

Appendix 4D

For the half year ended 31 December 2020

LiveHire Limited

ABN 59 153 266 605

RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the half year ended 31 December 2020 ("current reporting period")

	31-Dec-20	31-Dec-19	% Change from 6 months ended 31-Dec-19	
	A\$	A\$		
Revenue from ordinary activities	2,255,108	1,623,574	Up	39%
Profit / (Loss) from ordinary activities after tax attributable to members	(4,699,838)	(9,060,388)	Down	48%
Net Profit / (Loss) for the period attributable to members	(4,699,838)	(9,060,388)	Down	48%
Dividend information				
	Amount per security	Franked amount per security		
Interim Dividend	N/A	N/A		
Final Dividend	N/A	N/A		
Payment Date	N/A	N/A		
	31-Dec-20	31-Dec-19		
	Cents	Cents		
Net tangible assets per security*	0.0526	0.0836		

Other information requiring disclosure to comply with Listing Rule 4.2A.3 is contained in, and should be read in conjunction with, the notes to the Interim Financial Report and the Director's Report for the half-year ended 31 December 2020. Information should be read in conjunction with LiveHire Limited's 2020 Annual Report and the attached Interim Financial Report. The Interim Financial Report has been reviewed by Ernst & Young, with the Independent Auditor's Review Report included in the Interim Financial Report.

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LIVEHIRE LIMITED

(ASX:LVH)

ABN: 59 153 266 605

Interim Financial Report

For the half-year ended 31 December 2020

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Corporate Directory

Directors and Officers

Michael Rennie	- Executive Director and Chairman
Christy Forest	- Chief Executive Officer and Executive Director
Antonluigi Gozzi	- Executive Director
Adam Zorzi	- Non-Executive Director (<i>resigned as Non-Executive Director 9 September 2020</i>)
Reina Nicholls	- Non-Executive Director
Rajarshi Ray	- Non-Executive Director (<i>appointed 9 September 2020</i>)
Simon Howse	- Interim Chief Financial Officer (<i>resigned 28 August 2020</i>)
Ben Brooks	- Chief Financial Officer (<i>appointed 12 October 2020</i>)
Charly Duffy	- Company Secretary

Principal Registered Office

Level 10, 461 Bourke Street
Melbourne VIC 3000

T: +61 (03) 9021 0657

Website: www.livehire.com

Domicile and Country of Incorporation

Australia

Australian Business Number

ABN 59 153 266 605

Auditors

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000
Website: www.ey.com.au

Share Registry

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000
Website: www.automic.com.au

Securities Exchange

Australian Securities Exchange Limited (ASX)
ASX Code - LVH (Ordinary Shares)

Directors' Report

The Directors submit their half year report of LiveHire Limited ('LiveHire' or 'Group') for the half year ended 31 December 2020 ('Period').

1. BOARD OF DIRECTORS

The Directors of the Group at any time during or since the end of the Period are as follows.

Directors	Position
Michael Rennie	Executive Director & Chairman
Christy Forest	Chief Executive Officer & Executive Director
Antonluigi Gozzi	Executive Director
Adam Zorzi	Non-Executive Director (<i>resigned as Non-Executive Director 9 September 2020</i>)
Reina Nicholls	Non-Executive Director
Rajarshi Ray	Non-Executive Director (<i>appointed 9 September 2020</i>)

2. PRINCIPAL ACTIVITIES

During the period, the principal continuing activities of the Group consisted of:

- Support of an increasing number of client implementations via direct sales and channel partners, and successful adoption of the LiveHire technology;
- Expansion of the Group's sales and marketing capabilities in Australia and the United States;
- Expansion of the Group's channel partner network and progression of partner enablement program, including the launch of US Talent Communities; and
- Continued product development of the LiveHire Talent Acquisition & Engagement Platform, including Offer Management, Advanced Analytics, Recruiting Process Automation, Australian and US job board integrations, HR technology software integrations, further advancements to LiveHire's unique differentiators in AI Candidate Matching and Talent Pooling, and continued investment in infrastructure and scale

Directors' Report

Purpose & Growth Strategy

LiveHire's purpose and investment proposition	
LiveHire's purpose is to empower the flow of the world's talent. LiveHire does this through a platform-based approach that is rapidly deployed, infinitely scalable, easily integrated with, and underpinned by a single unified (federated) profile of a candidate, providing a private and secure single source of truth of data for organisations and talent.	
Leading SaaS Talent Acquisition & Engagement Platform	LiveHire's platform allows mid to large clients (from ~200 FTE and above) to transform their Talent Acquisition process whilst delivering exceptional levels of engagement for an authentic and personal candidate experience. The next generation cloud-based platform creates measurable results for client companies in terms of speed, quality and cost of hire, along with improved diversity outcomes.
Large market opportunity with significant organic growth runway	The US Fortune 1000 spend US\$80b on staffing contractors, giving a US\$800m technology market at 1%-2%. The Australian & New Zealand market have 4,000 addressable companies with a Total Addressable Market (TAM) of \$100m+.
Strong Balance Sheet for growth	LiveHire has scope to pursue organic growth both domestically and internationally, with ten quarters of funding at current revenues.

3. REVIEW OF OPERATIONS

The highlights and significant changes in state of affairs during the half year included:

- **SaaS Annualised Recurring Revenue (ARR¹) grew 28% year-on-year (YoY) to \$3.92m** at 31 December 2020 compared to \$3.01m at 31 December 2019.
- **SaaS Closing clients of 120, an increase of 21% YoY**, compared to 99 clients at 31 December 2019.
- **SaaS 11 new clients signed during the 6 months included** Telstra Purple, Varsity Group, Hudson RPO, Heart Recruitment, AccorPlus, Manpower Group, Hindmarsh, University of Newcastle, DDH1 Drilling and Iris Consulting.

¹ SaaS ARR represents contracted recurring revenue components of term subscriptions normalised to a one-year period. We believe this common SaaS metric, which is a Non IFRS measure, provides useful information for readers to assist in understanding the Group's financial performance. These measures have not been independently audited or reviewed.

Directors' Report

- **Direct Sourcing** channel partner strategy continues to grow moving to 11 partners at the end of December 2020:
 - CEO led partnerships with focus now on partner enablement (typically 4-6mth process)
 - Expected to provide opportunities to market LiveHire's platform to a material proportion of the Fortune 1000 enterprises
- **Direct sourcing** clients continue to grow closing at 8 as at 31 December 2020.
- **Talent Community Connections (TCCs) grew by 100% YoY**, with 3.2 million connections amongst existing clients and new clients at 31 December 2020 compared to 1.6 million at 31 December 2019.
- **Revenue from contracts with customers for the 6-month period grew to \$2.3 million which was 39% up on 31 December 2019. Direct sourcing revenue was \$0.3m for period ending 31st December 2020.**
- **Cash receipts for the 6-month period were \$2.4 million, equal** to the same period in FY20, with 12-month trailing cash receipts rising to \$4.4 million, representing 10% YoY growth.
- Strong financial position at the end of the period, **debt free with \$17.4m cash at bank.**
- During the period (1H FY21) the Products & Technology efforts were mostly dedicated to providing the enabling technologies and competitive advantages for new Partners and Clients in North America, with particular focus on Platform Scalability and Productivity features for large recruitment teams in Staffing Agencies. The new technology developments delivered the following outcomes:
 - **Recruitment Productivity for Volume Hiring of Contractors**, including Pipeline Velocity Management, Client and Contacts Management, Advanced Boolean Search, Profile Data Merging, New Contractor Application Process, and Multi-Brand Segments for Managed Direct Sourcing.
 - **Platform Scalability & Technological Debt**, catering for a growing number of large Talent Communities whilst improving the overall performance and reliability for all clients. We have enabled via our technology new ways to utilize the LiveHire platform, addressing important technical debt items, and speeding up volume processes and web-pages by up to 5x.
 - **Open APIs and Data Publishing**, having commenced implementations of significant data migration programs from prior cloud software providers or client's in-house bespoke technologies. We are now able to support our clients and partners with new Open APIs, Data Publishing and Data Automation tools, as well as new Integrations and Reporting capabilities.

Collectively these new features have created significant leverage for our clients, both in North America and in ANZ, allowing to increase recruitment team productivity and hiring effectiveness, all characteristics that have proven crucial during Covid-19 industry changes and emerging remote hiring practices.

- **Board strengthened** with the appointment of Rajarshi Ray Non-Executive Director.

Directors' Report

4. FINANCIAL PERFORMANCE

The financial results of the Group for the half year ended 31 December 2020 are:

	31-Dec-20	31-Dec-19	% Change
Revenue from contracts with customers (\$)	2,255,108	1,623,574	39%
Net loss after tax (\$)	(4,699,838)	(9,060,388)	48%
Loss per share (\$)	(0.016)	(0.030)	47%

5. LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

LiveHire will continue to focus on driving growth and market share in North America through Direct Sourcing of contractors and Australia & New Zealand in SaaS for HR.

To achieve a satisfactory balance when managing LiveHire's significant growth opportunities with potential risks, the Group has a well-developed Risk Management Framework which follows accepted standards and guidelines for managing risk. Key business risks include the following:

Risk	Response
Failure to scale and commercialise at a sufficient rate.	To execute the Group growth strategy, the Group has invested in several senior commercial roles, including the CEO, Chief Revenue Officer, Chief Growth Officer and EVP North America. This investment has led to a strong team and business structure to execute on the multi-channel growth strategy across ANZ and the US. The Group also continues to invest in the platform to maintain competitive with global competition.
Data Security and Privacy	LiveHire understands that privacy compliance is critical to maintaining client and candidate trust. In FY21 the Group appointed an experienced General Counsel and engaged a third-party Data Security expert. This investment has resulted in the development and implementation of a robust privacy compliance framework and data security processes and policies.

Directors' Report

6. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Independence Declaration by the lead auditor under Section 307C is included on the following page to these half year financial statements.

Signed in accordance with a resolution of the Board of Directors.



Michael Rennie

Executive Chairman

Melbourne, 26th February 2021



**Building a better
working world**

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Auditor's independence declaration to the directors of Livehire Limited

As lead auditor for the review of the half-year financial report of Livehire Limited for the half year ended 31 December 2020, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Livehire Limited and the entities it controlled during the financial period.

Ernst & Young

David Petersen
Partner
26 February 2021

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	31-Dec-20 \$	31-Dec-19 \$
Revenue from continuing operations			
Revenue from contracts with customers	6	2,255,108	1,623,574
Other Income	6	37,500	-
Total revenue and other income		2,292,608	1,623,574
Expenses			
Employee benefits expense	7	(3,560,125)	(5,373,456)
Operating expenses	7	(1,608,592)	(2,510,523)
Share based payment expense	14	(894,773)	(2,212,599)
Earnings (Loss) before interest, tax, depreciation and amortisation (EBITDA)		(3,770,882)	(8,473,004)
Depreciation and amortisation expense	7	(919,256)	(754,871)
Earnings (Loss) before interest and tax (EBIT)		(4,690,138)	(9,227,875)
Net finance income / (expense)	7	(1,934)	167,487
Loss before income tax		(4,692,072)	(9,060,388)
Income tax expense		(7,766)	-
Loss after income tax		(4,699,838)	(9,060,388)
Items that may be reclassified subsequently to the income statement			
Exchange differences on translation of foreign operations, net of tax		9,048	1,182
Other comprehensive income for the period, net of tax		9,048	1,182
Total comprehensive loss for the period		(4,690,790)	(9,059,206)
		\$	\$
Loss per share attributable to ordinary equity holders			
- Basic loss per share		(0.016)	(0.030)
- Diluted loss per share		(0.016)	(0.030)

The consolidated statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	Notes	31-Dec-20 \$	30-Jun-20 \$
ASSETS			
Current assets			
Cash and cash equivalents		17,371,794	20,980,794
Trade and other receivables	8	1,119,077	521,276
Prepaid Expenditure		167,050	404,883
Contract acquisition costs		157,031	120,062
Total current assets		18,814,952	22,027,015
Non-current assets			
Plant and equipment		275,751	340,633
Intangible assets	9	4,606,327	4,363,592
Contract acquisition costs		166,428	159,933
Right-of-use assets	10	722,320	891,755
Other non-current financial assets		79,753	80,536
Total non-current assets		5,850,579	5,836,449
Total assets		24,665,531	27,863,464
LIABILITIES			
Current liabilities			
Trade and other payables	11	642,706	651,262
Provisions		660,358	600,761
Lease liabilities	10	357,167	341,279
Deferred revenue		2,072,122	1,599,865
Total current liabilities		3,732,353	3,193,167
Non-current liabilities			
Provisions		123,947	108,544
Lease liabilities	10	456,790	620,348
Other non-current liabilities		-	-
Total non-current liabilities		580,737	728,892
Total liabilities		4,313,090	3,922,059
Net assets		20,352,441	23,941,405
EQUITY			
Issued capital	12	62,125,005	61,912,747
Reserves	13	12,664,927	11,766,315
Accumulated losses		(54,437,491)	(49,737,657)
Total equity		20,352,441	23,941,405

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
At 1 July 2020	61,912,747	11,766,315	(49,737,653)	23,941,409
Comprehensive income:				
Loss for the period	-	-	(4,699,838)	(4,699,838)
Other comprehensive income	-	3,840	-	3,840
Total comprehensive loss for the period	-	3,840	(4,699,838)	(4,695,998)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	212,258	-	-	212,258
Share option expense	-	894,773	-	894,773
At 31 December 2020	62,125,005	12,664,927	(54,437,491)	20,352,441

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
At 1 July 2019	61,757,495	9,452,791	(35,183,240)	36,027,046
Effect of initial adoption of AASB 16			90,455	90,455
Restated Balance	61,757,495	9,452,791	(35,092,785)	36,117,502
Comprehensive income:				
Loss for the period	-	-	(9,060,388)	(9,060,388)
Other comprehensive income	-	1,182	-	1,182
Total comprehensive loss for the period	-	1,182	(9,060,388)	(9,059,206)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	55,954	-	-	55,954
Share option expense	-	2,212,599	-	2,212,599
At 31 December 2019	61,813,449	11,666,573	(44,153,173)	29,326,849

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

Notes	31-Dec-20 \$	31-Dec-19 \$
Cash flows from operating activities		
Receipts from customers	2,383,097	2,429,564
Payment to suppliers and employees	(5,166,389)	(8,605,199)
Receipt of interest	70,754	266,994
Payment of interest	(59,320)	(78,120)
Net cash outflow from operating activities	(2,771,859)	(5,986,761)
Cash flows from investing activities		
Payment for intangible assets	(929,052)	(1,077,550)
Payment for plant and equipment	(310)	(18,093)
Proceeds from other non-current financial assets	283	30,782
Government Grants	37,500	-
Net cash outflow from investing activities	(891,580)	(1,064,861)
Cash flows from financing activities		
Proceeds from the issue of shares	212,258	55,954
Payment of principal portion of lease liabilities	(147,671)	(132,346)
Net cash inflow / (outflow) from financing activities	64,587	(76,392)
Net increase / (decrease) in cash and cash equivalents	(3,598,851)	(7,128,014)
Cash and cash equivalents at the beginning of the period	20,980,794	34,013,420
Effects of exchange rate changes on cash and cash equivalents	(10,150)	(3,507)
Cash and cash equivalents at the end of the period	17,371,794	26,881,899

The statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the Financial Statements

1. CORPORATE INFORMATION

The financial statements of LiveHire Limited (referred to as '**LiveHire**' or the '**Group**') for the half year ended 31 December 2020 (the '**Period**') were authorised for issue in accordance with a resolution of the directors on 26th February 2021 and covers LiveHire, and all entities controlled by the Group, as an entity as required by the *Corporations Act 2001*. LiveHire is a for-profit entity for the purpose of preparing these financial statements.

The financial statements are presented in Australian dollars.

LiveHire is a Group limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (listed on ASX on 8 June 2016).

The address of the registered office and principal place of business is Level 10, 461 Bourke Street, Melbourne VIC 3000.

2. BASIS OF PREPARATION

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of Preparation

The interim consolidated financial statements for the half-year ended 31 December 2020 have been prepared in accordance with AASB134 Interim Financial Reporting and the Australian Corporations Act 2001.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2020 and any public announcements made by LiveHire Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Australian Corporations Act 2001*.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

Notes to the Financial Statements

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

The accounts have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

KEY JUDGEMENTS AND ESTIMATES

In preparing its half-year financial report, the Group has used significant judgements and estimates. These are consistent with those applied in the Group's 2020 Annual Report. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that management believes to be reasonable under the circumstances. The judgements and estimates used in relation to Intangible Assets and Share-Based Payments when preparing the financial statements for the period ended 31 December 2020 are consistent with those disclosed in our previous year end report, dated 30 June 2020.

3. CHANGES IN ACCOUNTING POLICIES

No changes were made to accounting policies during this period.

4. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

Activities in the operating segments are identified by management based on the manner in which resources are allocated, the nature of the resources provided and the identity of service line manager and area of income and expenditure. Discrete financial information about each of these areas is reported to the executive management team on a monthly basis.

Management has determined that the Group has one operating segment being the provision of online Talent Acquisition software. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing activities.

Notes to the Financial Statements

5. REVENUE FROM CONTRACTS WITH CUSTOMERS AND OTHER INCOME

	31-Dec-20	31-Dec-19
	\$	\$
Revenue from contracts with customers		
- Hosting and Maintenance fees	1,746,011	1,344,608
- Implementation fees	101,289	181,836
- Integration fees	3,127	15,000
- Professional Services fees	90,061	80,066
- Direct Sourcing revenue	314,460	-
- Other operating revenue	160	2,064
Total Revenue from contracts with customers	2,255,108	1,623,574
Other income		
- Government Grants	37,500	-
	37,500	-
Total revenue and other income	2,292,608	1,623,574

Notes to the Financial Statements

6. EXPENSES

	31-Dec-20 \$	31-Dec-19 \$
Loss before income tax includes the following specific expenses		
Employee benefits expense		
- Salaries and wages	3,775,127	5,531,557
- Superannuation contributions	313,427	494,863
- Payroll tax	237,139	314,201
- Employee entitlement accrual	77,026	(33,346)
- Capitalisation of employee benefits	(842,594)	(933,819)
	<u>3,560,125</u>	<u>5,373,456</u>
Operating expenses		
- Advertising and marketing expenses	145,868	258,002
- Consultants and contractor fees	440,553	872,978
- Capitalisation of consultants and contractor fees	(86,459)	(143,730)
- Technology related expenses	677,149	707,283
- Operating and administration expenses	431,481	815,990
	<u>1,608,592</u>	<u>2,510,523</u>
Depreciation and amortisation expenses		
- Depreciation of fixed assets	63,503	71,918
- Depreciation of right-of-use assets	169,435	169,435
- Amortisation of software development asset	686,318	513,518
	<u>919,256</u>	<u>754,871</u>
Finance (income) / expense		
- Interest (Income)	(57,386)	(245,607)
- Interest expense on lease liabilities	59,320	78,120
	<u>1,934</u>	<u>(167,487)</u>

7. TRADE AND OTHER RECEIVABLES

	31-Dec-20 \$	30-Jun-20 \$
Trade receivables	1,185,378	491,561
GST receivable	(70,563)	12,085
Accrued interest	4,262	17,630
Total trade and other receivables	<u>1,119,077</u>	<u>521,276</u>

The carrying amount of trade and other receivables is a reasonable approximation of fair value.

Notes to the Financial Statements

8. INTANGIBLE ASSETS

Software consists of capitalised developments costs being an internally generated intangible asset, refer to the 30 June 2020 financial report for additional detail.

	31-Dec-20	30-Jun-20
	\$	\$
Software development		
Cost	10,436,489	9,507,436
R&D Tax Incentive	(2,030,382)	(2,030,382)
Accumulated amortisation	(3,799,780)	(3,113,462)
Total intangibles	4,606,327	4,363,592

9. LEASES

	Right- of use assets		Lease liabilities
	Premises	Total	Total
	\$	\$	\$
As at 30 June 2020	891,755	891,755	961,628
Depreciation expense	(169,435)	(169,435)	-
Interest expense	-	-	59,320
Payments	-	-	(206,991)
As at 31 December 2020	722,320	722,320	813,957
Current lease liability	-	-	357,167
Non-Current lease liability	-	-	456,790
Total Lease Liability as at 31 December 2020	-	-	813,957

Notes to the Financial Statements

10. TRADE AND OTHER PAYABLES

	31-Dec-20	30-Jun-20
	\$	\$
CURRENT		
<u>Unsecured liabilities</u>		
Trade payables	46,647	69,501
Sundry payables and accrued expenses	279,733	247,231
PAYG payable	159,798	150,210
Superannuation payable	156,530	184,320
	642,708	651,262

Terms and conditions relating to trade and other payables:

- (i) trade creditors are non-interest bearing and are normally settled within agreed trading terms;
- (ii) sundry payables are non-interest bearing and are normally settled within agreed trading terms.

The carrying amount of trade and other payables is a reasonable approximation of fair value.

11. ISSUED CAPITAL

a) Issued and fully paid

	31-Dec-20		30-Jun-20	
	\$	No.	\$	No.
Ordinary shares	62,125,005	297,100,490	61,912,747	302,921,950
	62,125,005	297,100,490	61,912,747	302,921,950

b) Movement Reconciliation

ORDINARY SHARES	Date	Quantity	Issue price	\$
Balance 30 June 2020		302,921,950		61,912,747
- Cashless buyback of Loan Back Shares	23/07/2020	(3,701,498)		
- Exercise of performance rights & options	15/09/2020	2,289,041		
- Cashless buyback of Loan Back Shares	13/10/2020	(2,192,634)		
- Exercise of performance rights	23/12/2020	75,000		20,398
- Loan back shares repayments				191,860
Balance 31 December 2020		299,391,859		62,125,005

Notes to the Financial Statements

12. RESERVES

The share-based payment reserve is used to accumulate amounts received on the issue of options and records items recognised as expenses on valuation of incentive-based shares.

The translation reserve is used to record exchange differences arising from the translation of the Financial Statements of its overseas subsidiary.

	Share-Based payments reserve	Currency translation reserve	Total
	\$	\$	\$
Balance at 1 July 2019	9,452,791	-	9,452,791
Share-based payment expense	2,212,599	-	2,212,599
Foreign currency translation differences	-	5,208	5,208
Balance at 31 December 2019	11,665,391	5,208	11,670,599
Share-based payment expense	95,716	-	95,716
Balance at 30 June 2020	11,761,107	5,208	11,766,315
Share-based payment expense	894,772	-	894,772
Foreign currency translation differences	-	3,840	3,840
Balance at 31 December 2020	12,655,879	9,048	12,664,927

Notes to the Financial Statements

13. SHARE-BASED PAYMENTS

	31-Dec-20	30-Jun-20
	\$	\$
<u>Share-based payment expense recognised during the period</u>		
Options issued to employees and consultants	(1,280)	51,540
Shares issued under employee share scheme	(165,249)	617,922
Modification of shares issued under employee share scheme	128,919	796,567
	(37,610)	1,466,029
Performance rights issued to employees and contractors	639,568	746,570
Service rights issued to executive team	58,193	-
Short term incentives issued to executive team	169,848	-
Long term incentives issued to executive team	64,775	-
	894,773	2,212,599

During the period new instruments were issued to the executive team which included service rights and short and long term incentives (including options) and also performance rights to employees.

14. DIVIDENDS

No dividends have been paid or declared since the start of the financial period, and none are recommended.

15. CONTINGENCIES

There have been no material changes in contingent liabilities or contingent assets since the last annual reporting date.

16. SUBSEQUENT EVENTS

There have not been any significant events that have arisen since 31 December 2020 and up to the date of this report that has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

17. RELATED PARTY DISCLOSURES

During the period there were no transactions with related parties.

Directors' Declaration

The Directors of the Group declare that:

- (a) The financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, and:
- (i) give a true and fair view of the Company's financial position as at 31 December 2020 and its performance for the half year ended on that date.
 - (ii) comply with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.
- (b) In the Director's opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



Michael Rennie

Executive Chairman

Melbourne, 26th February 2021



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Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Independent auditor's review report to the members of LiveHire Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of LiveHire Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of its consolidated financial performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2020 and its consolidated financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Ernst & Young

David Petersen
Partner
Melbourne
26 February 2021