
Upserve Acquisition

Overview

December 1, 2020



Disclaimer

General

All references in this presentation to the “Company”, “Lightspeed”, “us” or “we” are to 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 outlook 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, performance, achievements, prospects or opportunities, the markets in which we operate, prospects and customers (including those of Upserve), and expected acquisition outcomes and synergies 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 key performance indicators. The terms “Customer Locations” and “Gross Transaction Volume” or “GTV” are operating metrics used in our industry. See “Appendix A” of this presentation for the definition of each such industry metric.

Transaction Summary

Upserve Overview

- A leading, fully integrated cloud-based commerce platform for high-end restaurants, fast casual and bars
- Upserve's platform is used by **~7,000 customer locations⁽¹⁾** across the United States, generating over **\$6 billion of TTM gross transaction volume (GTV)⁽¹⁾**
- Upserve generated **revenue of ~\$40 million⁽²⁾** in the trailing twelve-month period ended Sept. 30, 2020
- Headquartered in Providence, RI

Transaction Overview

- Lightspeed has acquired Upserve for total consideration of **~\$430M**, comprised of:
- **\$123M payable in net cash** and the issuance of **~5.9M subordinate voting shares** in the capital of Lightspeed, subject to customary adjustments
- Represents **~10x LTM revenue** (at September 30, 2020)
- The transaction closed on December 1, 2020

Strategic Rationale

- Brings added scale in North America and worldwide, with **~110,000 customer locations globally^(1,3,4)** and **over \$39 billion in gross transaction volume^(1,3)** on a pro forma basis
- **Strengthens North American hospitality presence** with **payments upside** and **additive product capabilities** including analytics, inventory management and workforce management
- Continues Lightspeed's **expansion into larger customers with higher GTV** and more **complex product needs**

(1) As of September 30, 2020

(2) In accordance with U.S. GAAP

(3) Pro forma for ShopKeep and Upserve

(4) Total number of combined locations approaching ~110,000



Benefits of Lightspeed + Upserve Combination

- 1 Deepens Lightspeed's Restaurant vertical presence with strong table service footprint and capabilities
- 2 Increased scale in North America and worldwide, with customer locations approaching ~110,000 globally^(1,2)
- 3 Combined entity represents over \$39B in annual GTV (based on Sept. 30, 2020)⁽²⁾
- 4 Potential revenue synergies from moving Upserve's customer base to Lightspeed Payments
- 5 Allows for accelerated innovation at a critical time for the industry by leveraging combined strengths
- 6 Brings in strong leadership team to continue driving growth in restaurant / hospitality segment

(1) As of September 30, 2020

(2) Pro forma for ShopKeep and Upserve



Reinforces Lightspeed's Status as a Cloud Commerce Category Leader



~\$240M
LTM Revenue⁽¹⁾



~110,000
Customer Locations Served^(2,3)



\$39B+
Combined LTM GTV⁽²⁾



Enhanced Payments Opportunity

(1) Pro Forma for Lightspeed, ShopKeep and Upserve as of September 30, 2020 (last twelve months). ShopKeep and Upserve revenues in accordance with U.S. GAAP

(2) Pro forma for Lightspeed, ShopKeep and Upserve as of September 30, 2020

(3) Total number of combined locations approaching ~110,000



Complementary Business Enhances U.S. Market Share and Restaurant Presence

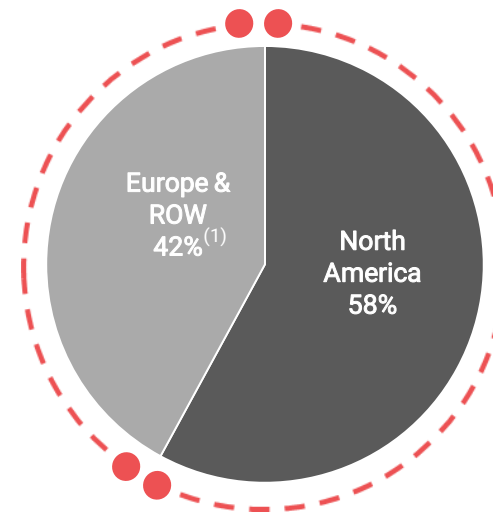
Balanced Customer Exposure⁽¹⁾



✓ Strength Across Multiple Verticals

✓ Scale in Retail / Hospitality

Global Footprint⁽¹⁾



✓ Large, Diversified Merchant Base

✓ Leader in North American Market

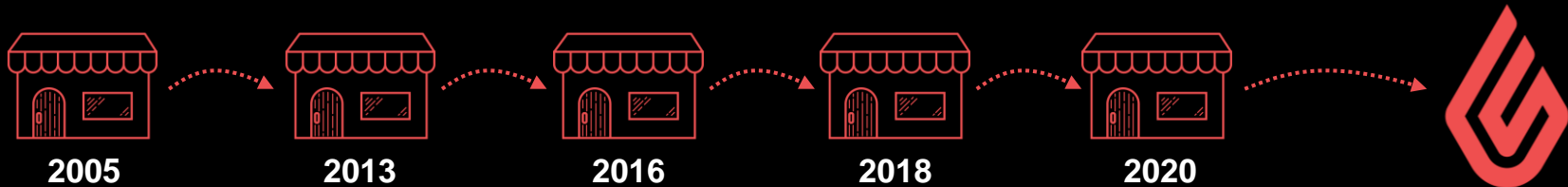
(1) Location count distribution are approximate and on a pro forma basis



Track Record of Innovative Solutions for the Evolving Needs of Independent Merchants

A History of Transformative Innovation in Commerce...

...Accelerating in 2020



Proven Execution of Successful M&A Transactions



Appendix A

*“**Customer Location**” means a billing customer location for which the term of services has not ended, or with which we are negotiating a renewal contract. A single unique customer can have multiple Customer Locations including physical and eCommerce sites.*

*“**Gross Transaction Volume**” or “**GTV**” means the total dollar value of transactions processed through our cloud-based SaaS platform in the period, net of refunds, inclusive of shipping and handling, duty and value-added taxes.*