloud deployment			
Front-office interface			
Back-office sophistication			

Lightspeed Restaurant



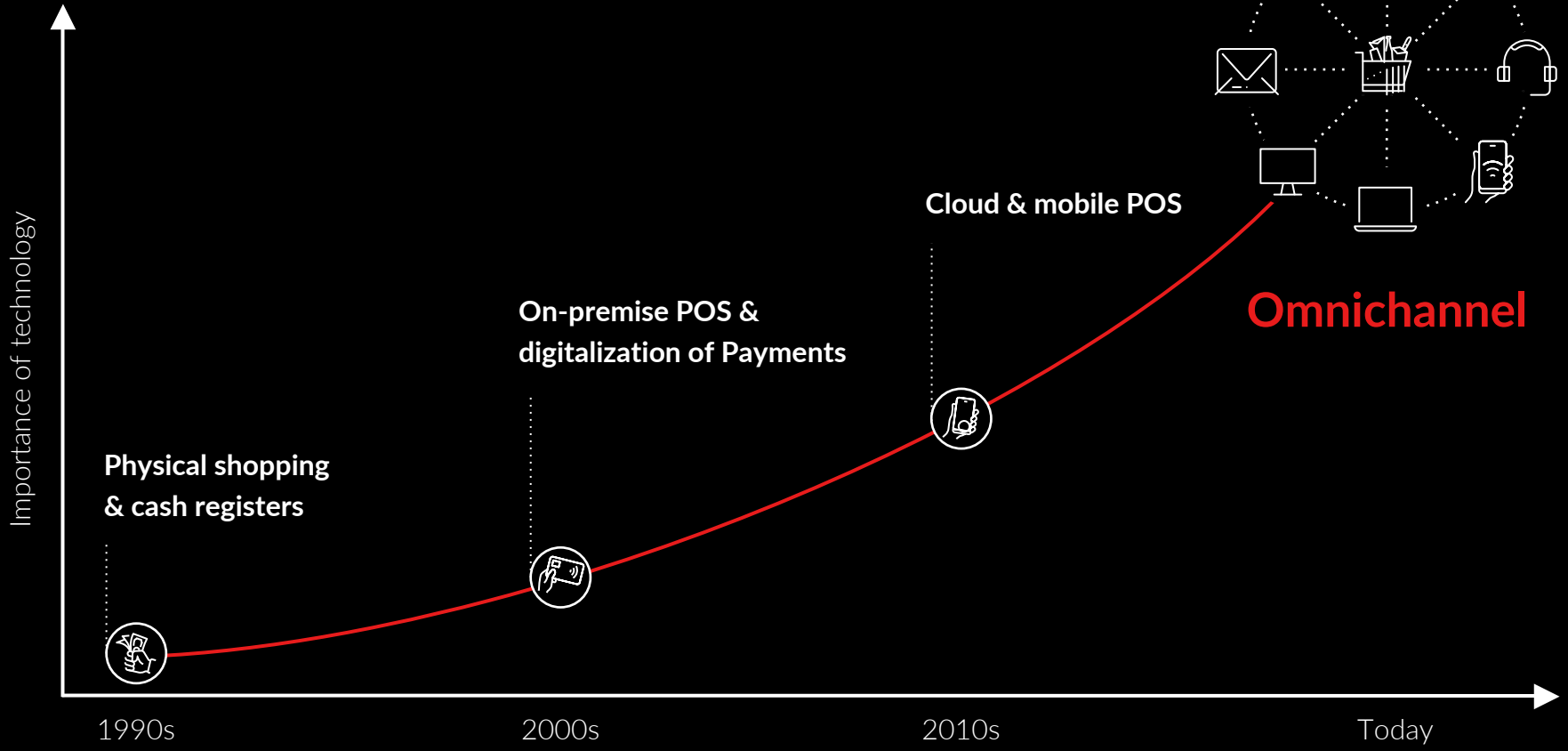
Lightspeed Retail



1

Past > present > future

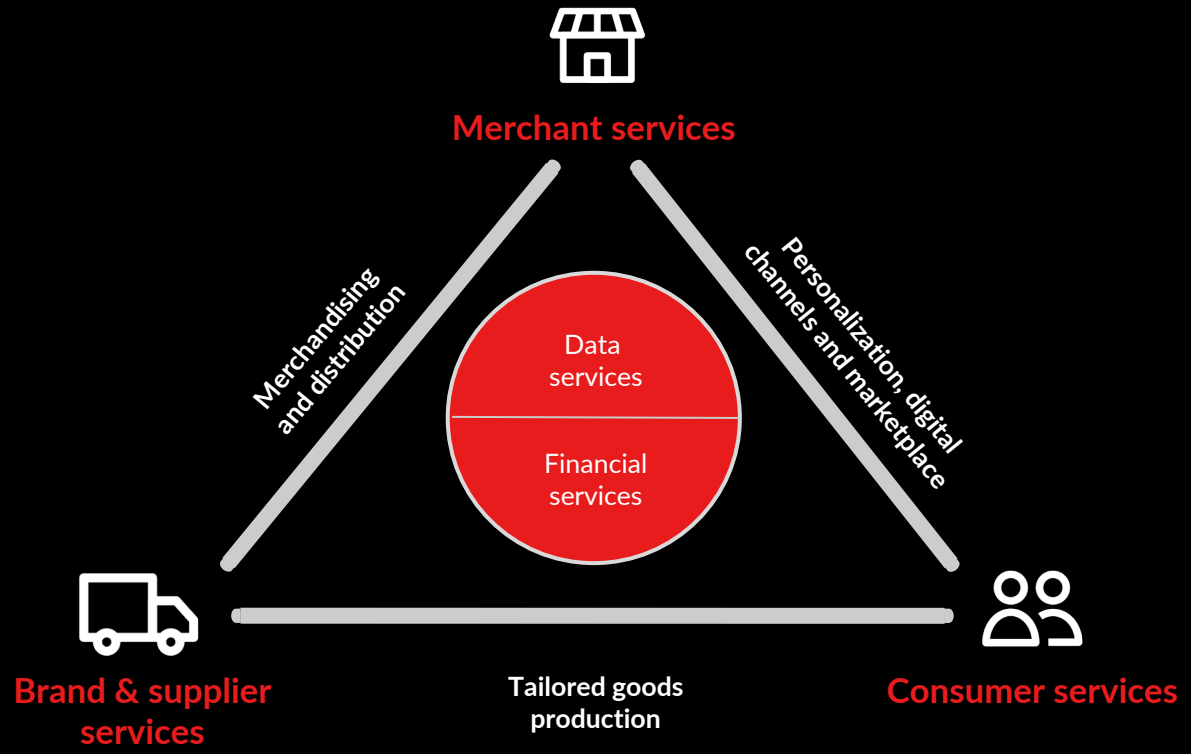
A quick history of commerce and technology



Lightspeed today:
Cloud POS platform primarily focused on merchant value



Lightspeed in the future: Commerce platform



COMMERCE PLATFORM

- Merchant services
- Supplier services
- Consumer services
- Financial services
- Data services

2 Future value proposition

The unique offering for merchants, suppliers and consumers

Value proposition for merchants

Complete commerce platform that scales with your business

Direct integration with suppliers for on-demand inventory management

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Connect with consumers wherever they are: in-store, online, social media, Lightspeed and/or third party marketplaces

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Insights, data analytics and recommendation engines for extra revenue and margin

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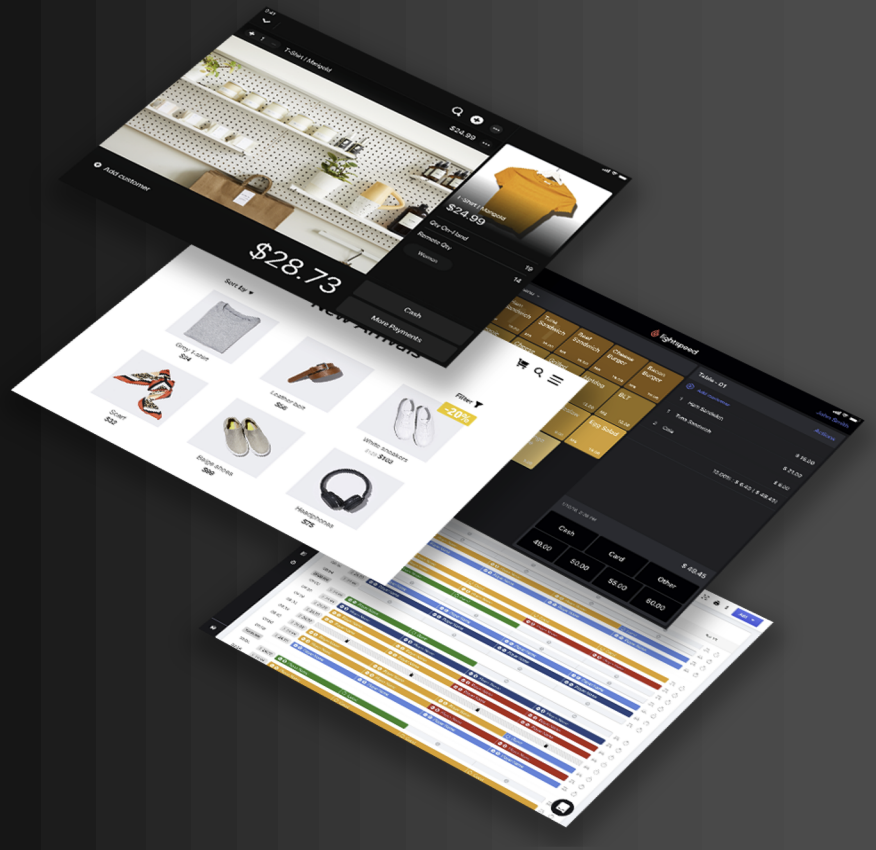
Financial solutions to accept payment, advance capital and much more



Value proposition for brands and suppliers

Democratizing the supply chain with ordering and payment straight from the merchant's POS

Understand what sells and where

Data insights on consumers and trends to tailor production of goods

Brands can control the distribution in the network



Value proposition for consumers

One account for profile, preferences, infos and shopping/booking habits

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Tailored and customized shopping experience in-store and online

---

Discover, access and buy from unique local merchants and restaurants

---

Convenience and quality of service equivalent to the big brands and eCommerce marketplaces

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Give back to the community and promote small businesses



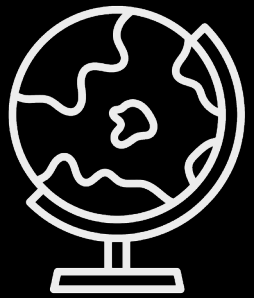
3

The network effect

Concentration and unique defensible position

A focus on building critical mass to achieve the network effect

HOSPITALITY



Geographical concentration

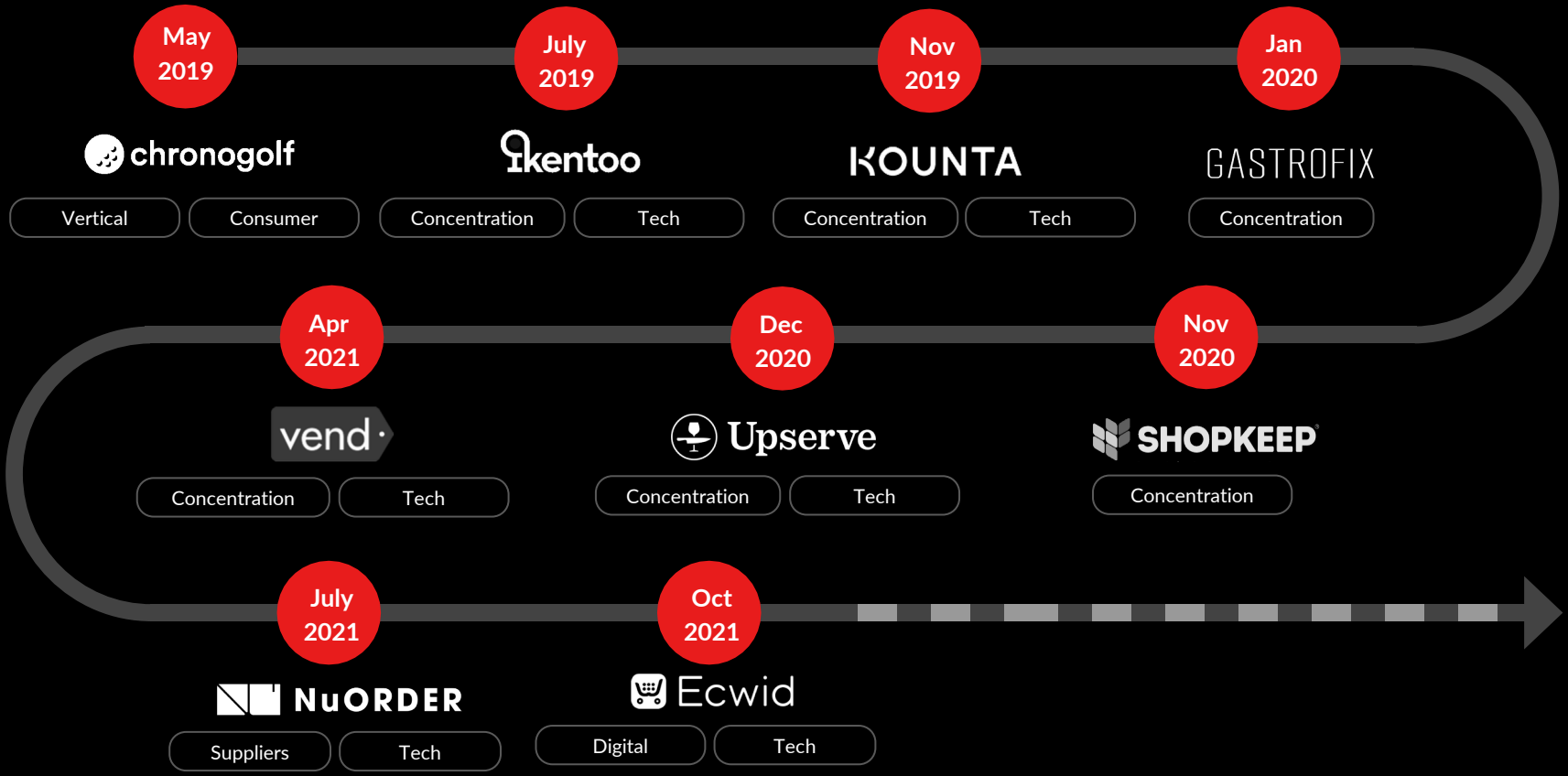
Cities, regions, countries

RETAIL



Vertical concentration

Strategic acquisitions to accelerate execution



Defensible position:
Concentration drives network effects

Strong barriers to entry

Commerce platform for the local world

Digital and physical: a solution that aims to serve merchants of all sizes in our verticals/clusters

Suppliers and merchants drawn to the network to be competitive

Grow faster at reduced customer acquisition cost

Endless inventory

Merchants ability to show supplier inventory without owning the stock

A community of consumers

Brand awareness, revenue stream, consumer insights

Our goal

1. A merchant on Lightspeed has a higher chance of success than on any other platform
2. Regardless of whether you are digital first or brick-and-mortar, whether you are starting or growing an established business, as long as you are in our key verticals, we want you as a customer
3. For brands in any of our verticals, we become the distribution network with the reach to power your business
4. Everybody within the network—suppliers, merchants and consumers—gets value from Lightspeed, accelerating our growth at a lower cost
5. Making powerful technology accessible for merchants to go head-to-head with industry giants

4 Growth opportunities

Unlocking new opportunities

Significant growth opportunities

Flywheel effect

All parties benefit = more referrals

Better unit economics

Suppliers attract retailers, retailers attract suppliers

Financial services

Expanded audience for Payments and Capital

Fully monetize B2B and B2C volume

Support customer business growth with Lightspeed Capital

Data services

Sell-through data

Trends and insights within verticals

Merchant desire for inventory visibility and new product ideas

Lightspeed as distribution

New product discovery for merchants

New distribution avenues for suppliers

Merchandising between stores

lightspeed

Coffee break

Our business

Michael DeSimone
Chief Business Officer



lightspeed

Lightspeed's core business lines



Hospitality



Retail



Golf



Financial services

Payments and Capital

Global operating footprint



NOAM

Canada
USA

EMEA*

Belgium
Germany
UK
Switzerland
France
Netherlands

APAC

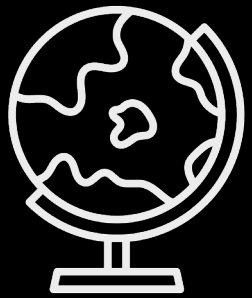
Australia*
New Zealand

**Lightspeed Payments launched in this market in 2021*

Critical mass to achieve the network effect

Data, suppliers, consumers, distribution channels

HOSPITALITY



Geographical concentration

Cities, regions, countries

RETAIL



Vertical concentration

Our global merchant platforms



Lightspeed
Restaurant

Upserve | kounta | ikentoo | GASTROFIX



Lightspeed
Retail

Ecwid | vend | SHOPKEEP | NuORDER



Lightspeed
Financial services

NuORDER | SHOPKEEP | Upserve

One Lightspeed





Ana Wight
General Manager,
Retail



Peter Dougherty
General Manager,
Hospitality



Jona Georgiou
General Manager,
Financial Services

1 Hospitality business



Global market leader



NOAM

Canada
USA

EMEA*

Belgium
Germany
UK
Switzerland
France
Netherlands

APAC

Australia
New Zealand

Target customer characteristics



Bars, restaurants & local chains



Fine dining



Hotels & multi-revenue center

- Easy setup & included onboarding
- Fast and easy-to-use interfaces
- Restaurant-grade hardware
- Order Anywhere

- Accounting integrations
- Multi-location & menu management
- High level of customization
- App ecosystem + API



I've used Aloha, POS Touch, Micros.
I've used pretty much everything out there and once you buy it, you are just stuck with it. But with Lightspeed, it's an app and it keeps evolving which I like.

— Tara Morrow

Owner, Cafe Lola Restaurant

Powered by Lightspeed Restaurant since 2021

What restaurants need today

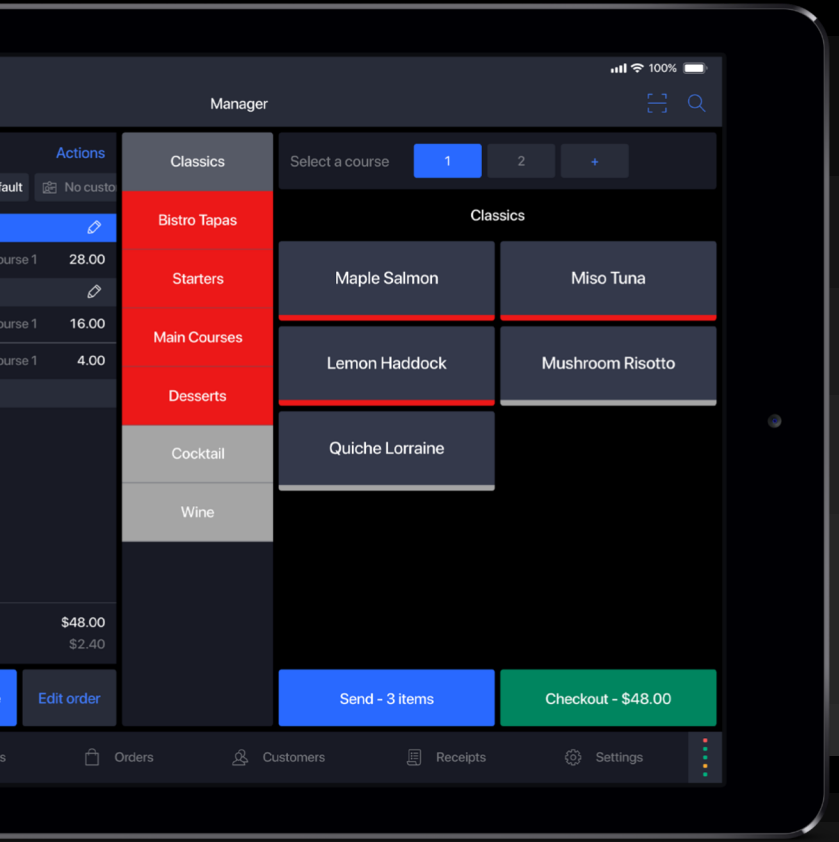
No compromise omnichannel

Elevated guest experience

Active margin management

Automation, redundancy and reliability



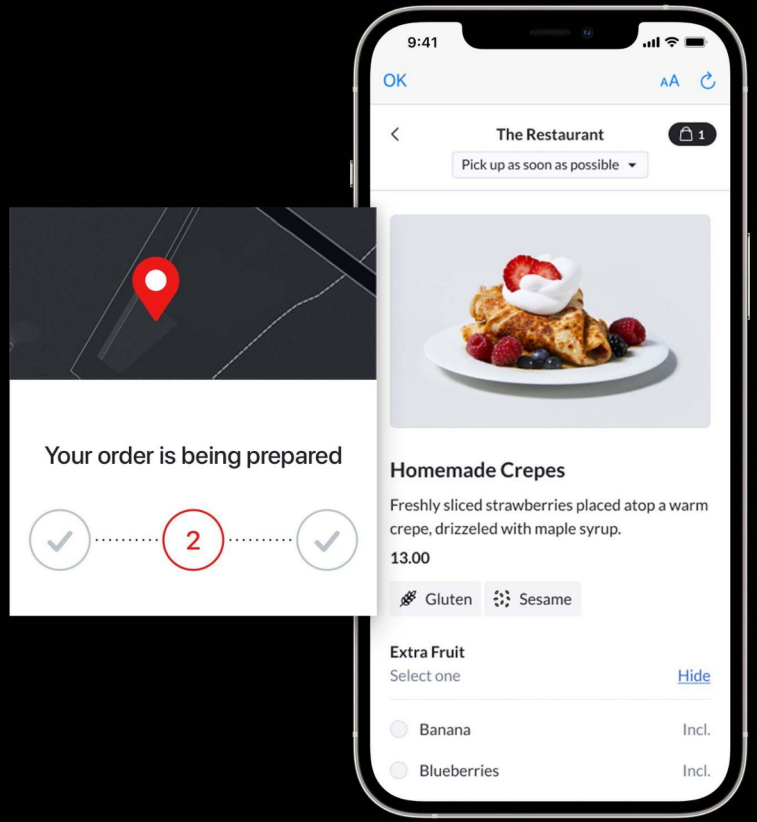


The one-stop restaurant platform

- Optimized by years of user testing, Lightspeed Restaurant is easy to use and learn, key for hiring and retaining new staff and running smoother shifts
- Offer customers order ahead, curbside pickup, contactless ordering and tableside payments with unique bill splitting options
- Best-in-class analytics engine with menu insights quadrant, labor planning and margin recommendations
- Private blockchain technology underpins check syncing, compliance and security
- Single platform built for the global hospitality market

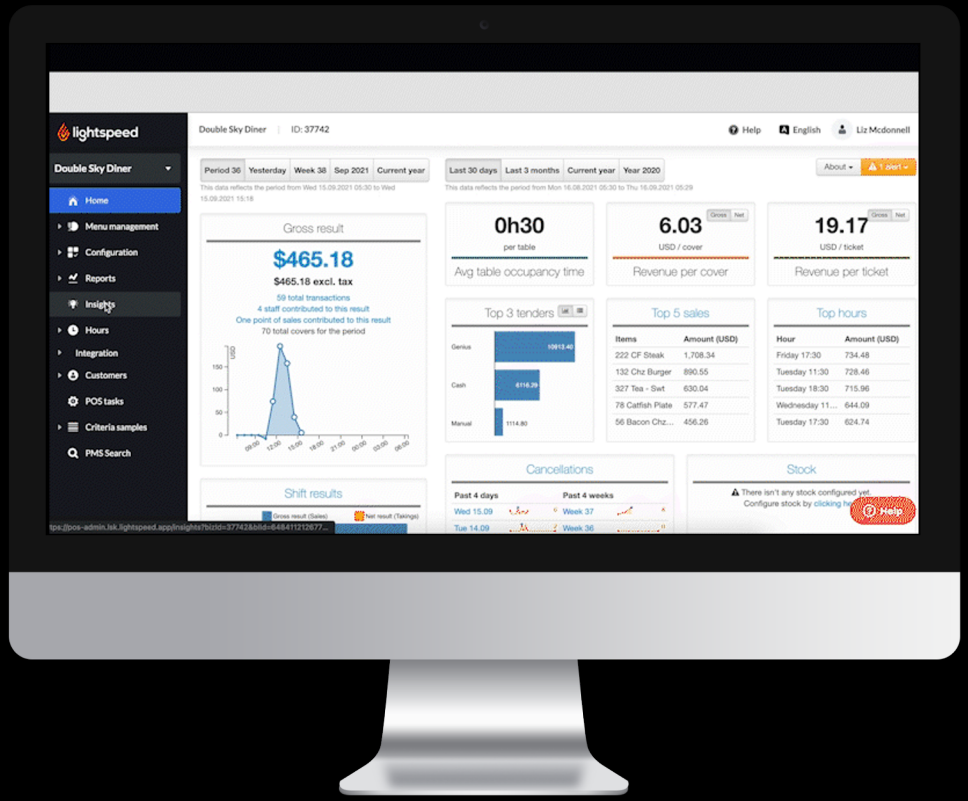
Exceptional guest experience

- Order Anywhere
- Coursing for table service
- Split check by seat, amount or menu item
- Fully integrated payments



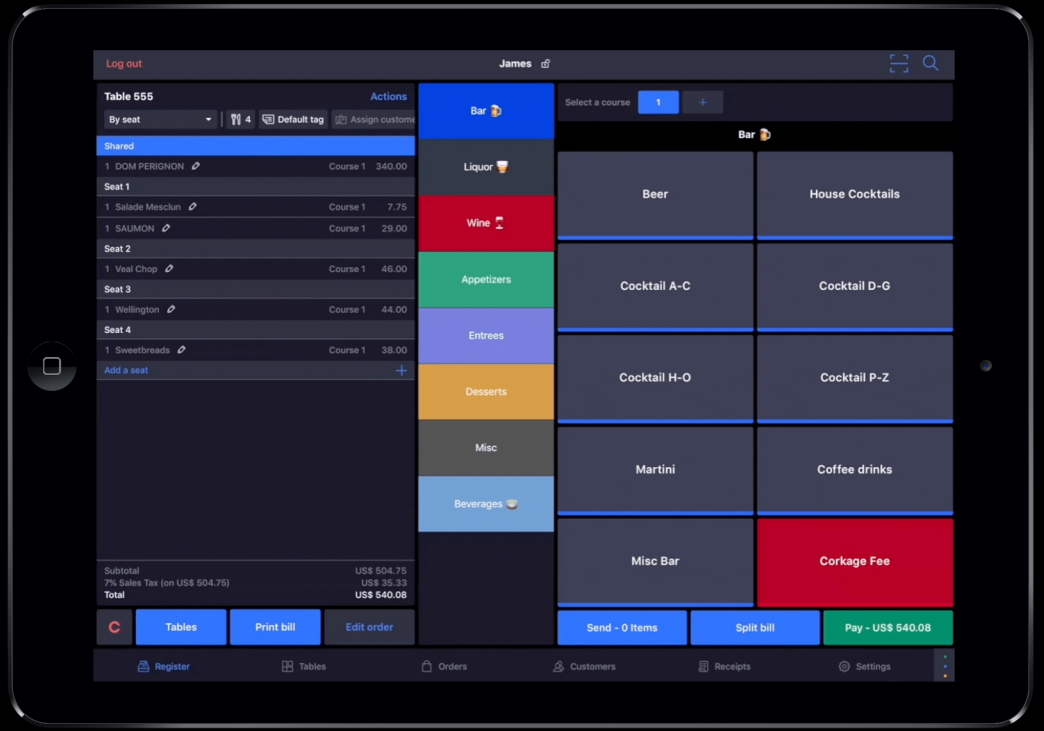
Margin management

- Advanced analytics
- Integrated to payment processing
- Ingredient and waste tracking
- Employee management



Automation

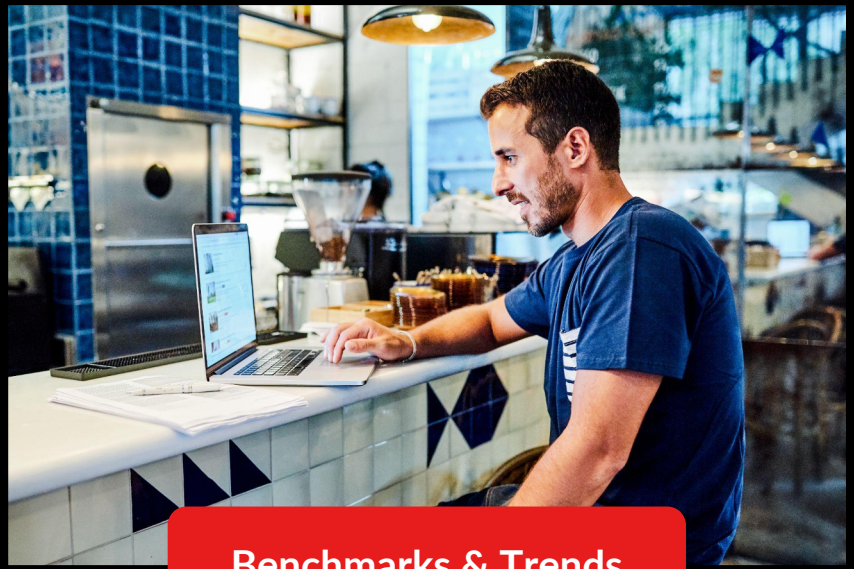
- Sleek, intuitive interfaces
- Automated workflows
- Centralized menu management
- Check splitting and payments



Enhancing our competitive position

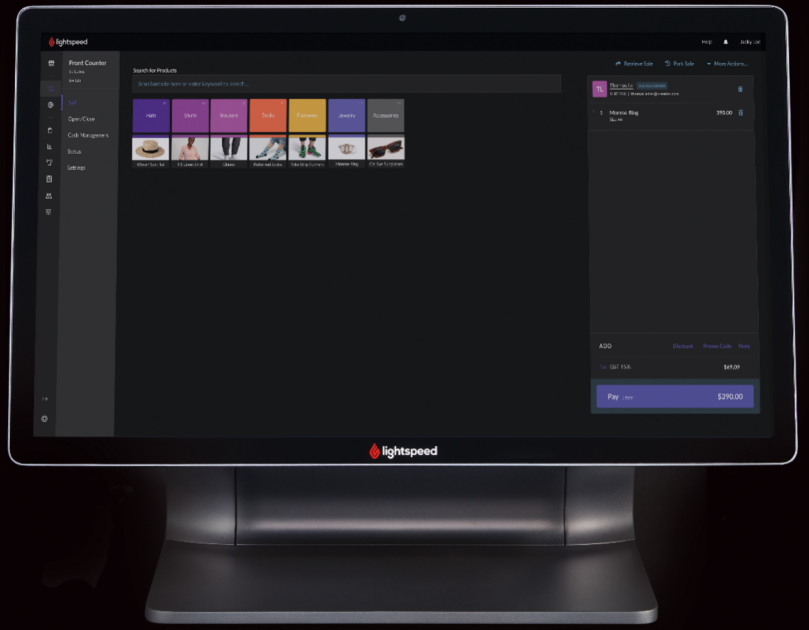


Lightspeed Suppliers



Benchmarks & Trends

2 Retail business



Global market leader



NOAM

Canada
USA

EMEA*

Belgium
Germany
UK
Switzerland
France
Netherlands

APAC

Australia
New Zealand



> Lightspeed is like the spinal cord of my business. It's needed in 9.5 out of 10 parts of what I do. What really sold me was the inventory management system. My warehouse is often the last touchpoint of my business so Lightspeed's features really protect my bottom line. I wouldn't know anything without it.

— **Damon Gabriel**

Owner, Artful Ellijay

Powered by Lightspeed Retail and Lightspeed eCommerce since 2018

What retailers need today

Comprehensive back-office operational features

No compromise omnichannel

Embedded financial services that enable them to optimize and grow

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Impactful tools to grow and scale their business



Target customer characteristics

Core verticals

- ✓ Apparel & Footwear
- ✓ Vet & Pets
- ✓ Home & Garden
- ✓ Toys & Hobbies
- ✓ Sporting & Outdoor
- ✓ Health & Beauty
- ✓ Books
- ✓ Golf
- ✓ Gift
- ✓ Bikes
- ✓ Jewellery
- ✓ Vape & Smoke

Core markets today

- North America
- United Kingdom/ Europe
- Australia / New Zealand

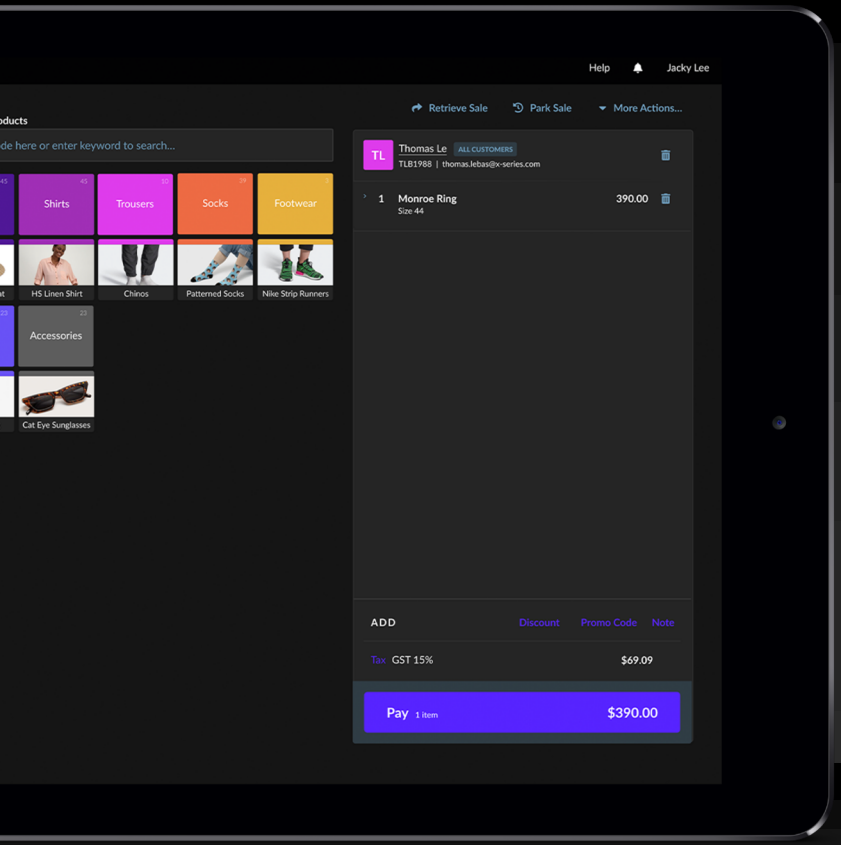
Sales channels

- In-store
- Online
- Marketplace
- Social

Omnichannel: Physical-first or clicks-to-mortar

Sophisticated merchants with several thousand SKUs & service/repair

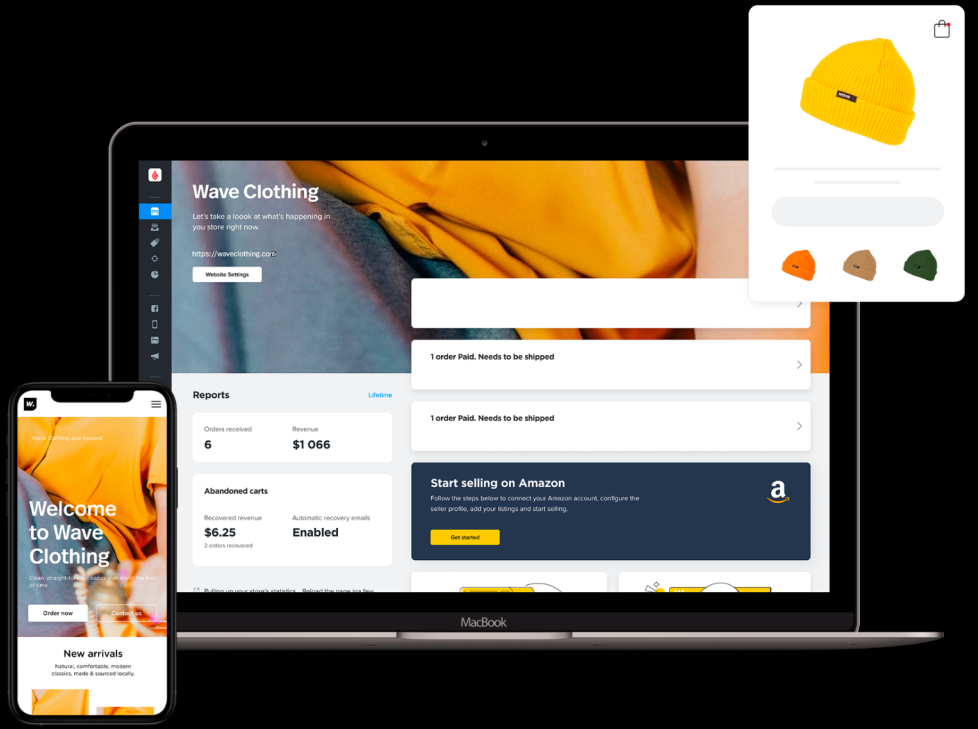
Single, multi-location and franchises



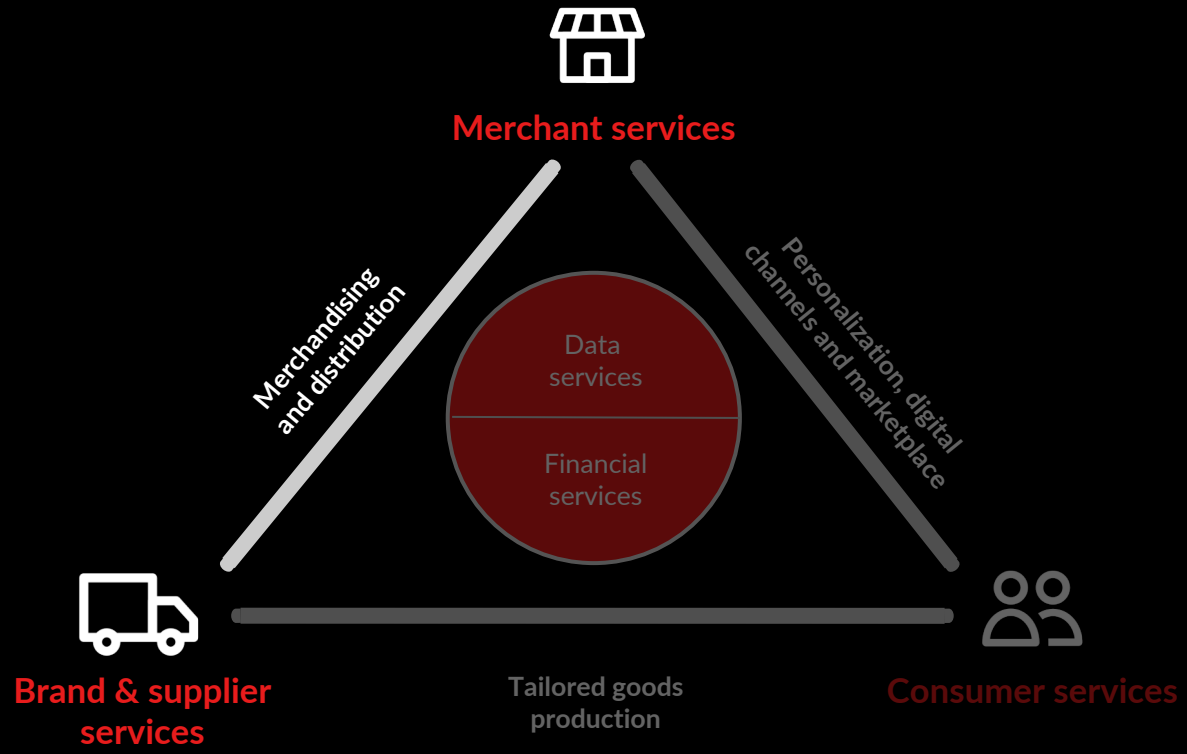
The one-stop retail platform

- Easy to use and train on, key for hiring and retaining new staff and essential for running smoother shifts
- Reaches customers on whatever channel they use and fulfills sales via delivery or pickup
- Reports on every angle of your business so merchants order the right products at the right time, never miss a sale and avoid dusty inventory
- Easy to build to for partners and developers, enabling integrations across the retail ecosystem
- Single retail platform built for the global market

Lightspeed eCommerce



The future of Lightspeed: Commerce platform



COMMERCE PLATFORM

- Merchant services
- Supplier services
- Consumer services
- Financial services
- Data services

The retail disconnect



Brands



Retailers

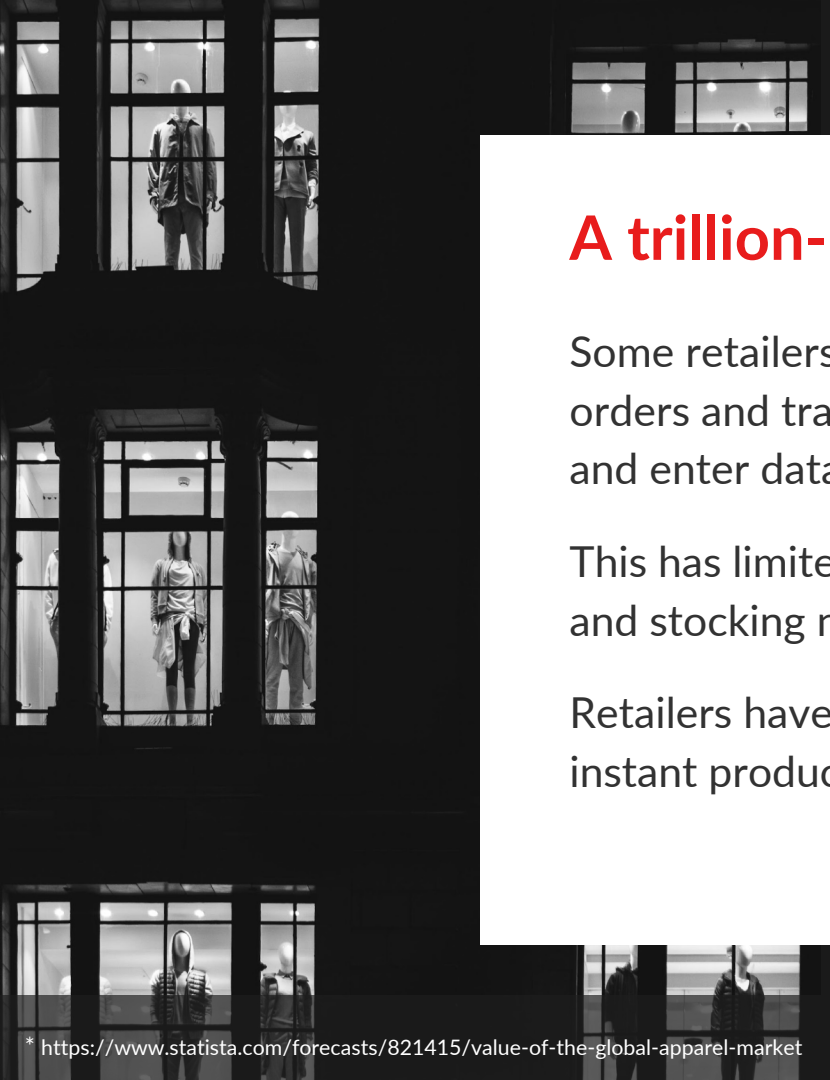


Consumers

Brands and retailers struggle to run their systems in sync with each other

Brands and retailers operate on islands with disparate systems.

They fly blind, which may result in lost revenue, inefficiencies and a poor consumer experience.



A trillion-plus dollar industry is broken*

Some retailers and brands use spreadsheets to compile orders and trade data. Both manually manipulate and enter data into non-integrated systems.

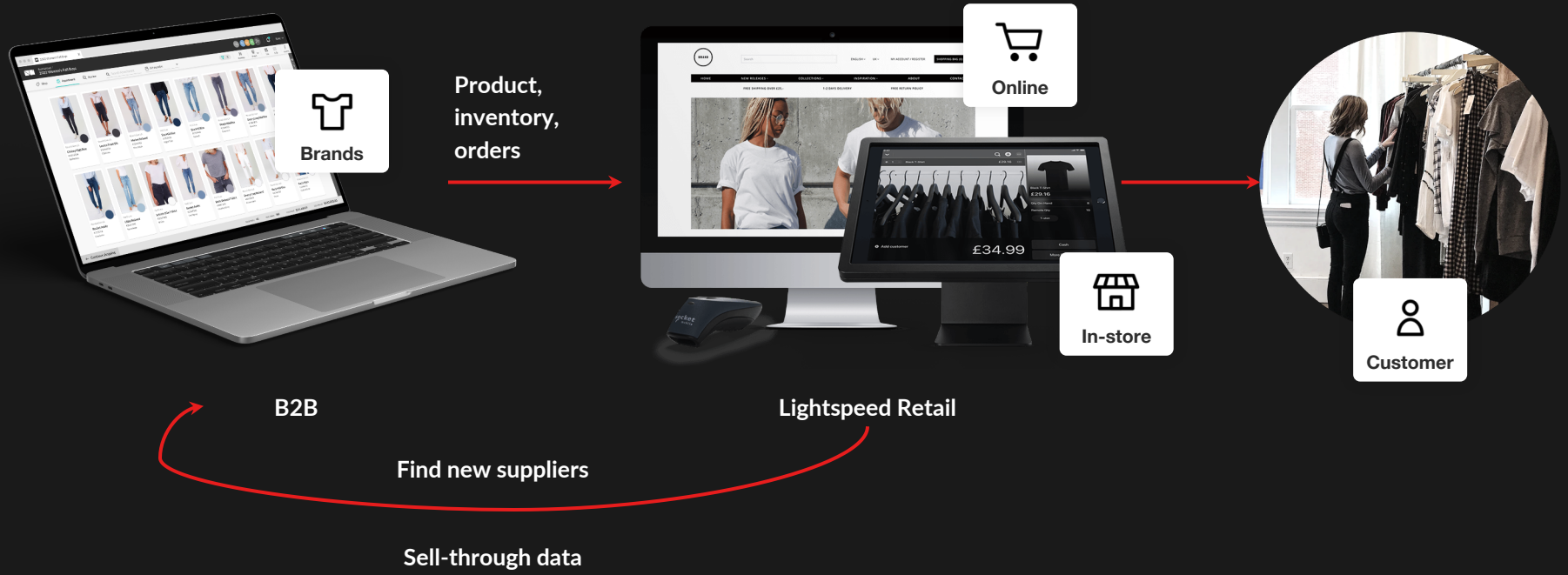
This has limited brands' visibility on retailer performance and stocking needs.

Retailers have been hindered to replenish stock quickly, receive instant product information and visualize their assortment.

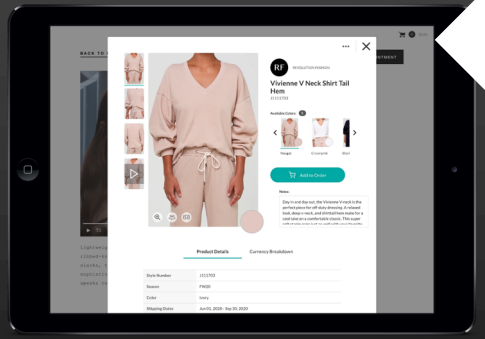
...until now

* https://www.statista.com/forecasts/821415/value-of-the-global-apparel-market

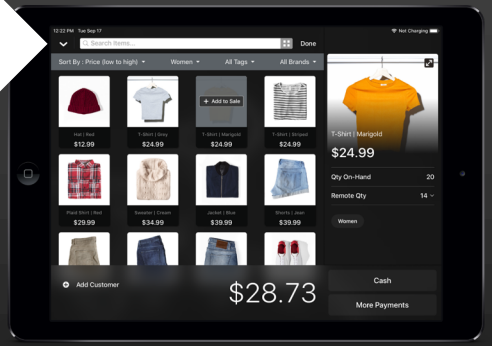
Our solution: connected commerce to power B2B2C



Value drivers



A GLOBAL B2B NETWORK



Data & insights

Payments & financial services

Marketplace

Brands

Sales & ordering

Digital catalog

Virtual showrooms

Merchandising

Retailers

Integrated ordering with product data

Automated replenishment

Retail assortments

Endless aisle & dropship

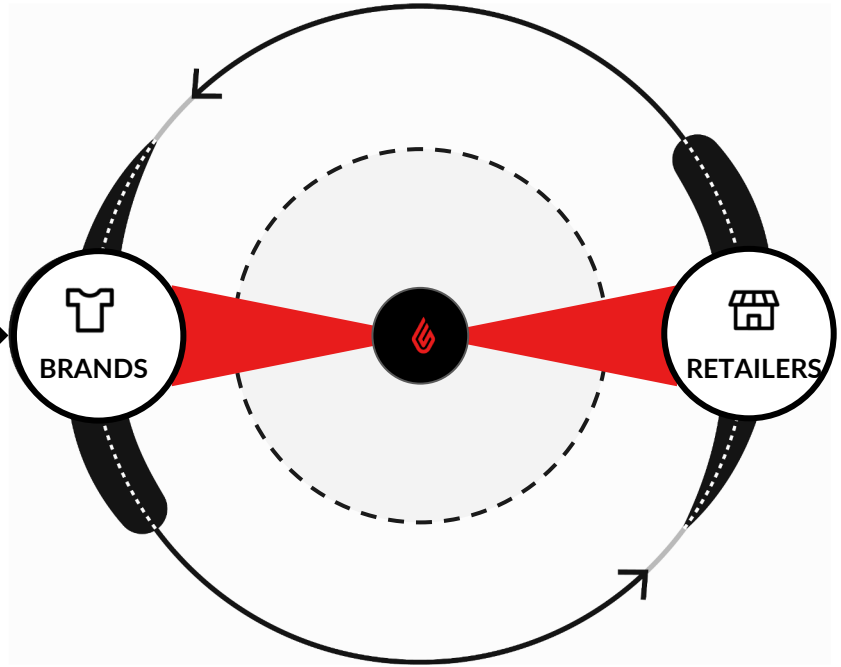
Network advantage

Gravitational pull of users can lead to:

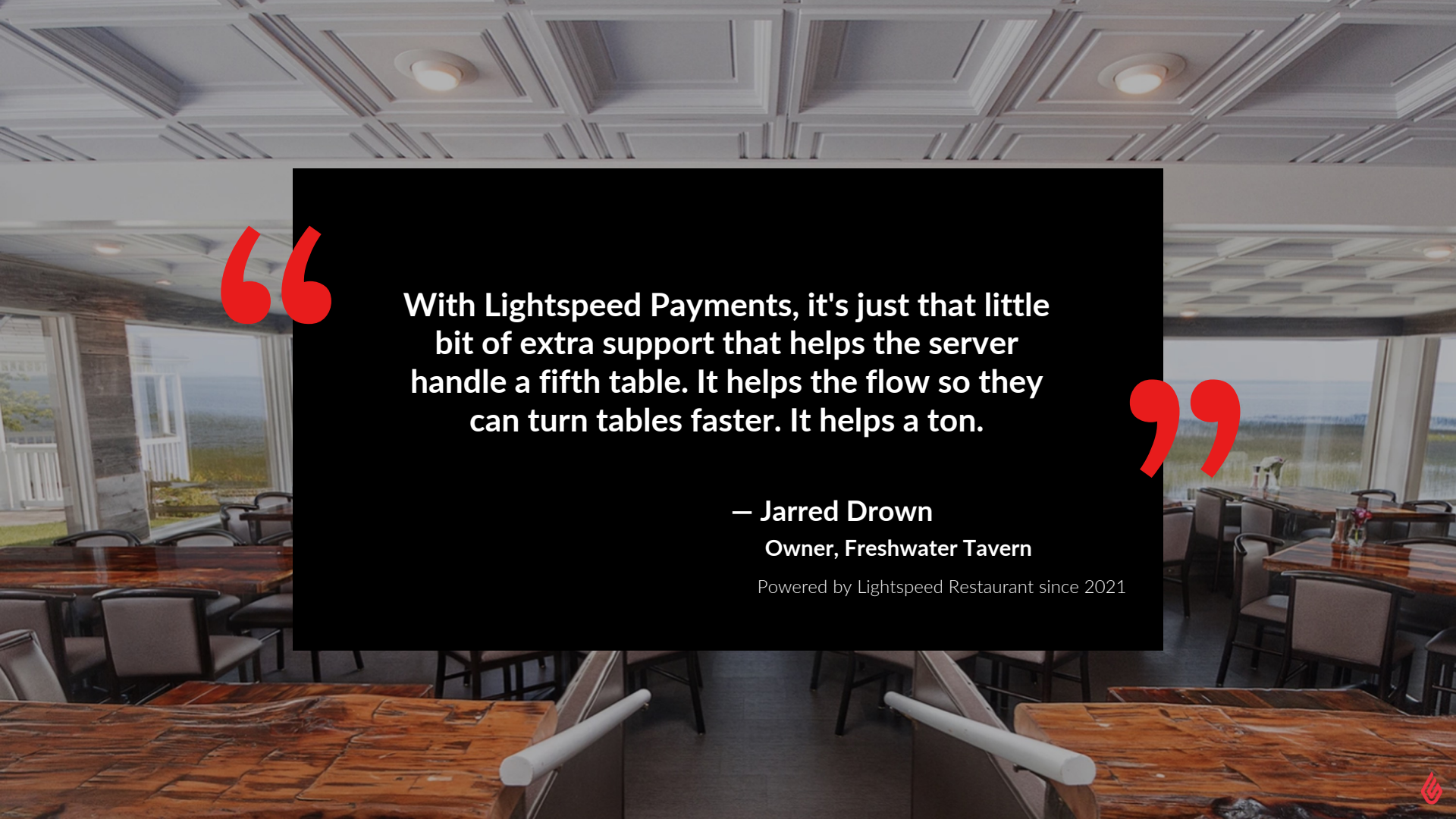
Revenue acceleration

&

Competitive defensibility



3 Payments and financial services



> With Lightspeed Payments, it's just that little bit of extra support that helps the server handle a fifth table. It helps the flow so they can turn tables faster. It helps a ton.

— Jarred Drown

Owner, Freshwater Tavern

Powered by Lightspeed Restaurant since 2021

The daunting task facing independent businesses

Running a business can be overwhelming

- Curbside pickup and delivery
- Omnichannel
- eCommerce and mobile
- Accounting

Lack of unified support

- Compliance
- Supplier payments

Time consuming

- Payment processing
- Reporting and reconciliation

Underserved and ignored

- Capital
- Local payment options
- Loyalty and Subscriptions
- Complex workflows



Location 1 · Location 2 · Online · Mobile

Lightspeed: A one-stop commerce platform

Seamlessly unifying point solutions in a complex and evolving omnichannel world

POS	Curbside pickup and Delivery	Reporting & reconciliation	Compliance	Loyalty and Subscriptions	Complex workflows	Payments
Omnichannel	eCommerce and mobile	Local payment methods	Accounting	Order Ahead	Supplier payments	Capital

Lightspeed

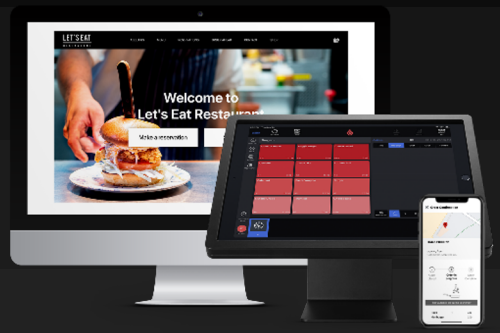


Location 1 Location 2 Online Mobile

Empowering omnichannel experiences in multiple industries



Retail



Hospitality



Golf

Lightspeed Payments & financial services

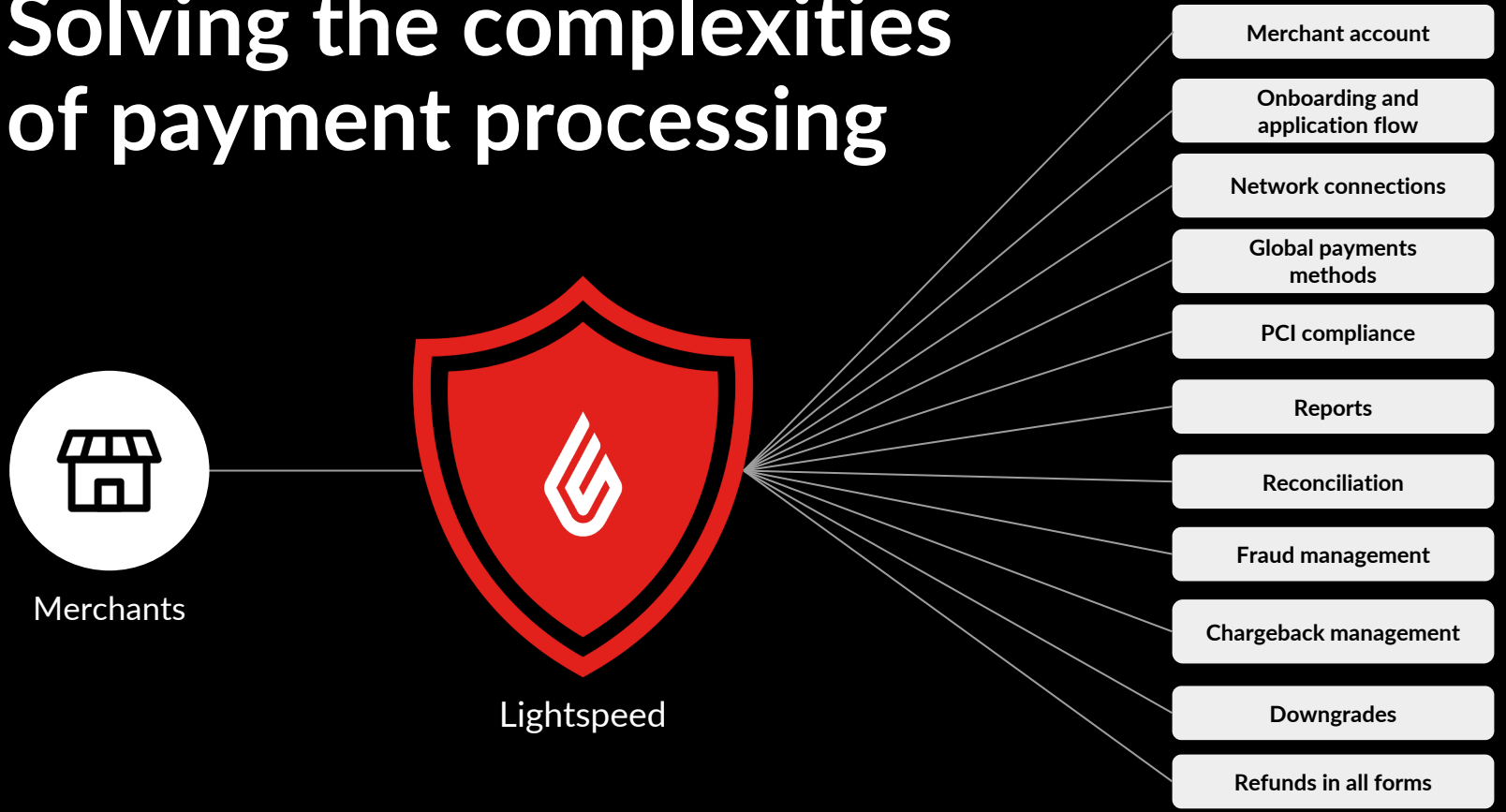
Single integrated experience in-store, online and mobile

Lightspeed Payments

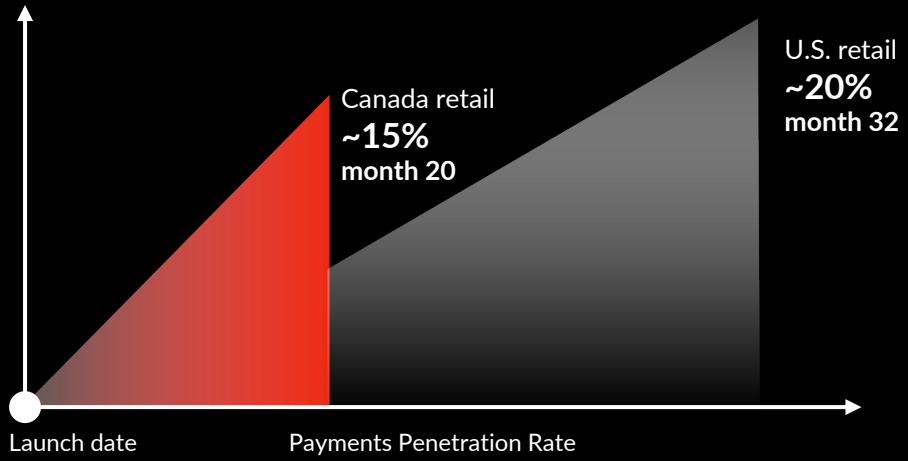
- Fully integrated to Lightspeed ecosystem, streamlines reporting, reconciliation, returns, exchanges, etc.
- Flexible, best-in-class payment service facilitates taking payments wherever customers are
- Simple pricing with no hidden fees
- Consistent consumer experience across geographies
- Flexible, industry-leading payment devices and secure connectivity allows merchants to easily accept payments at the counter, on the floor, on the go and online

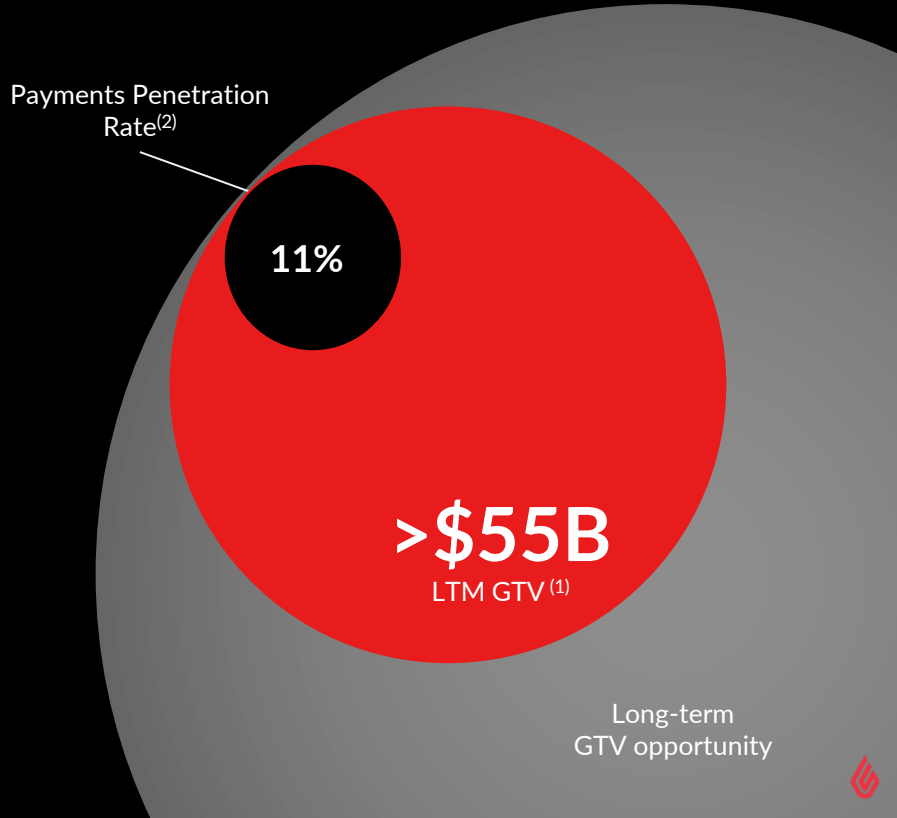


Solving the complexities of payment processing



The Lightspeed Payments opportunity





(1) LTM GTV as of September 30, 2021
(2) As at September 30, 2021

Recent launches in new global markets



NOAM

Canada
USA



EMEA*

Belgium
Germany
UK
Switzerland
France
Netherlands



APAC

Australia*

*Lightspeed Payments launched in this market in 2021

Lightspeed Capital

Fueled by Payments

Reliable on demand capital

- Advances up to $100,000
- Easy, fast and simple approval process
- Rapid access to funds

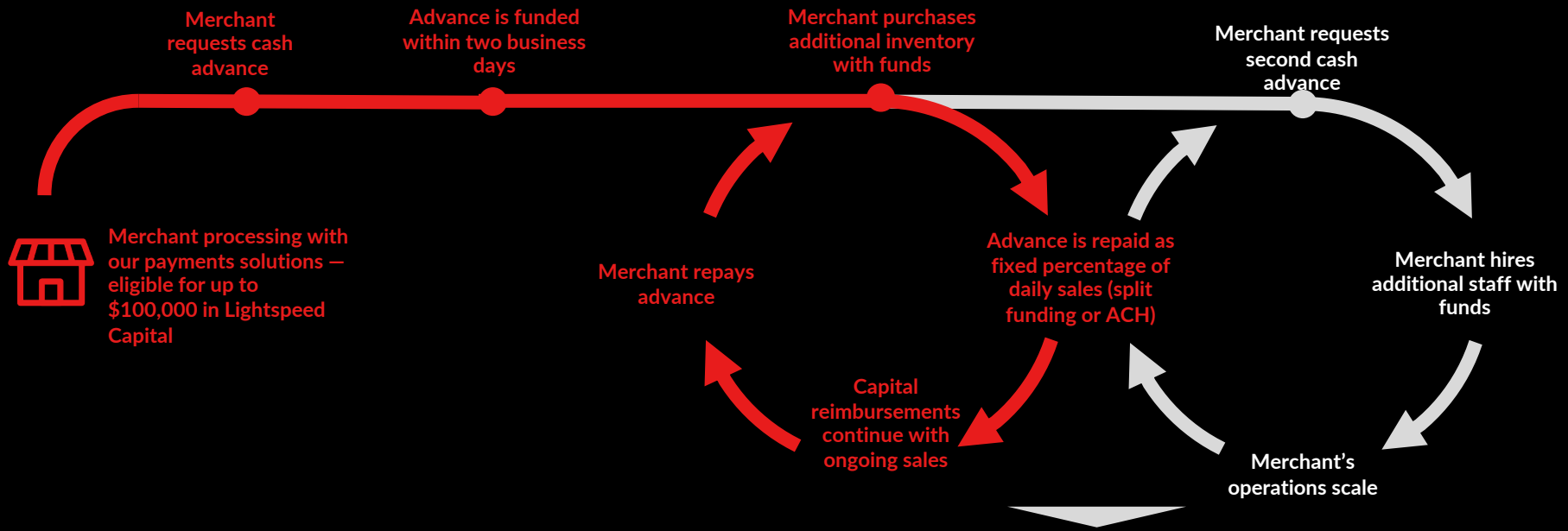
Flexible terms

- No fixed payment or timeframe
- Repayment process based on a set percentage of daily sales
- Cost of advance never changes while outstanding

Funds to propel growth

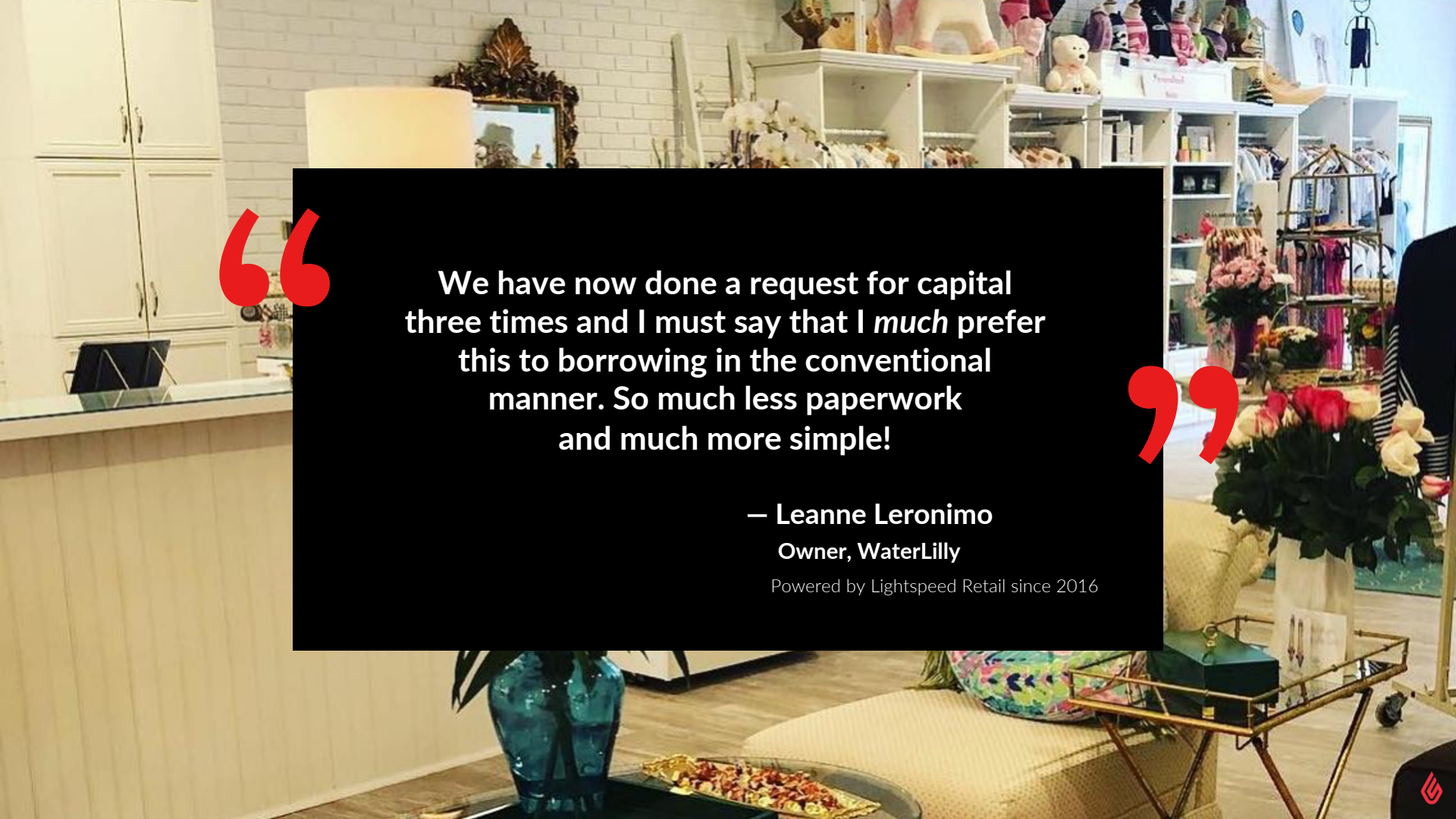
- Support for whatever is needed to grow a customer's business
- New equipment, inventory

Capital: solving cash flow problems for merchants



Merchant growth flywheel effect

Reinforces stickiness and ARPU growth



> We have now done a request for capital three times and I must say that I *much* prefer this to borrowing in the conventional manner. So much less paperwork and much more simple!

— Leanne Leronimo

Owner, WaterLilly

Powered by Lightspeed Retail since 2016

Strategic priorities

1
MAXIMIZE PENETRATION OF GTV BASE

Extend offering to more of current customer base

2
GLOBAL EXPANSION

Offer credit card, local payment options and capital across all business lines, in all core regions, both in-store and online



4
NEW GROWTH OPPORTUNITIES

Expand to B2B Payments between merchant and supplier and diversify our financial services offerings across our global network

3
PAYMENTS IN ALL ACQUISITIONS

Capitalize on synergy opportunity by integrating Lightspeed Payments into existing and future acquisitions

Go-to-market

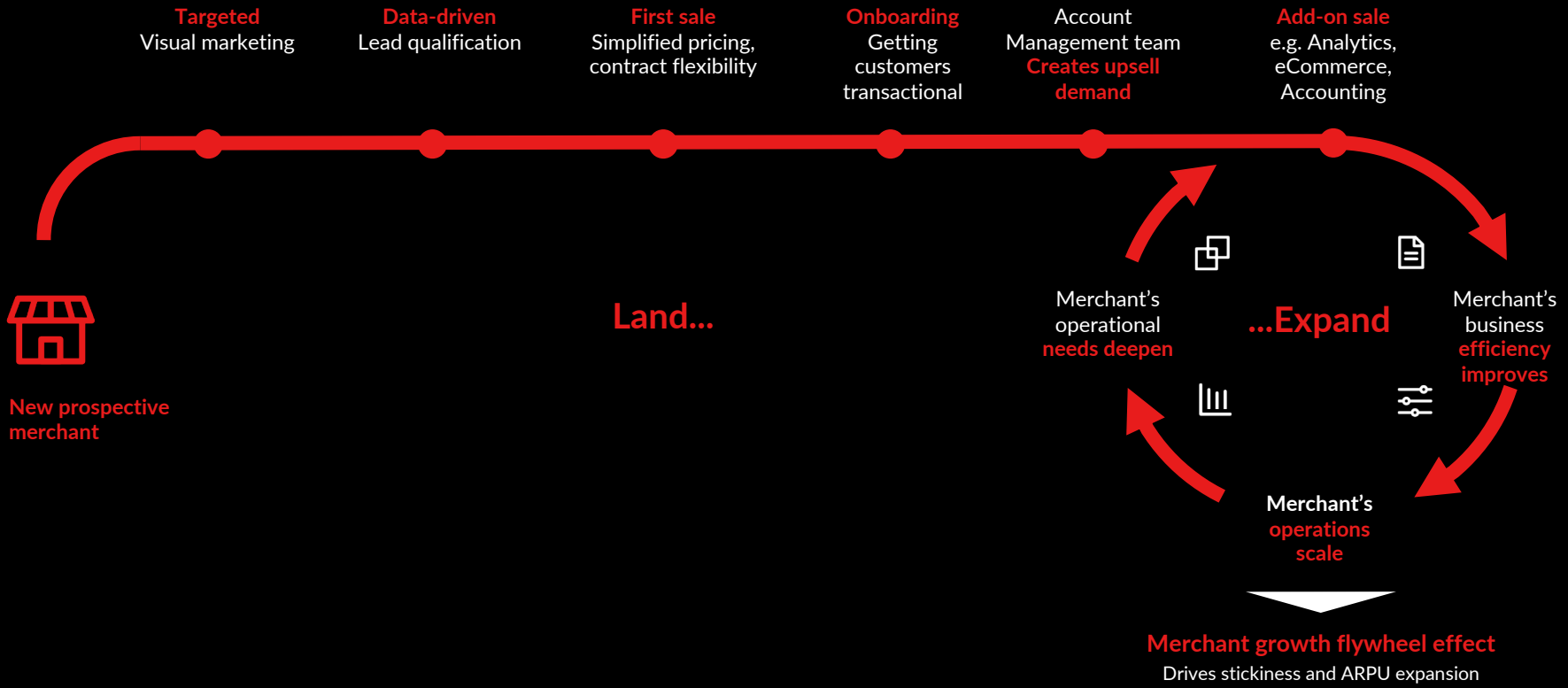
JD St-Martin

Chief Revenue & Customer Officer

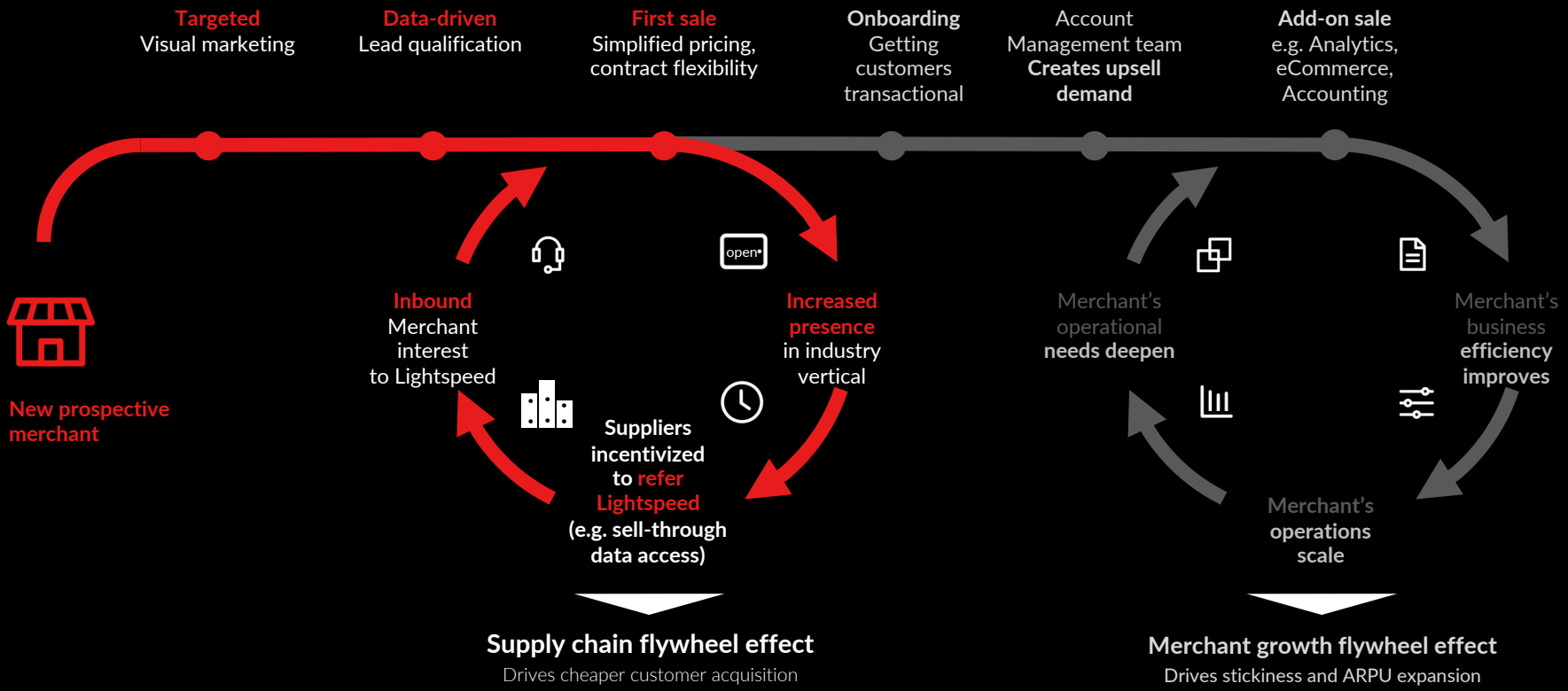


lightspeed

Our global go-to-market process...



...accelerated through concentration



Our local customer-centric presence

Offices internationally including:



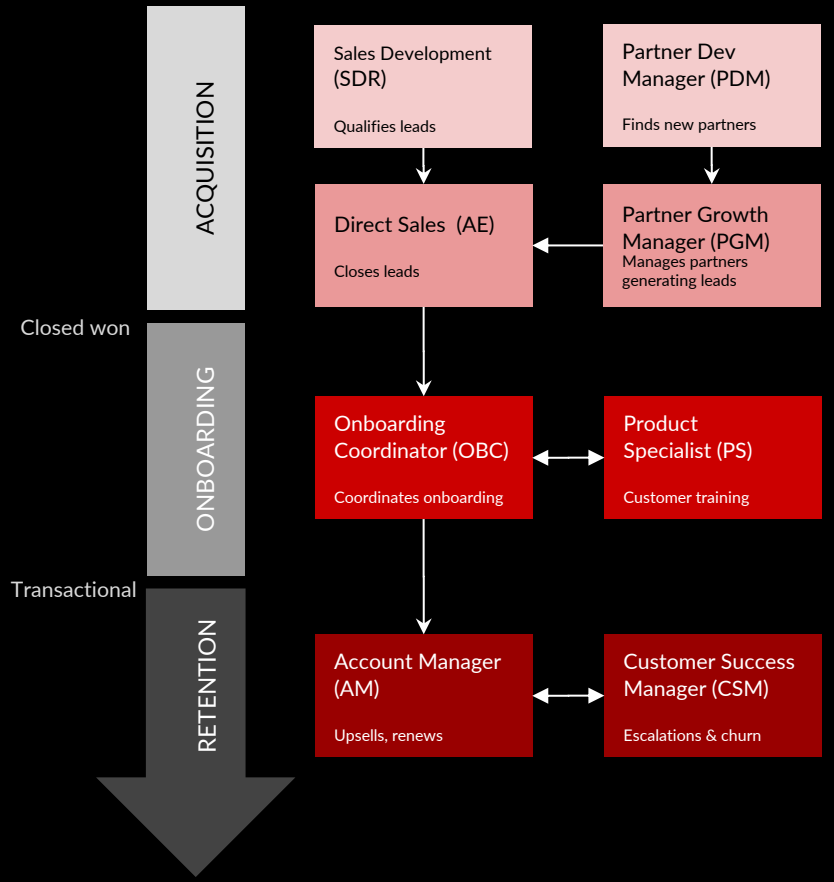
NOAM

EMEA

APAC

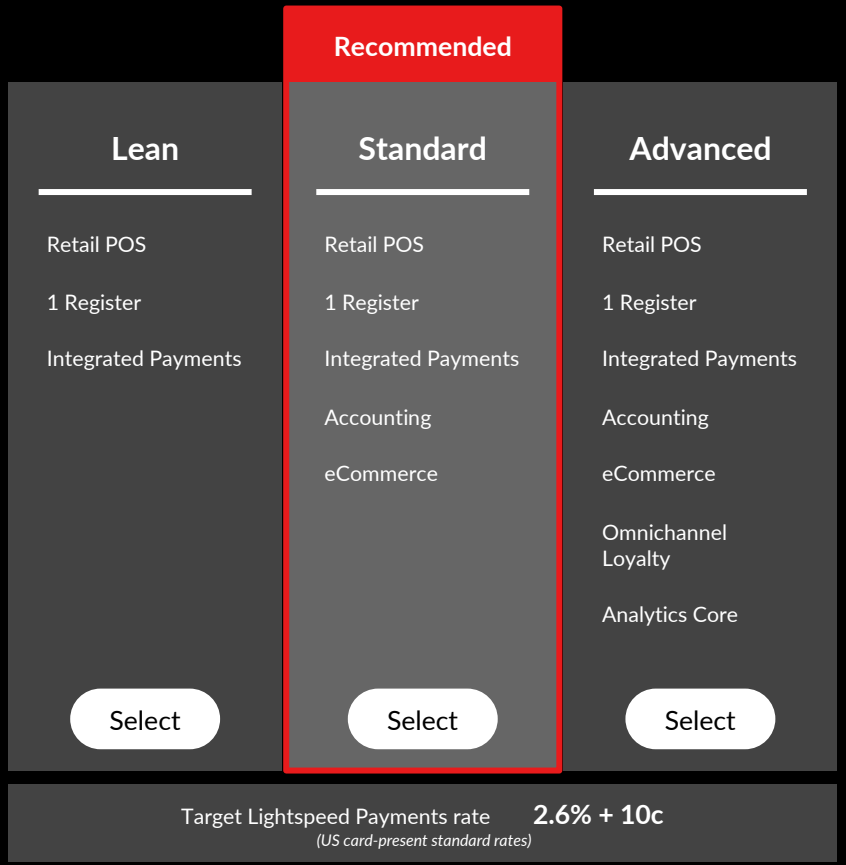
Specialized customer-facing roles

- Demand aggregation model that leverages digital marketing across paid, organic, affiliate and social platforms to drive leads into top of funnel
- Partner-led and outbound-led models, where applicable, supplemented with field sales
- Sales completes needs analysis, demonstrates applicable elements of the platform, appropriate package selection and add-ons
- Onboarding team coordinates merchant implementation and training
- Account Management engages post-implementation to drive ARPU expansion and renewals
- Customer Success drives adoption and mitigates churn



Merchant pricing framework

- Bundled pricing packages offering an expanding set of core functional components that evolves with merchant as their business grows
- Material ARPU expansion motion made possible by the depth of our solutions
- Merchant incentivized to bundle software with payment processing
- Customization and extensibility via add-on components allows customers to calibrate products to their needs





Industry
Retail

Location
North America

Description
AG Adriano Goldschmied or AG Jeans is an American clothing company with a focus on denim apparel created with sustainable manufacturing methods. Founded in 2000 in Los Angeles, California, the company has 19 retail stores across the United States including a new location on Madison Avenue in New York that opened in late 2020.



20 09

THE INDIGO ROAD

Industry
Hospitality

Location
United States

Description
The Indigo Road Hospitality Group counts over 20 restaurants in Charleston, Atlanta, Georgia, Tennessee, Washington DC, Raleigh and Charlotte. The Indigo Road operates with the highest attention to service and a dedication to the utmost in superior customer experience.



INDIAN WELLS
GOLF RESORT

Industry
Golf

Location
United States

Description
Home of the 2008 Skins Game, Indian Wells Golf Resort is the finest of Palm Desert golf. The 36-hole facility features a magnificent 53,000 square-foot clubhouse, Vue Grille & Bar and is the only facility in California with two courses ranked in the Top 20 Best Courses You Can Play in California by Golfweek Magazine.



TELLURIDE™
SKI RESORT

Industry
Retail

Location
United States

Description
The Telluride Ski Resort is a year-round destination located in the southwest corner of Colorado. The resort is in the northwestern San Juan Mountains and counts over 2,000 skiable acres, spanning the historic town of Telluride and the modern alpine community of Mountain Village.



KEI RESTAURANT

Industry
Hospitality

Location
France

Description
A 3 Michelin Star Japanese restaurant in Paris from Chef Kei Kobayashi. At Kei, the finest ingredients are prepared respecting culinary traditions and the changing of the seasons. Kei's spontaneous way of creating a dish is inspired by his passions: art (Picasso is one of his favourite painters), fashion, travel and nature.



Industry
Retail

Location
Australia

Description
The Australian Football League is the pre-eminent and only fully professional men's competition of Australian rules football. The league currently consists of 18 teams spread over five of Australia's six states. The largest capacity ground in use is the Melbourne Cricket Ground (MCG), which has a capacity of over 100,000 people, and hosts the Grand Final each year.



Varyon

Industry
Hospitality

Location
Germany

Description
Varyon Gmbh is a German IT firm that specializes in the management of technology for the hospitality industry. With marquee customers such as Dean & David and the Enchilada Gruppe, Varyon operates a portfolio of over 400 establishments across Germany and Austria.



RALPH LAUREN

Industry

Brands

Location

Global

Description

Ralph Lauren is a global leader in the design, marketing and distribution of premium apparel and lifestyle products. For more than 50 years, this iconic image has been consistently developed across an expanding number of products, brands, and markets around the world.

lightspeed

Coffee break

Business model

Brandon Nussey

Chief Financial & Operations Officer



lightspeed

Key financial highlights

Customer footprint

~156,000 Customer Locations around the world[2]

Transaction volume

>$55Bn GTV over LTM[2]

Scale

$389MM LTM Revenue[2]

Growth

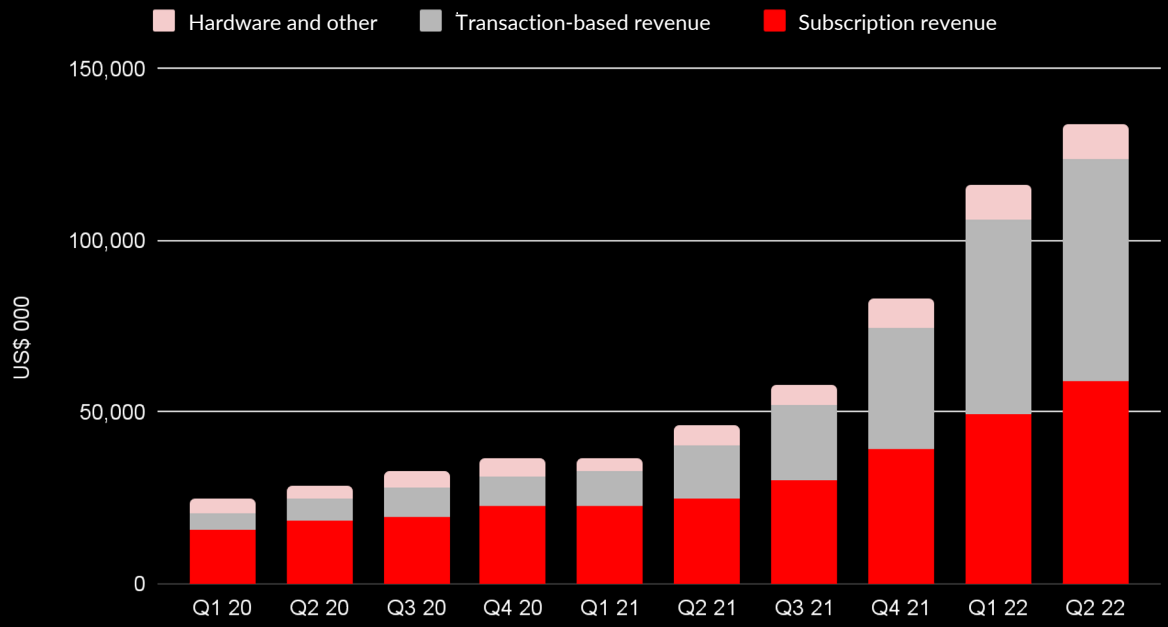
58% organic[1] growth for subscription and transaction-based revenue in trailing 12 months[2]

Financial services

Global player across software + payments

[1] References herein to "organic" growth exclude the impact of any acquisitions that occurred since the end of the prior comparable period so as to provide a consistent basis of comparison. For greater clarity, where an acquisition occurred part way through the prior comparable quarter, such acquisition's contributions in the current quarter are included for purposes of calculating organic growth only to the extent of the same months they were included in the prior comparable quarter.
(2) As at September 30, 2021

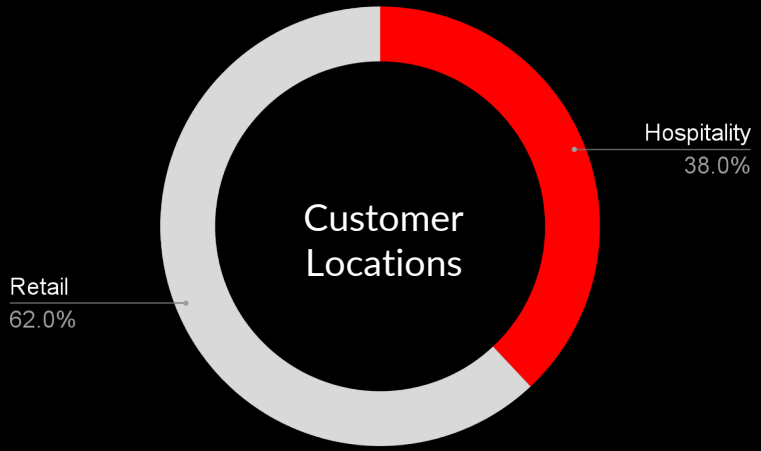
The business model is working



Year-over-year organic[1] subscription and transaction-based revenue growth: **42%** **47%** **48%** **78%** **58%**

[1] References herein to "organic" growth exclude the impact of any acquisitions that occurred since the end of the prior comparable period so as to provide a consistent basis of comparison. For greater clarity, where an acquisition occurred part way through the prior comparable quarter, such acquisition's contributions in the current quarter are included for purposes of calculating organic growth only to the extent of the same months they were included in the prior comparable quarter.

Well diversified





- Strength across multiple verticals
- Scale in retail and hospitality
- Large, diversified merchant base
- Global footprint

Based on Customer Locations as of September 30, 2021

Opportunity

Seizing an opportunity in the market as digital transformation accelerates



(1) Source: 2018 data from AMI Partners. SMBs employing 5 to 499 employees in the Retail and Restaurant industry sectors. AMI Partners defines "SMBs" as businesses employing 1 to 499 employees in the following industry sectors: Retail, Restaurant, Agriculture/Mining, Banking/Financial, Construction, Healthcare, Hospitality, Information & Media, Insurance, Life Sciences, Other Services, Pharmaceuticals, Process Manufacturing, Discrete Manufacturing, Professional Services, Real Estate, Telecommunications, Transportation, Utilities, and Wholesale.
(2) Source: 2018 data from AMI Partners. SMBs employing 1 to 499 employees in the Retail and Restaurant industry sectors.

Multiple growth levers

To date, we have aimed to:

- Grow Customer Locations
- Increase Software ARPU
- Increase Payments Penetration

to target a

~35-40%[1]

organic[2] subscription and transaction-based revenue growth rate

Actual subscription and transaction-based revenue organic growth:



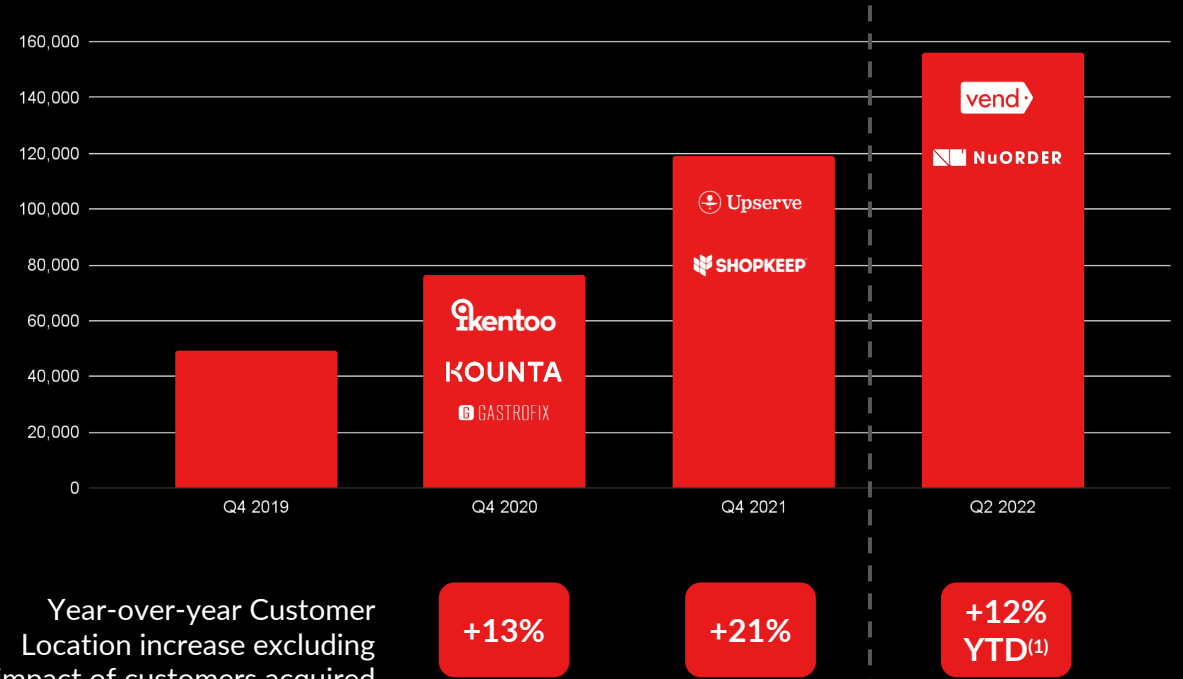
[1] Financial outlook, please see Appendix B for the assumptions, risks and uncertainties related to Lightspeed's target growth rate and "Disclaimer - Cautionary Note Regarding Forward-Looking Information".
[2] References herein to "organic" growth exclude the impact of any acquisitions that occurred since the end of the prior comparable period so as to provide a consistent basis of comparison. For greater clarity, where an acquisition occurred part way through the prior comparable quarter, such acquisition's contributions in the current quarter are included for purposes of calculating organic growth only to the extent of the same months they were included in the prior comparable quarter.

Customer Locations

Demonstrated history of growing Customer Locations organically and supplemented by acquisitions.

Significant opportunity to continue to grow the customer base:

- Large portion of market share is still held by legacy providers
- Accelerated need for omnichannel strategies by SMB retailers and restaurants
- Suppliers and brands attracted to the network of SMBs using Lightspeed solutions



Year-over-year Customer Location increase excluding impact of customers acquired through acquisitions:

+13%

+21%

+12% YTD(1)

(1) As of September 30, 2021.

ARPU growth

Contributed by:

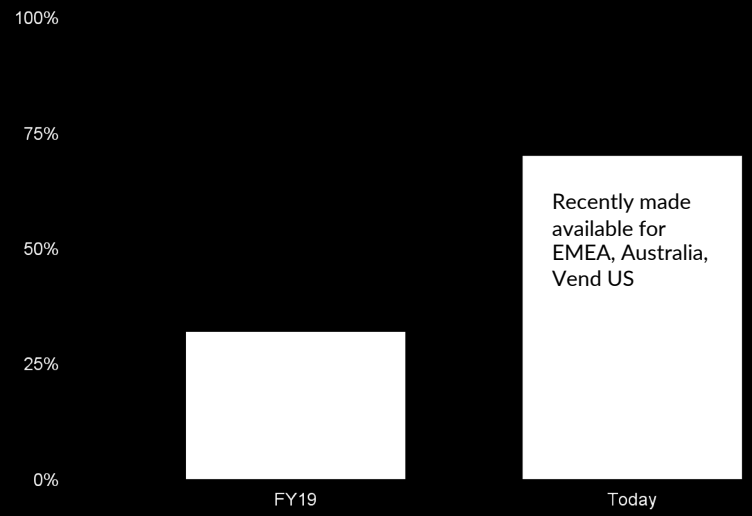
- Further upsell within the customer base
  - Many customers paying >$200 per month per location already
- Migration to core platforms to unlock higher ARPU
- New future functionality

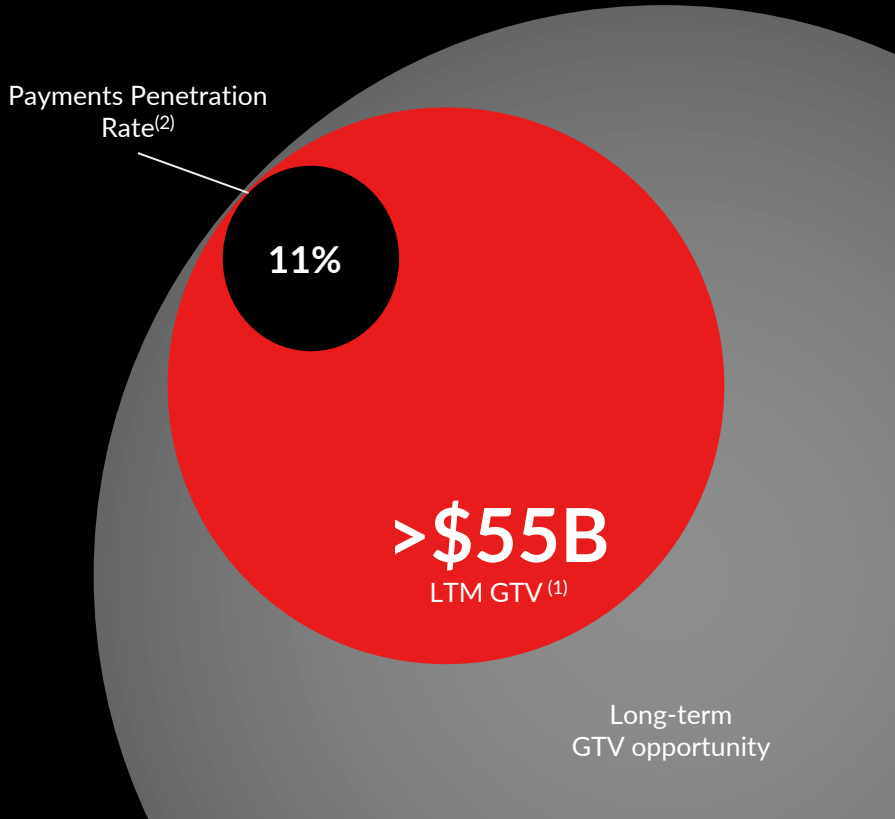


* As of September 30, 2021. Excludes transaction-based revenue and represents software only ARPU.

The Lightspeed Payments opportunity

Payment solutions now available for majority of Customer Locations

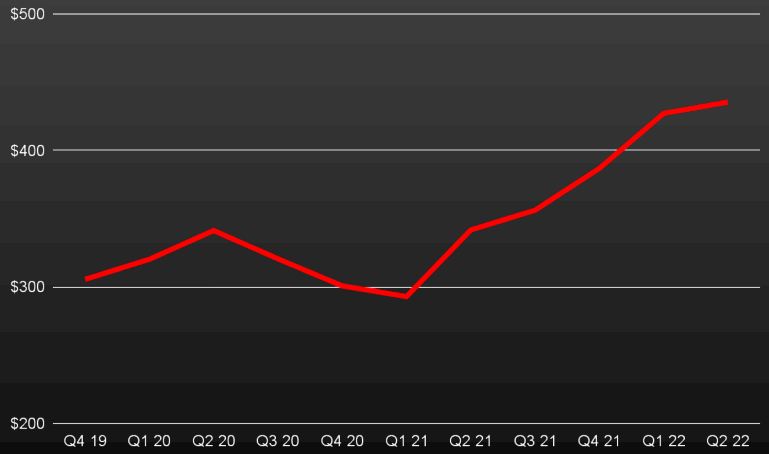




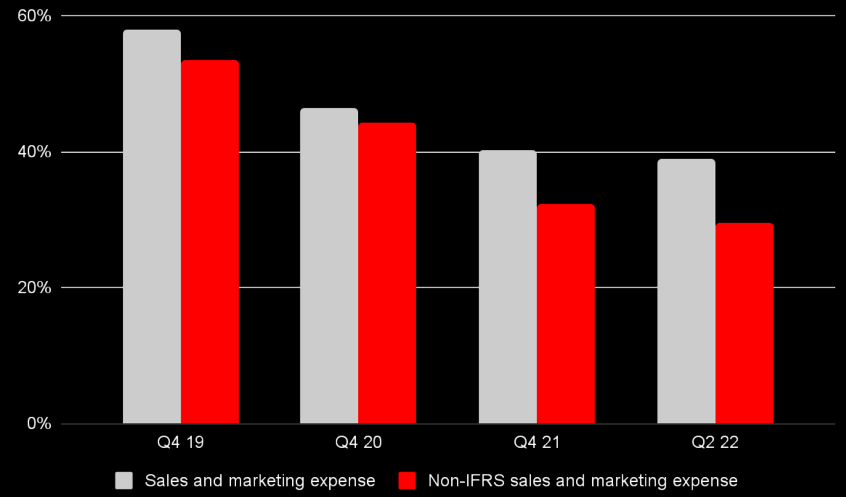
(1) LTM GTV as of September 30, 2021
(2) As at September 30, 2021

Growing gross profit per Customer Location driving business model leverage

Subscription and transaction-based gross profit $ per Customer Location



Sales and marketing expense as a % of total revenue*



* Please see Appendix A for Non-IFRS financial measures and definition and reconciliation to sales and marketing expense as a percentage of total revenue

Customer Unit Economics

We have a disciplined approach to ensuring we are bringing on new Customer Locations in a way that supports long term profitability.

Lifetime Value (LTV)

How much Gross Profit we expect over the estimated life of a Customer Location*

Customer Acquisition Cost (CAC)

What we spend to get a new Customer Location**

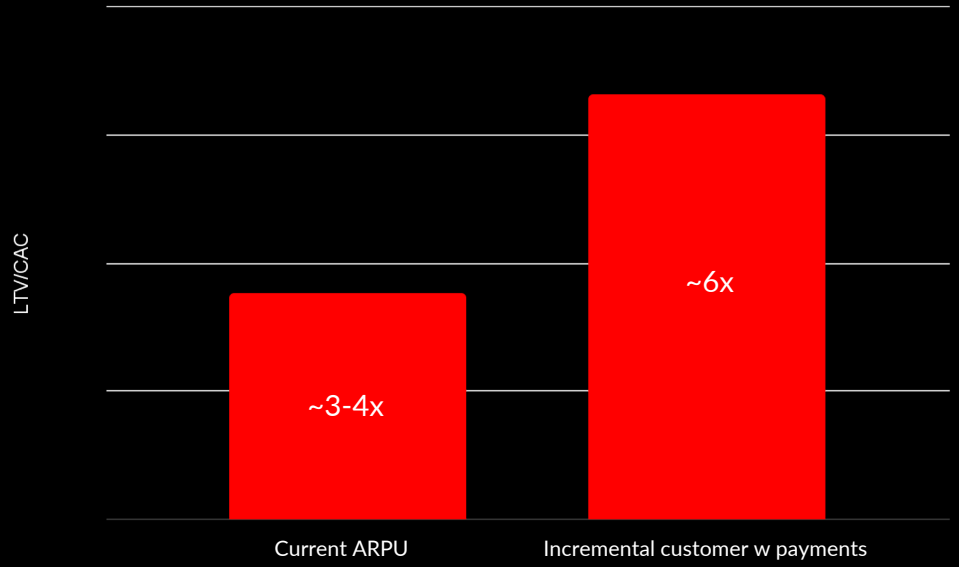
We measure our unit economics as a multiple of LTV to CAC

* We estimate the lifetime value of a Customer Location using the Gross Profit we expect per Customer Location, at our current ARPU, after incorporating an assumed level of churn based on historical levels.
** Customer acquisition costs are calculated as our Non-IFRS sales and marketing expenses (please see Appendix A for Non-IFRS financial measures and definition and reconciliation to sales and marketing expenses), as adjusted for other costs of acquiring our Customer Locations, in a period divided by the number of new Customer Locations added for that period.

Payments driving strong customer unit economics

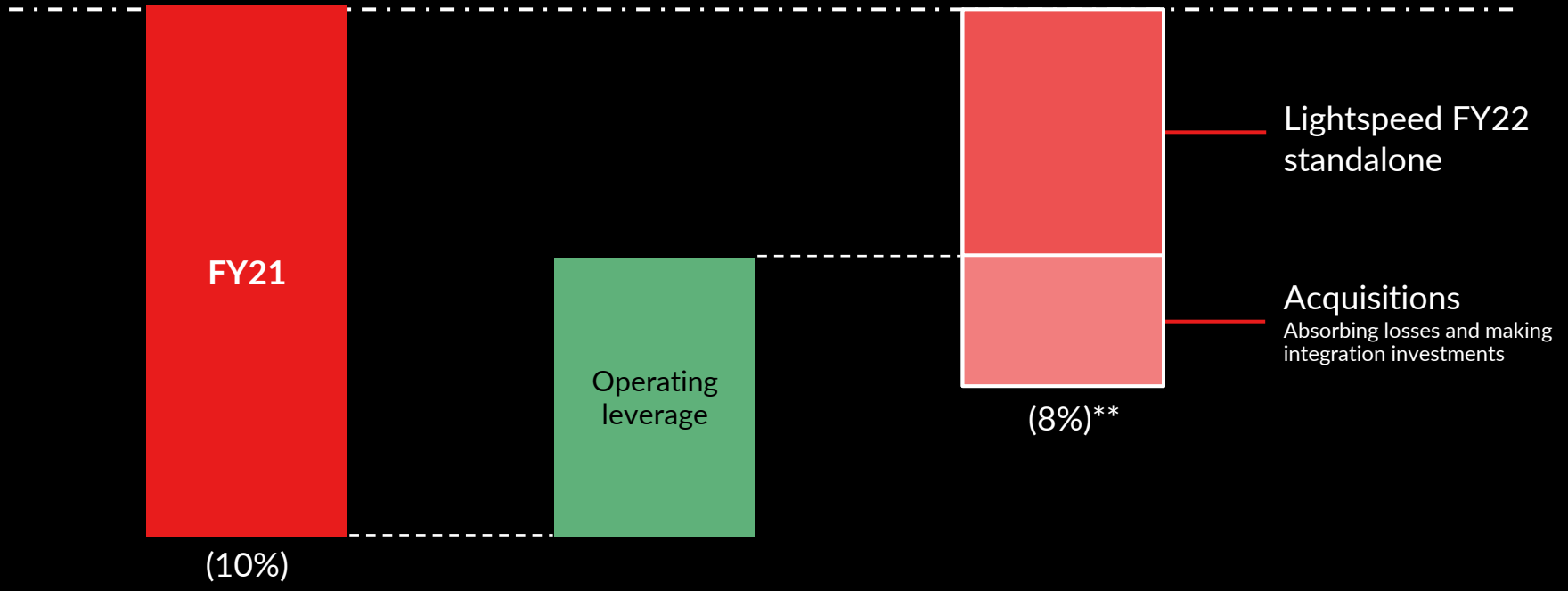
At our current ARPU[(1)], which reflects only an 11% Payments Penetration Rate, our LTV is ~3-4x CAC

Isolated to an average new customer who takes software and payments, we estimate that we derive LTV equal to ~6x CAC



[(1)] As at September 30, 2021.

Driving improved Adjusted EBITDA as a percentage of revenue*



* Please see Appendix A for Non-IFRS financial measures definition and reconciliation to net loss
**Financial Outlook, please see Lightspeed's press release dated November 4, 2021 for more details and "Disclaimer - Cautionary Note Regarding Forward-Looking Information".

Long-term view of Lightspeed's cost structure*

As Payments Penetration Rate reaches 50%, we believe Adjusted EBITDA as a percentage of revenue** will move to the ~20% range

~50%
PPR

Given increased Lightspeed Payments availability and ongoing adoption, we look to achieve a Payments Penetration Rate of 50%

~20%
Adjusted EBITDA as a percentage of revenue**

Once our Payments Penetration Rate reaches 50%, we expect Adjusted EBITDA as a percentage of revenue** to be in the ~20% range

* Financial outlook, please see Appendix B for the assumptions, risks and uncertainties related to the long term view of Lightspeed's cost structure and "Disclaimer - Cautionary Note Regarding Forward-Looking Information"
** Please see Appendix A for Non-IFRS financial measures definition and reconciliation to net loss

Recap

JP Chauvet
President



lightspeed

Thank you

Q&A



Thank you for attending



Appendix A

Appendix A - Industry Metrics

“Average Revenue per User” or “ARPU” represents the total subscription revenue and transaction-based revenue of the Company in the period divided by the number of Customer Locations of the Company in the period. For greater clarity and consistent with how we have historically calculated ARPU, the number of Customer Locations of the Company in the period is calculated by taking the average number of Customer Locations throughout the period.

“Customer Location” means a billing merchant location for which the term of services have not ended, or with which we are negotiating a renewal contract, and, in the case of NuORDER, a brand with a direct or indirect paid subscription for which the terms of services have not ended or in respect of which we are negotiating a subscription renewal. A single unique customer can have multiple Customer Locations including physical and eCommerce sites and in the case of NuORDER, multiple subscriptions. We believe that our ability to increase the number of Customer Locations served by our platform is an indicator of our success in terms of market penetration and growth of our business. We have successfully demonstrated a history of growing the number of our Customer Locations. The acquisition of Ecwid was completed on October 1, 2021, and so the impact of that acquisition is not reflected in our Customer Locations count as of September 30, 2021. Note that the definition of Customer Locations has been adjusted to include brands with direct or indirect paid subscriptions given the recent acquisition of NuORDER.

“Gross Transaction Volume” or “GTV” means the total dollar value of transactions processed through our cloud-based software-as-a-service platform, excluding amounts processed through the NuORDER solution, in the period, net of refunds, inclusive of shipping and handling, duty and value-added taxes. We believe GTV is an indicator of the success of our customers and the strength of our platform. GTV does not represent revenue earned by us. We have excluded amounts processed through the NuORDER solution from our GTV because they represent business-to-business volume rather than business-to-consumer volume and we do not currently have a robust payments solution for business-to-business volume.

“Payments Penetration Rate” means (i) the total dollar value of transactions processed in the period through our payments solutions in respect of which we act as the principal in the arrangement with the customer, net of refunds, inclusive of shipping and handling, duty and value-added taxes, divided by (ii) GTV. We believe that our Payments Penetration Rate demonstrates the extent to which we have capitalized on the payments opportunity within our customer base.

Appendix A

Adjusted EBITDA is defined as net loss excluding interest, taxes, depreciation and amortization, or EBITDA, as adjusted for stock-based compensation and related payroll taxes, compensation expenses relating to acquisitions completed, foreign exchange gains and losses, transaction-related costs, restructuring and litigation provisions.
Adjusted EBITDA as a percentage of revenue is calculated by dividing our Adjusted EBITDA by our revenue. The following table reconciles net loss to Adjusted EBITDA for the periods indicated:

(In thousands of US dollars)	Fiscal year ended March 31,	
	2021	**2020**
Net Loss	(124,278)	(53,531)
Stock-based compensation and related payroll taxes[1]	44,755	9,930
Depreciation and amortization[2]	36,483	13,467
Foreign exchange loss (gain)[3]	2,098	(395)
Net interest (income) expense[2]	353	(1,766)
Acquisition-related compensation[4]	11,807	11,087
Transaction-related costs[5]	11,615	2,658
Restructuring[6]	1,760	—
Income tax expense (recovery)	(5,792)	(3,110)
Adjusted EBITDA	**(21,199)**	**(21,660)**

Appendix A

1) These expenses represent non-cash expenditures recognized in connection with issued stock options and other awards under our equity incentive plans to our employees and directors as well as related payroll taxes given that they are directly attributable to stock-based compensation, are estimates and therefore subject to change. For the fiscal year ended March 31, 2021, the stock-based compensation expense was $33,859 (March 2020 - $8,870) and the related payroll taxes were an expense of $10,896 (March 2020 - expense of $1,060).

2) In connection with the accounting standard IFRS 16 - Leases, net loss for the fiscal year ended March 31, 2021 includes depreciation of $3,876 related to right-of-use assets, interest expense of $1,048 on lease liabilities, and excludes an amount of $4,436 relating to rent expense ($2,492, $852, and $2,894 respectively for the fiscal year ended March 31, 2020).

3) These non-cash losses (gains) relate to foreign exchange translation.

4) These costs represent a portion of the consideration paid to acquired businesses that is contingent upon the ongoing employment obligations for certain key employees of such acquired businesses, or on certain performance criteria being achieved.

5) These expenses relate to professional, legal, consulting, accounting, advisory, and other fees relating to our public offerings and acquisitions that would otherwise not have been incurred.

6) In connection with the Company's recent acquisitions of ShopKeep and Upserve, certain functions and the associated management structure were reorganized to realize certain synergies and ensure organizational agility. The one time expenses associated with this plan were recorded as a restructuring charge in the quarter.

Appendix A

The following table reconciles sales and marketing expense to Non-IFRS sales and marketing expense for the periods indicated:

(In thousands of US dollars)	Q2 2022	Q4 2021	Q4 2020	Q4 2019
Sales and marketing expenses	51,693	33,007	16,810	12,274
% of revenue	39%	40%	46%	58%
less: Stock-based compensation and related payroll taxes	12,238	6,165	524	937
less: Transaction-related costs	297	300	330	-
Non-IFRS sales and marketing expense	39,158	26,542	15,956	11,337
% of revenue	29%	32%	44%	53%

Appendix B

Long-Term Financial Outlook Disclaimer

Long-Term Financial Outlook

Our long-term targets reflect the stabilization of gross margin despite the current trend of customer adoption of our payments solutions resulting in an increased proportion of transaction-based revenue relative to higher-margin subscription-based revenue. Our long-term targets also reflect a gradual increase in operating leverage, including as a result of increased average revenue per customer location and the benefits of increased scale in our primary operating expense lines.

Such long-term targets constitute financial outlook and forward-looking information within the meaning of applicable securities laws. The purpose of communicating long-term targets is to provide a description of management's expectations regarding our intended operating model, financial performance and growth prospects at a further stage of business maturity. Such information may not be appropriate for other purposes.

A number of assumptions were made by the Company in preparing our long-term targets, including:

- Continuation of favorable economic conditions in our core geographies and verticals, including relatively elevated consumer confidence, disposable income and employment.
- The COVID-19 pandemic having durably subsided with broad immunity achieved in our core geographies and verticals, including the elimination of social distancing measures and other restrictions generally in such markets.
- Customer adoption of our payments solutions in line with past rates and expectations, with new customers having an average GTV at or above planned levels and market penetration of our payment processing solutions eventually reaching 50% of our overall GTV.
- Our ability to price our payment processing solutions in line with our expectations
- Our ability to achieve success in the continued expansion of our payments solutions beyond North American customers.
- Revenue streams resulting from partner referrals remaining in line with historical rates (particularly in light of the continued expansion of Lightspeed Payments, which competes with the solutions offered by some of these referral partners).
- Long-term growth in ARPU of 10% or more per year, including growth in subscription ARPU, in line with past rates and expectations, driven by customer adoption of additional solutions and modules and the introduction of new solutions, modules and functionalities.
- Our ability to price solutions and modules in line with our expectations.
- Growth in Customer Locations in line with past rates and expectations, including continued organic growth in Customer Locations of approximately 15% per year.
- Our ability to successfully integrate acquired companies and to derive expected benefits from such acquisitions.
- Our ability to attract, develop and retain key personnel.
- The ability to effectively develop and expand our labour force, including our sales, marketing, support and product and technology organizations, in each case both domestically and internationally.
- Our ability to manage customer churn.
- Our ability to manage requests for subscription pauses, customer discount and payment deferral requests.
- Assumptions as to foreign exchange rates and interest rates.

Long-Term Financial Outlook Disclaimer (cont'd)

Many factors may cause actual results, level of activity, performance or achievements to differ materially from those expressed or implied by such targets, including risk factors identified in our most recent Management's Discussion and Analysis of Financial Condition and Results of Operation and under "Risk Factors" in our most recent Annual Information Form. In particular, our long-term targets are subject to risks and uncertainties related to:

- The COVID-19 pandemic, including the risk of any new or continued resurgence in our core geographies and the resulting impact on SMBs, including heightened levels of churn owing to business failures, requests for subscription pauses, payment deferrals and delayed purchase decisions.
- Supply chain risk and the impact of shortages in the supply chain on our merchants.
- Other macroeconomic factors affecting SMBs.
- Our ability to implement our growth strategy.
- The substantial investments and expenditures required in the foreseeable future to expand our business.
- Our liquidity and capital resources, including our ability to secure debt or equity financing on satisfactory terms.
- Our ability to increase scale and operating leverage.
- Our ability to continue the acceleration of the global rollout of our payments solutions.
- Our reliance on a small number of suppliers for parts of the technology in our payments solutions.
- Our ability to improve and enhance the functionality, performance, reliability, design, security and scalability of our platform.
- Our ability to compete and satisfactorily price our solutions in a highly fragmented and competitive market.
- Strategic relations with third parties, including our reliance on integration of third-party payment processing solutions.
- Our ability to maintain sufficient levels of hardware inventory.
- Compatibility of our solutions with third-party applications and systems.
- Changes to technologies on which our platform is reliant.
- Our ability to obtain, maintain and protect our intellectual property.
- Risks relating to our international operations, sales and use of our platform in various countries.
- Seasonality in our business and in the business of our customers.
- Litigation and regulatory compliance.
- Our ability to expand our sales capability and maintain our customer service levels and reputation.
- Gross margin and operating expenses being measures determined in accordance with generally accepted accounting principles, and the fact that such measures may be affected by unusual, extraordinary or non-recurring items, or by items which do not otherwise reflect operating performance or which hinder period-to-period comparisons.
- Our expectation to continue pursuing acquisitions or other strategic opportunities, some of which may be material in size or result in significant integration difficulties or expenditures, or otherwise impact our ability to achieve profitability on our intended timeline or at all.

See "Disclaimer – Cautionary Note Regarding Forward-Looking Information".