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ASX: LVH MARKET RELEASE

LiveHire reports strong quarterly ARR and customer growth

23 October 2020 | Melbourne, Victoria

- **SaaS Annualised Recurring Revenue (ARR)[1] $3.7M (up 6% QOQ)**
- **Saas clients 114 (up 4% QOQ), 12-month rolling Net Revenue Retention (NRR)[2] 80% (no change QOQ)**
- **Direct Sourcing Revenue (DSR)[3] $72K (up $65K QOQ), Direct Sourcing clients 5 (up 3 QOQ)**
- **Talent Community Connections (TCCs) 2.5m (up 17% QOQ) across ANZ and North America.**

LiveHire Limited (**LiveHire**) today announced strong ARR and customer growth when releasing its Quarterly Report and Appendix 4C Cash Flow Report for the period ending 30 September 2020 (Q121).

BUSINESS RESULTS

SaaS ARR increased to $3.7M (up 6% QOQ), despite COVID's global impact on permanent hiring. September marked a significant milestone of 100+ hires per day for the first time on the LiveHire platform. Client numbers increased 4% QOQ to 114, and 12-month rolling NRR remained at 80%.

Direct Sourcing Revenue (DSR) increased to $72K, up $65K QOQ. Of note:

- the Ontario Ministry of Health commenced using LiveHire for COVID related hiring, supporting that regions effort in COVID tracing management;
- work with Geometric Results Inc (GRI) together with our partner, Ian Martin Group, in respect of GRI's Direct Sourcing commenced. Consistent with the increased focus on international markets, LiveHire expects to see increased potential with Direct Sourcing channel partners in Q2;
- SAP System Implementer, Rizing LLC (second largest implementer of SAP Success Factors globally), selected LiveHire as its 'Go-to-Partner Globally for Recruiting Extension.' Sales activity has already commenced in the immediate focus areas of APAC and North America.

Talent Community Connections (TCCs)[4] grew substantially during the quarter, adding ~380,000 (up 17% QOQ).

12-month trailing Cash receipts were stable at $4.4m, with quarterly cash outflows of $3.02m were in line with management's expectations. Cash on hand at period end was $19.0m, in line with guidance.

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[1] SaaS Annualised Recurring Revenue or ARR represents contracted recurring revenue components of term subscriptions from non-Direct Sourcing Clients, normalised to a one-year period.

[2] NRR rate % calculated as (Opening ARR + upsell ARR – downsell ARR – churn / lost ARR) / Opening ARR. NRR is an indicator that measures how well a business can not only renew but generate additional revenue from its clients post initial sale.

[3] DSR: Direct Sourcing Revenue: LiveHire charges an ongoing fee relating to a % of the contractors salary, for hires directly sourced through the organisations private LiveHire Platform.

[4] A Talent Community Connection (TCC) represents a connection between a company and an employment candidate on the LiveHire platform. An individual candidate may join multiple talent communities resulting in multiple TCCs per candidate. TCCs also include unclaimed candidate profiles created by a company or its service providers or by the candidate through a job application process. TCCs may also include claimed candidate profiles that remain on the platform available to be connected with live talent communities after being archived by their only active company connection.

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PRODUCT DEVELOPMENT

Core technology investment continued in Q1, consistent with the overall strategy of extending LiveHire's current technology advantage over market peers. Product enhancements of note from Q1 included:

- 'Client Portfolio' functionality, providing significant efficiency gains in Direct Sourcing; and
- Implementation of new Open API for Jobs, allowing integration with *any* 3rd party platform, further improving response times.

Along with ongoing investment in scaling to support current and anticipated business growth, these new product modules further extend the depth and breadth of LiveHire's recruitment platform capabilities over competitors.

PEOPLE UPDATE

At the end of the quarter, LiveHire had 47 FTEs (down 1 FTE QOQ). Key appointments for the quarter included Mr Ben Brooks, Chief Financial Officer and Rajarshi Ray, Non-Executive Director.

Christy Forest, CEO, commented, "LiveHire has started to see the green shoots of significant product investments over the preceding quarters, as well as our focus into the Direct Sourcing market in North America. Along with fully implementing our previously announced cost reduction initiatives, LiveHire is well positioned to capture an increased share of the Permanent Hire and Direct Sourcing Markets."

None of the information included in this announcement should be considered individually price-sensitive, unless specifically stated. All figures in this announcement are provided in AUD and on an unaudited basis.

For more information:
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Subscribe to LiveHire's newsletter at: http://eepurl.com/b2EMFL
www.livehire.com/investor

Michael Rennie, Executive Chairman authorised the release of this announcement to the ASX.

About LiveHire

LiveHire is a disruptive award-winning[5] talent acquisition & engagement platform that revolutionises the candidate experience and enables businesses to thrive with talent on demand. Our Talent Acquisition & Engagement platform delivers a proactive sourcing and talent mobility solution called Live Talent Communities. The platform makes managing the flow of talent into and through businesses seamless, delivering value through detailed visibility of talent, shifting recruitment from reactive to proactive, improving fit, significantly reducing time and cost to hire, with an unrivalled candidate experience.

Founded in 2011, LiveHire is an Australian company headquartered in Melbourne, with offices also in Sydney and Perth. www.livehire.com

Note to market

[5] https://drivenxdesign.com/SYD17/winners_list.asp

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None of the information included in this announcement should be considered individually material, unless specifically stated. All figures in this announcement are provided on an unaudited basis.

Disclaimer

This announcement contains "forward-looking statements." These can be identified by words such as "may", "should", "anticipate", "believe", "intend", "estimate", and "expect". Statements which are not based on historic or current facts may by forward-looking statements. Forward-looking statements are based on:

- assumptions regarding the Company's financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and
- current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained within the presentations are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by forward-looking statements. For example, the factors that are likely to affect the results of the Company include general economic conditions in Australia and globally; exchange rates; competition in the markets in which the Company does and will operate; weather and climate conditions; and the inherent regulatory risks in the businesses of the Company. The forward-looking statements contained in this announcement should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive. The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The Company disclaims any responsibility to update or revise any forward-looking statements to reflect any change in the Company's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law. The projections or forecasts included in this presentation have not been audited, examined or otherwise reviewed by the independent auditors of the Company.

You must not place undue reliance on these forward-looking statements.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

LiveHire Limited

ABN	**Quarter ended ("current quarter")**
59 153 266 605	30th September 2020

Consolidated statement of cashflows	**Current quarter $A'000**	**Year to date $A'000**
1 Cash flows from operating activities		
1.1 Receipts from customers	885	885
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(213)	(213)
(c) advertising and marketing	(44)	(44)
(d) leased assets		
(e) staff costs	(2,337)	(2,337)
(f) administration and corporate costs	(464)	(464)
1.3 Dividends received (see note 3)		
1.4 Interest received	46	46
1.5 Interest and other costs of finance paid	0	
1.6 Income taxes paid		
1.7 Government grants and tax incentives	38	38
1.8 Other - staff termination costs	0	0
1.9 Net cash from / (used in) operating activities	**(2,088)**	**(2,088)**
2 Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	0	0
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	(0)	(0)
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets	0	0
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	**(0)**	**(0)**

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3	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	139	139
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and		
3.8	Dividends paid		
3.9	Other - IPO / Capital Raising Transaction Costs		
3.1	**Net cash from / (used in) financing activities**	**139**	**139**

4	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of quarter/year to date	20,981	20,981
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,088)	(2,088)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(0)	(0)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	139	139
4.5	Effect of movement in exchange rates on cash held	(6)	(6)
4.6	**Cash and cash equivalents at end of quarter**	**19,026**	**19,026**

	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter** $A'000	**Previous quarter** $A'000
5.1	Bank balances	4,188	1,642
5.2	Call deposits	14,839	19,339
5.3	Bank overdrafts		
5.4	Other - Deposits for Bank Guarantees		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**19,026**	**20,981**

6	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	230
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	

6.3 Include below any explanation necessary to understand the transactions

Payment of Directors salaries, superannuation and fees.

7	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
7.1	Aggregate amount of payments to these parties included in item 1.2	
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	

7.3 Include below any explanation necessary to understand the transactions

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8	**Financing** facilities available *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end** **$A'000**	**Amount drawn at quarter end** **$A'000**
8.1	Loan facilities		
8.2	Credit standby arrangements		
8.3	Other (please specify)		
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Research and development	
9.2	Product manufacturing and operating costs	
9.3	Advertising and marketing	(91)
9.4	Leased assets	
9.5	Staff costs	(2,250)
9.6	Administration and corporate costs	(841)
9.7	Other (provide details if material)	
9.8	**Total estimated cash outflows**	**(3,182)**

10	**Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)**	**Acquisitions**	**Disposals**
10.1	Name of entity		
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 23rd October 2020

Authorised by: Christy Forest, Chief Executive Officer
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

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3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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