

XREF

A global platform for
pre-employment verification.

2021 ASX : XF1 SHAREHOLDER PRESENTATION



Welcome to our journey



Lee-Martin Seymour, Co Founder and CEO | Watch the CEO Welcome on XF1.com

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First to market and **best** in class

\$15m+

Annual revenue run rate (AUD)

\$14m+

Annual cost base

6,500+

Active users

2m+

Reference checks provided

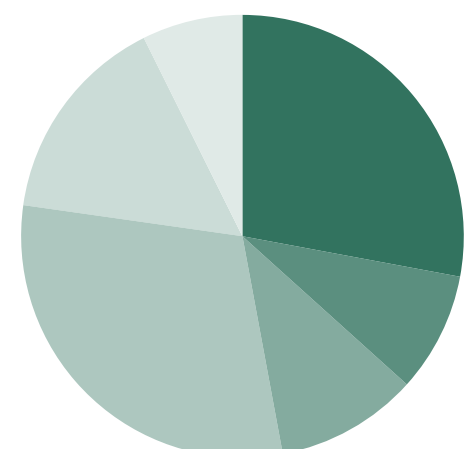
✓ Founded in 2010, publicly listed in 2016 (ASX:XF1)

✓ 60 full-time employees with an average tenure of 3 years

✓ 2.4% of all Xref shares owned by Xref employees (excl. founder).
70% of employees own Xref shares.

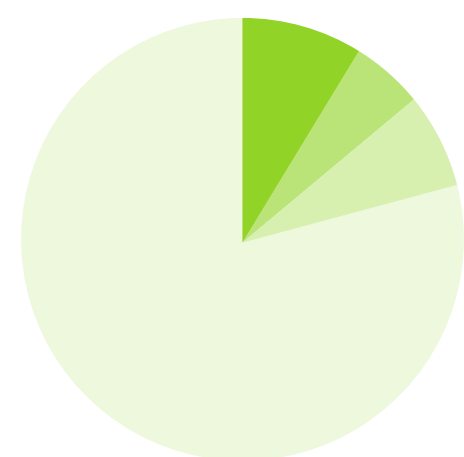
✓ Led by founder and largest shareholder, Lee-Martin Seymour

✓ Identity verification platform acquired in 2019 (RapidID)



Headcount by department

| | | | |
|-------------|-------|------------------|-------|
| Executive | 7.0% | Customer Success | 10.5% |
| Operations | 15.8% | Marketing | 8.8% |
| Development | 29.8% | Sales | 28.1% |



Headcount by location

| | | | |
|----------------|------|-------------|-------|
| Canada | 8.8% | New Zealand | 7.0% |
| United Kingdom | 5.3% | Australia | 78.9% |



Xref Team | Sydney 2021

We are an innovative, online tech solution that exists to empower businesses to make great people decisions during the hiring process. With a passionate team behind everything that we do, our vision is to change the way the world hires and make the process a whole lot easier for everyone involved. We're committed to building upon the playful, hard-working culture that we're known for and will continue to celebrate every new success together.

Global human verification platform

Product map (current)

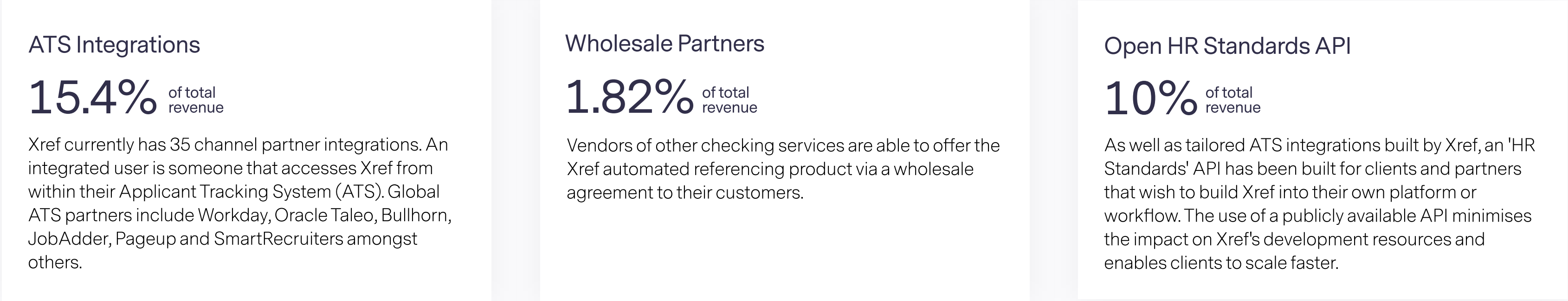
47%

Revenue Growth from Xref’s native platform.



55%

Revenue growth from wholesale and channel partners.



The platform of choice **globally**

Unique platform features



- Xref lite (100% self-service, free to get started)
- People search (talent pooling from referees)
- Template builder (multi-language, free access)
- Instant ID checking (via RapidID)

Privacy & security



- ISO27001 : Global data security certification
- Automated fraud checking
- Multi-region micro services Infrastructure
- Privacy compliant to GDPR standards

Advanced analytics



- Automated content & sentiment scoring
- Detailed life cycle analysis
- Competency benchmarking
- Tailored platform performance reporting

Integration services



- Integrated with 35+ global talent management platforms
- HR standards public API support for bespoke integrations
- Wholesale integrations with checking providers
- Integrated additional checks

Multi-Language & accessibility



- 100% multi-language platform
- Free multi-language template builder
- 24/7 multi-language support
- Custom translation services
- WCAG 2.1 compliant



“The SmartRecruiters and Xref integration allows us to access our entire recruitment process from one place. It’s made our process fast and accurate. The ease of use combined with the support offered by both companies is fantastic.” ↗

Client acquisition and retention

| | | | | |
|---|--------------------|--|---------------------|---|
| <div>Lead Generation</div> <div>+260%</div> <div>Increase in marketing qualified leads compared to FY20</div> | Direct Marketing | | Direct Sales | |
| | Direct marketing | Digital marketing tools, including PPC, SEO and online customer reviews have driven traffic to Xref-owned assets, boosted brand salience and enhanced platform credibility online. The development and amplification of thought leadership content alone has accounted for 60% of leads. | Channel marketing | Direct sales have been driven through leads generated by the Xref sales, account management and customer success teams, as well as joint marketing activities with integrated ATS and background checking partners. |
| | Referral marketing | | Wholesale marketing | |
| | Content marketing | | Direct sales | |

| | | |
|---|-----------------------|---|
| <div>Sales Conversion</div> <div>+62%</div> <div>Increase in total sales compared to FY20</div> | Xref Lite | With Xref Lite, a user can create an account and use a free credit, then buy credits for future use and change the way their company references, all within a matter of minutes. It has all the power of Xref and is perfect for single-use users who require low volumes, or enterprise prospects exploring the platform before enquiring. |
| | Enterprise Sales Team | Xref sales teams in Australia, New Zealand, the United Kingdom and Canada focus on converting enterprise leads. Once a new client has been onboarded and has started to use the platform, the sales team hands over the management of the client to the account management team. |

| | | |
|---|-------------------------------|--|
| <div>User Adoption</div> <div>+36%</div> <div>Increase in revenue as a result of improved platform adoption</div> | Customer Success | <div><div></div> Features and benefits</div> <div><div></div> Platform optimisation</div> <div><div></div> Return on Investment</div> |
| | Enterprise Account Management | <div><div></div> Product marketing</div> <div><div></div> References and testimonials</div> <div><div></div> Price and quantity growth</div> |

Organisations that people trust most, trust Xref

1,200

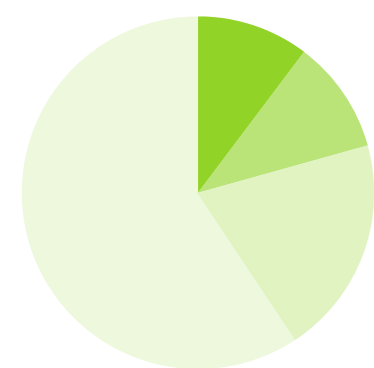
Active clients globally

63%

Joined within the last three years

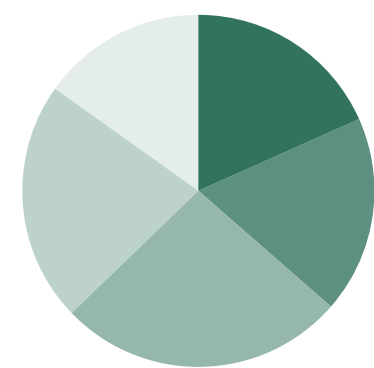
50%

Revenue contribution from tier #1 clients



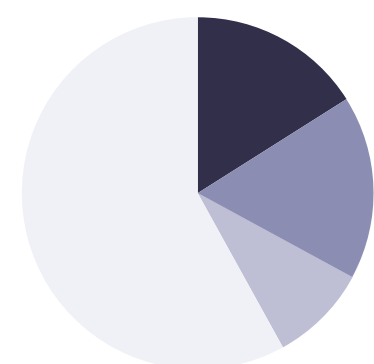
Client Size

| | | | |
|---------|-------|---------|-------|
| Tier #1 | 10.8% | Tier #3 | 18.9% |
| Tier #2 | 10.5% | Tier #4 | 59.8% |



Client Age

| | | | |
|---------|-------|----------|-------|
| 1 Year | 15.0% | 4 Years | 18.3% |
| 2 Years | 22.5% | 5+ Years | 18.1% |
| 3 Years | 26.2% | | |

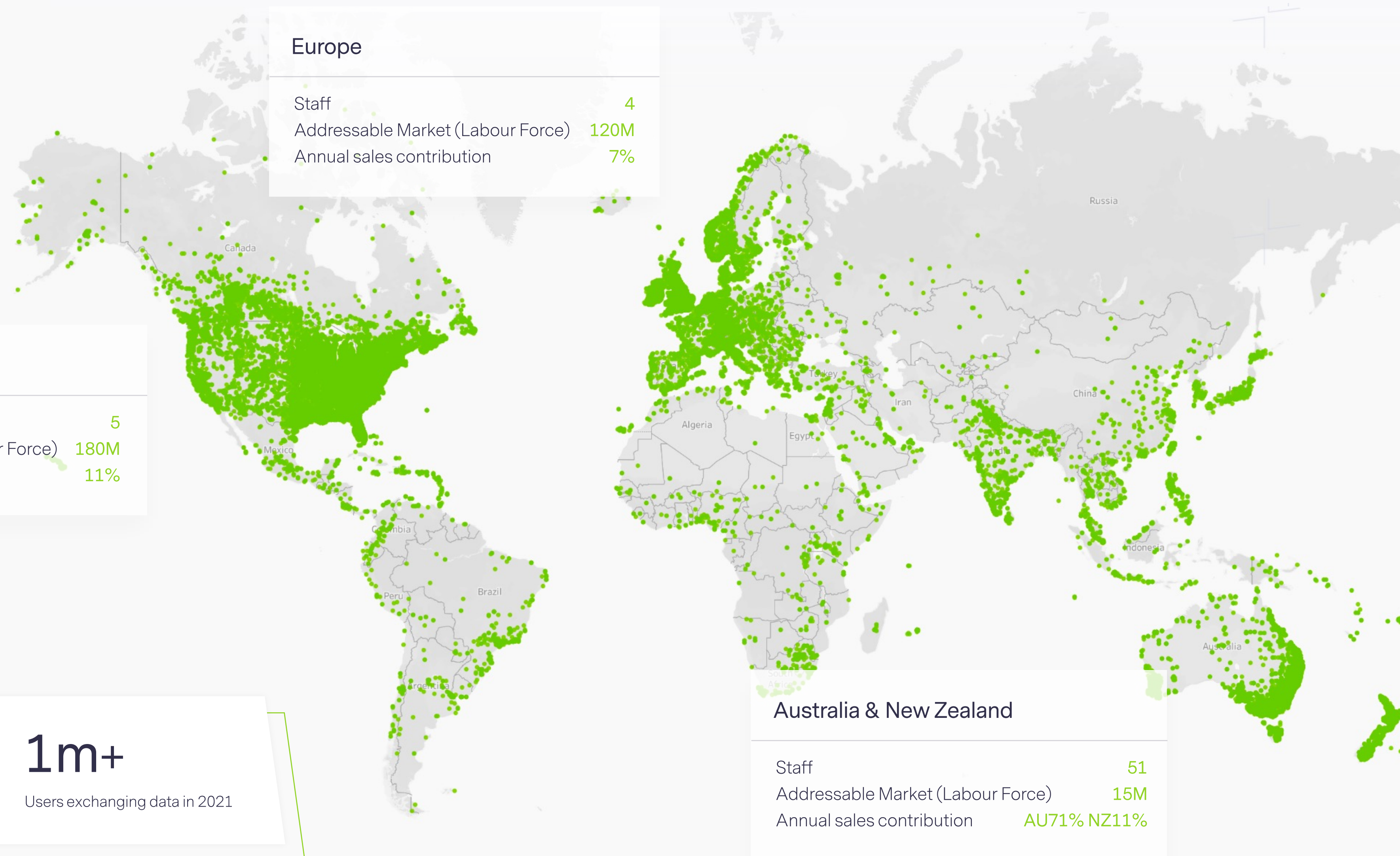


Client Locations

| | | | |
|---------------|-------|-------------|-------|
| North America | 16.0% | New Zealand | 9.2% |
| Europe | 16.8% | Australia | 57.9% |



Global platform **interactions**



6.3m

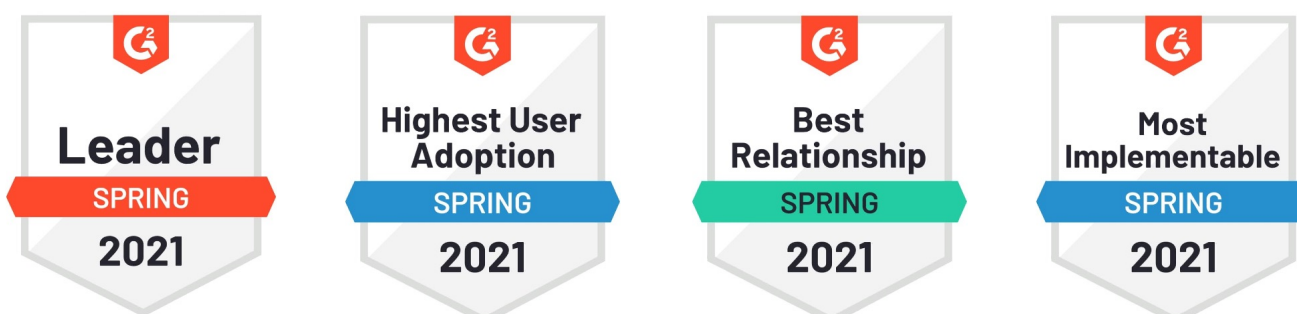
Total user platform interactions

1m+

Users exchanging data in 2021

Highest rated globally

Ratings & Awards



“Xref makes us a well-oiled recruitment machine and allows us to pass benefits on to clients.”

HUDSON RPO



“Xref frees up time for more strategic talent acquisition tasks.”

QANTAS



“With Xref we are able to identify potentially fraudulent activity by candidates.”

KONICA MINOLTA



“A fantastic solution for any busy recruitment team.”

AECOM



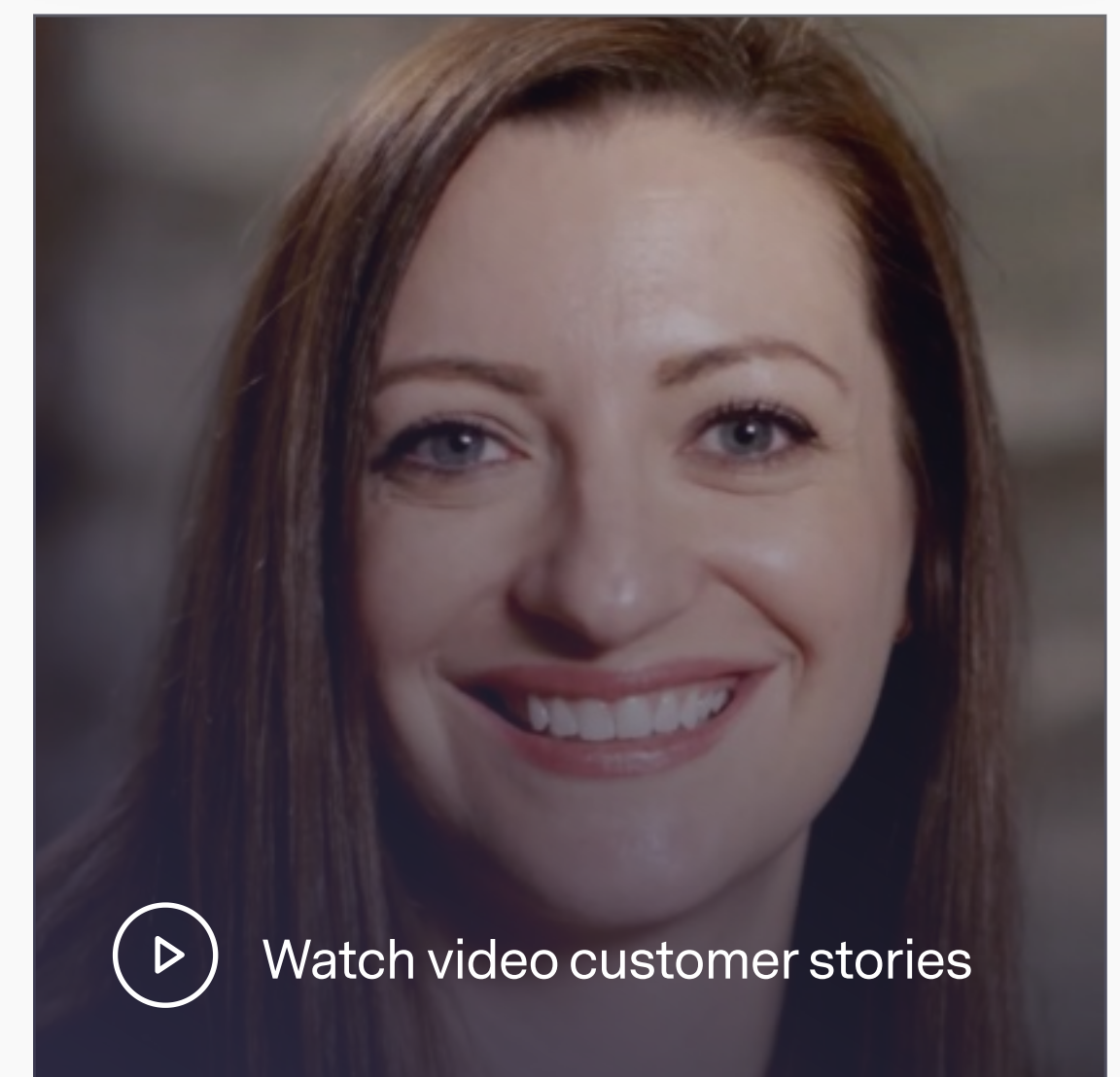
“Xref provides data analytics that wasn’t possible with our previous approach.”

sodexo



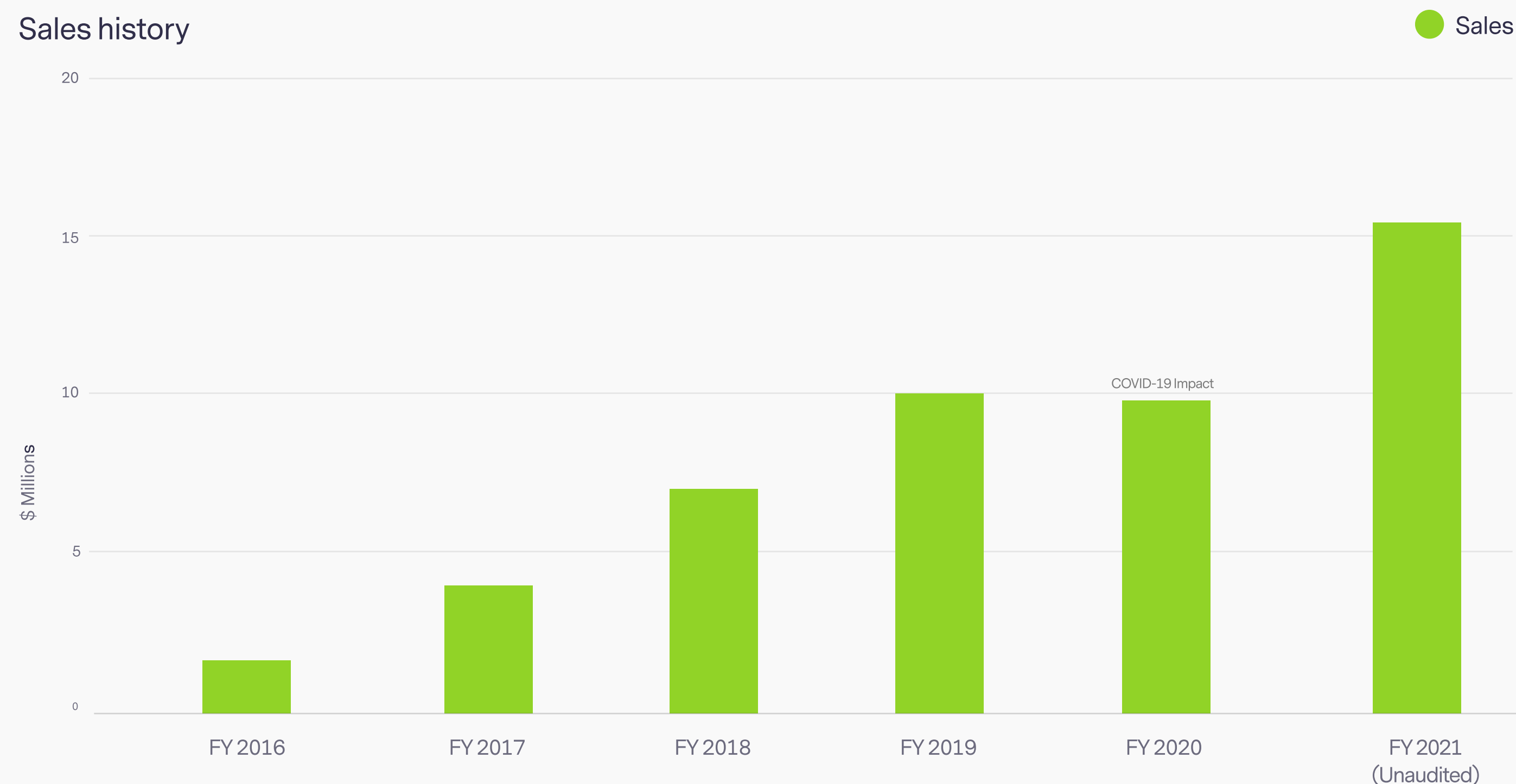
“Xref improves the professional appearance of our organisation to potential recruits.”

Sue Ryder
palliative, neurological and bereavement support



+56% sales growth

Sales history



Prepaid Credits

10% Growth

When clients purchase credits (credit sales) to use the candidate referencing platform, the value of their purchases is recognised as unearned income. When they pay for the credits, the cash is recognised as cash receipts. Once the credits are used by the client (usage), Xref recognises the value of the credits used as revenue (recognised revenue).

Postpaid Checks

307% Growth

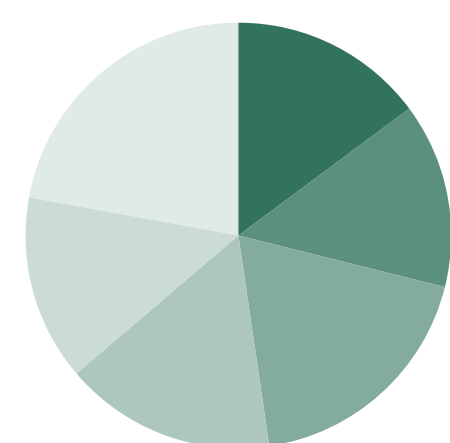
Post-pay arrangements have been negotiated with legacy clients, high users or tailored partnership agreements. Payment for postpaid checks is on a monthly basis.

Subscription

77% Growth

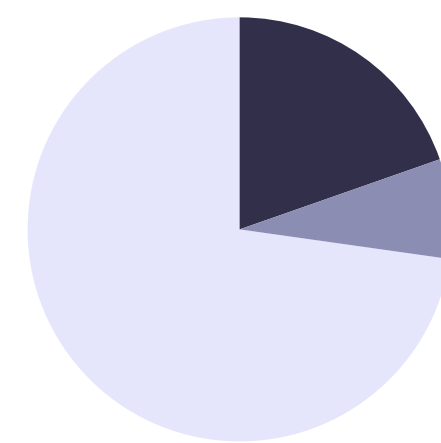
Platform access subscriptions allow a customer to pay monthly on a 12-month agreement. The subscription has a capped amount of credits available for use during the subscription term.

FY2021 Sales by client cohort (year joined)



| | | | |
|---------|--------|-------------|--------|
| FY 2021 | 22.12% | FY 2018 | 18.67% |
| FY 2020 | 13.75% | FY 2017 | 14.9% |
| FY 2019 | 16.41% | Pre FY 2017 | 14.9% |

Sales breakdown



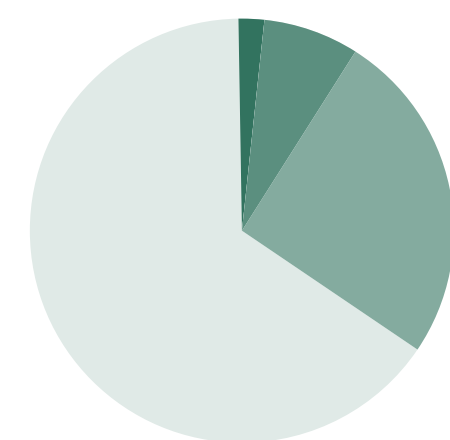
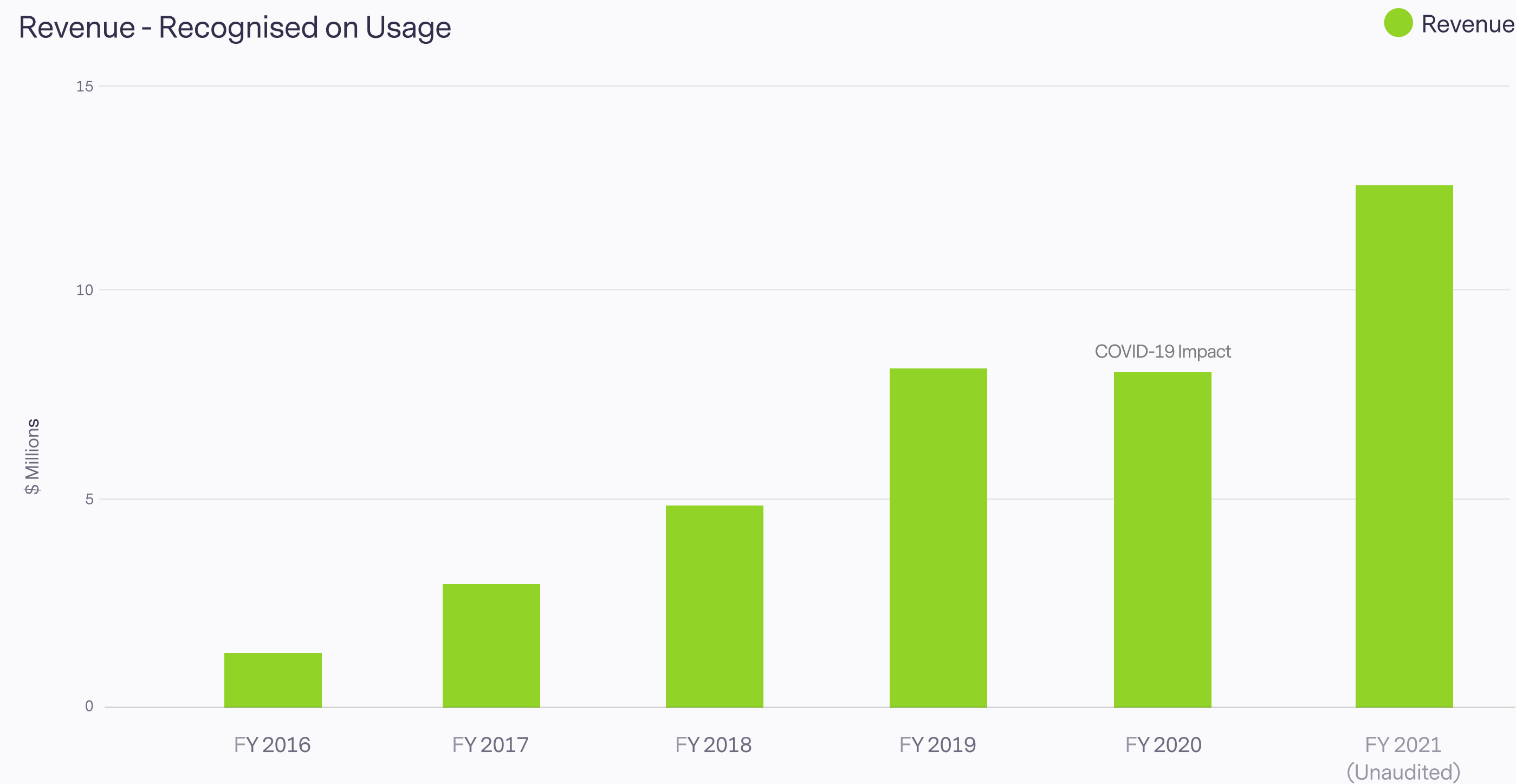
| | |
|-----------------|-----|
| Postpaid Checks | 24% |
| Subscriptions | 6% |
| Prepaid Checks | 70% |

*Actual: Sales up to April 30th 2021.

Growth figures: FY2021 compared to FY2020

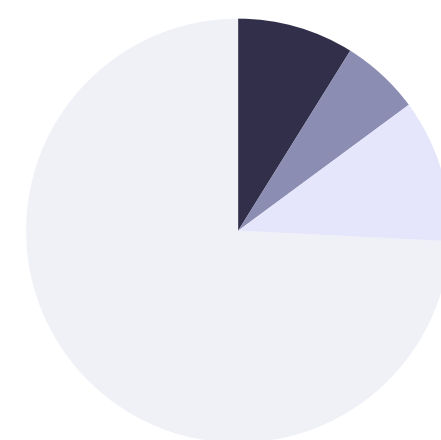
+32% usage growth

Revenue - Recognised on Usage



Usage Breakdown

| | |
|--------------------|-------|
| Wholesale Partners | 1.8% |
| Additional Checks | 7.2% |
| Channel Partners | 25.4% |
| Xref.com | 65.6% |



Usage Splits

| | |
|---------------|-----|
| Australia | 74% |
| New Zealand | 11% |
| Europe | 6% |
| North America | 9% |

Growth figures: FY2021 compared to FY2020

Xref.com

38% Growth

Users accessing the native Xref platform via either the Xref Lite or Enterprise version.

Integrated Additional Checks

251% Growth

Fully automated checks, such as ID, criminal record and Working With Children checks, are available via Xref and consumed by both native and integrated users.

Wholesale Partners

15% Growth

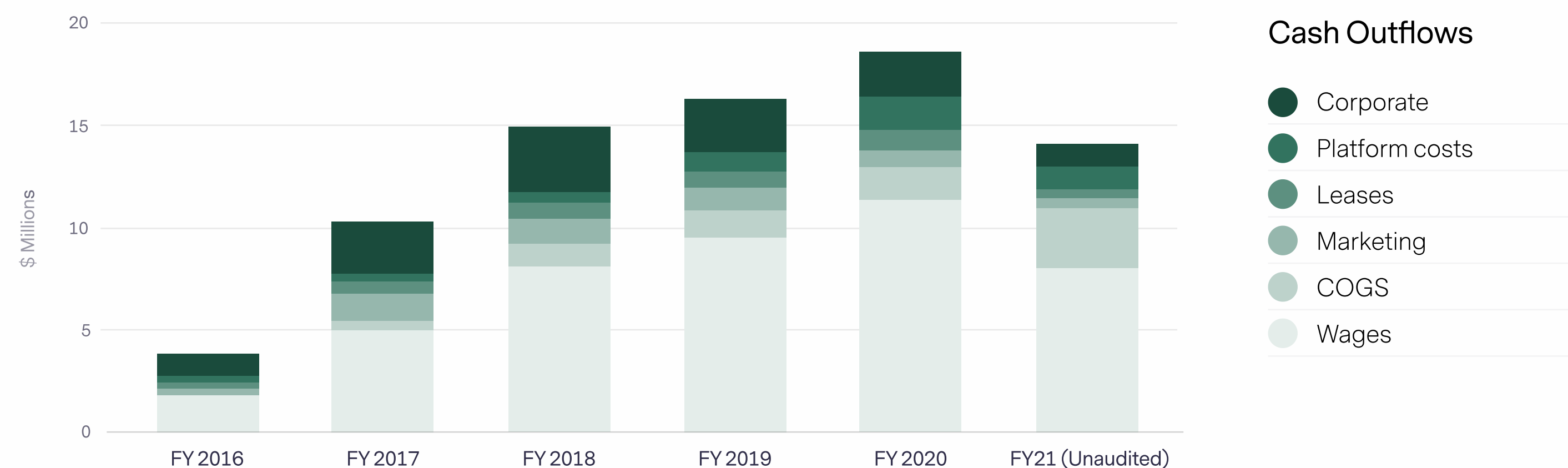
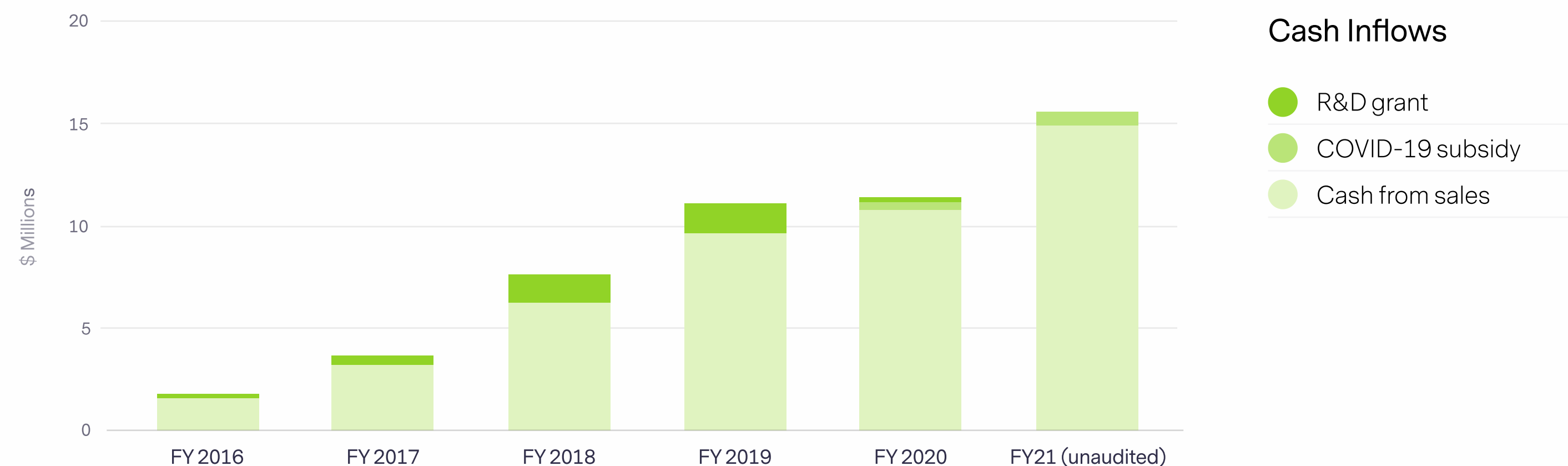
Vendors of other checking services are able to offer the Xref automated referencing product via a wholesale agreement to their customers.

Channel Partners

59% Growth

Xref currently has 35 channel partner integrations. An integrated user is someone that accesses Xref from within their Applicant Tracking System (ATS).

Targeting **profitable** scale



Reduced Cash Outflows

Since November 2019, Xref's primary focus has been on preserving cash and reaching cash flow break even. Key initiatives have included:

- ▶ Redirecting marketing efforts from sales support to online lead generation has led to a 66% reduction in marketing cost
- ▶ Building efficiencies in the acquisition, onboarding, support and growth of clients has led to a reduction in headcount and in turn a 34% reduction in wages and salaries
- ▶ Adopting a working from home policy has reduced occupancy costs by 44%.

As the business increases sales at a significantly higher rate than overall expenditure, operating leverage continues to improve.

Global market opportunity

Expanding the Xref addressable market

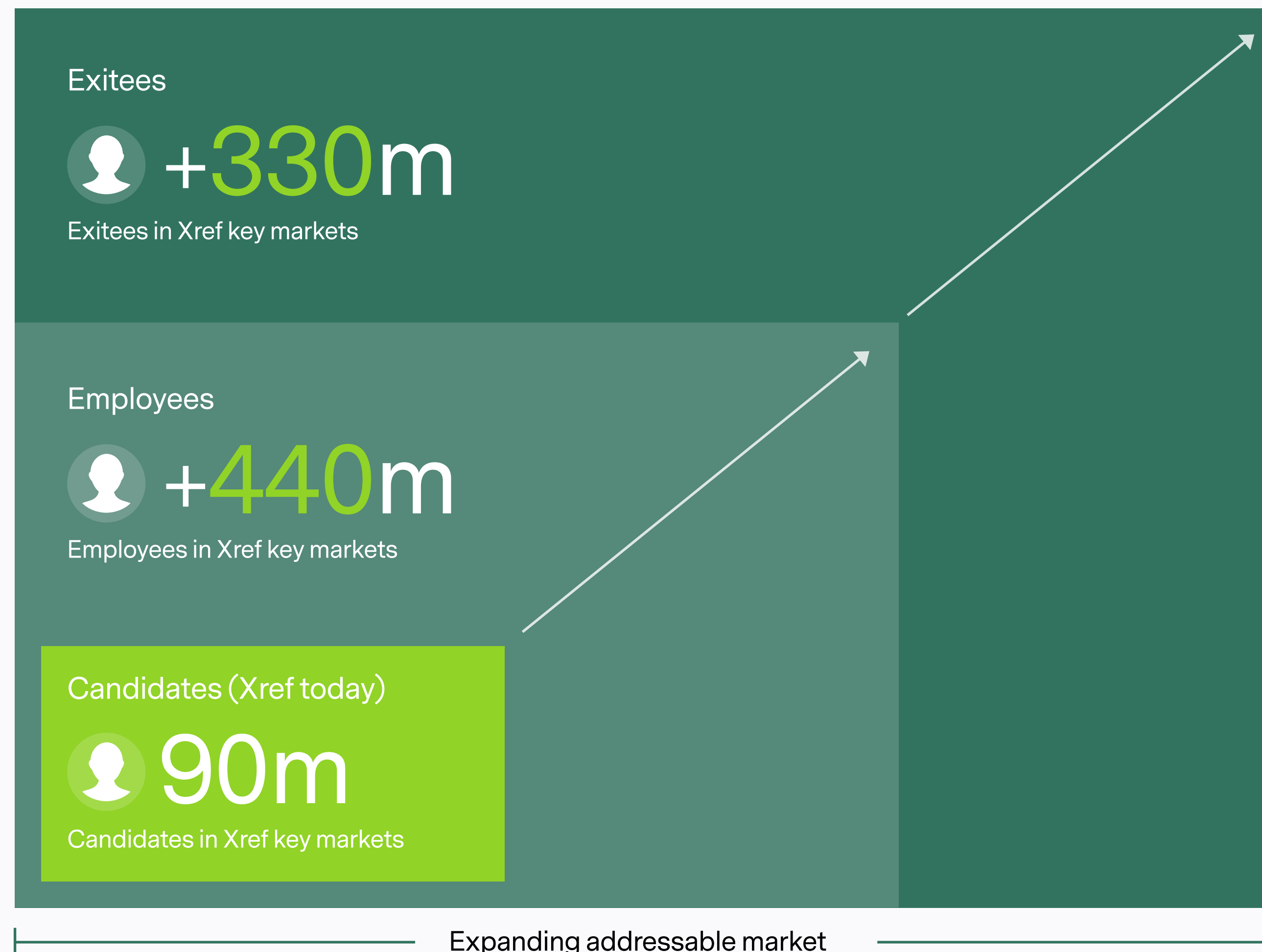
Xref has helped the industry reinvent the way feedback is collected during the recruitment stage.

Now, we are working with some of the largest organisations in the world to develop new, innovative products that offer unique employment insights.

Organisations are exploring ways to continue to request feedback throughout the employment and exit stages, to better understand the talent moving through their business.

Assessing organisational performance by consistently collecting employee feedback and bringing back to the organisation is essential to understanding changes over time.

Extending the Xref platform across the full hire to retire journey increases the addressable market exponentially and allows organisations to enjoy the benefits of Xref across their business.



*figures based on the annual labour force across AU, NZ, US, CA, UK and EU as measured by the data.oecd.org and assuming a 15% attrition rate.
Exitees calculated using the 15% attrition rate across the last 5 years. This, therefore, represents an organisations alumni community.

FY22 product roadmap



Environment, social and governance (ESG)



Environment

► Paperless automation

Reducing paper consumption by using digital files and cloud-based file-sharing for operational and financial efficiency, and environmental benefits.

► AWS Microservices Infrastructure

Running all services via Amazon Web Services, with the lowest level of environmental impact possible, and passing on energy savings to customers.

► Work From Home policy

Allowing all staff to work from home, resulting in a low global carbon footprint and a truly paperless working environment.

► COVID-19 Management

Maintaining a booking and sign in process for all staff visiting the Sydney office. Thus ensuring that local regulations are met and the risk of contamination is reduced.



Social

► Platform accessibility

Reducing paper consumption by using digital files and cloud-based file-sharing for operational and financial efficiency, and environmental benefits.

► Multi-language capabilities

Providing user, candidate and referee access to Xref on a global scale with multiple language options.

► Fraud detection

Helping employers to avoid the impact of costly, bad hires by alerting them to potential candidate fraud.

► Employee health & safety

Assessing all offices and workstations for employee health and safety assurance, including employees' working from home arrangements.



Governance

► Publicly listed company

Abiding by a publicly available corporate governance statement, which outlines Xref's commitment to meeting ASX principles and recommendations.

► ISO27001

Offering assurance that Xref is built using the highest standard of security and quality management practices.

► GDPR compliance

Protecting the data privacy rights of candidates, referees and employers during the hiring process.

► Regional data governance

Ensuring compliance with local data privacy regulations in the regions within which Xref operates.

Capital structure (5 July 2021)

182.3m

Quoted shares

\$67.45m

Market capitalisation at 37.0c

20.3m options

Being 12,800,000 options at \$0.70 exercise price, 448,396 options at \$0.66 exercise price, 4,000,000 options at \$0.18 exercise price and 3,038,242 options at \$0.35 exercise price. These options expire on dates between 3 July 2021 and 1 May 2024.

14.3m warrants

Issued on 31 July 2020, with an exercise price of \$0.35 each (subject to adjustment in accordance with the Warrant Deed) and may be exercised any time up to 24 July 2024, being the date that is seven days before the termination date (31 July 2024) of the related \$5 million secured debt facility.

Top 5 Shareholders

31.73m

Lee Seymour, Founder CEO as West Riding Investments PTY LTD <SEYMOUR FAMILY A/C> & SEYMOUR SUPERANNUATION HOLDINGS <SEYMOUR SUPERFUND A/C>

30.86m

Squirrel Holdings Australia PTY LTD
Griffiths Family A/C

22.50m

Netwealth Investments LIMITED Wrap Services A/C

18.20m

National Nominees LIMITED

8.72m

UBS Nominees PTY LTD

Substantial Institutional Holder

Australian
Ethical



8.17%

Board and management



Lee-Martin Seymour
CEO Co-Founder, Exec Director

A serial entrepreneur with over twenty years of experience building brands, developing technology, developing people and driving sales. Lee is the largest Xref shareholder and is passionate about pioneering positive change within the global employment sector.

[Linkedin](#)



BOARD



Brad Rosser
Non-Exec Chairman



Nigel Heap
Non-Exec Director



Robert Waring
Company Secretary



Lija Wilson
Non-Exec Director

EXECUTIVE



James Solomons
CFO



Sharon Blesson
CTO



David Haines
GM RapidID



Karina Guerra
Group Marketing Director

KEY CONTACTS

Place of business

Xref Ltd
(Head and Registered Office),
Suite 13, 13 Hickson Rd
Dawes Point, NSW 2000
xref.com

Auditors

Crowe Sydney
Level 15
1 O'Connell Street
Sydney, NSW 2000
crowe.com/au

Share registry

Computershare
Investor Services Pty Ltd
452 Johnston Street
Abbotsford, Victoria 3067
computershare.com/au

Corporate Advisory

TMT Partners
Aurora Place,
Level 27/88 Phillip St,
Sydney, NSW 2000
tmtpartners.com.au

Investor Relations

The Capital Network
Level 14
234 George Street
Sydney, Australia, 2000
thecapitalnetwork.com.au

Further resources

Credentials

-  G2 ratings [↗](#)
-  Google reviews [↗](#)
-  Capterra [↗](#)
-  Xref Client Case studies [↗](#)
-  Getapp [↗](#)

Reports

- Interim Report 2021 [↗](#)
- FY21 Q3 Update [↗](#)
- Investor Center [↗](#)



Products

- Xref Website [↗](#)
<https://www.xref.com/>
- Xref Lite [↗](#)
<https://pages.xref.com/xref-lite-trial.html>
- RapidID [↗](#)
<https://www.rapidid.com/>
- Xref Template Builder [↗](#)
<https://www.xref.com/platform/reference-templates>

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