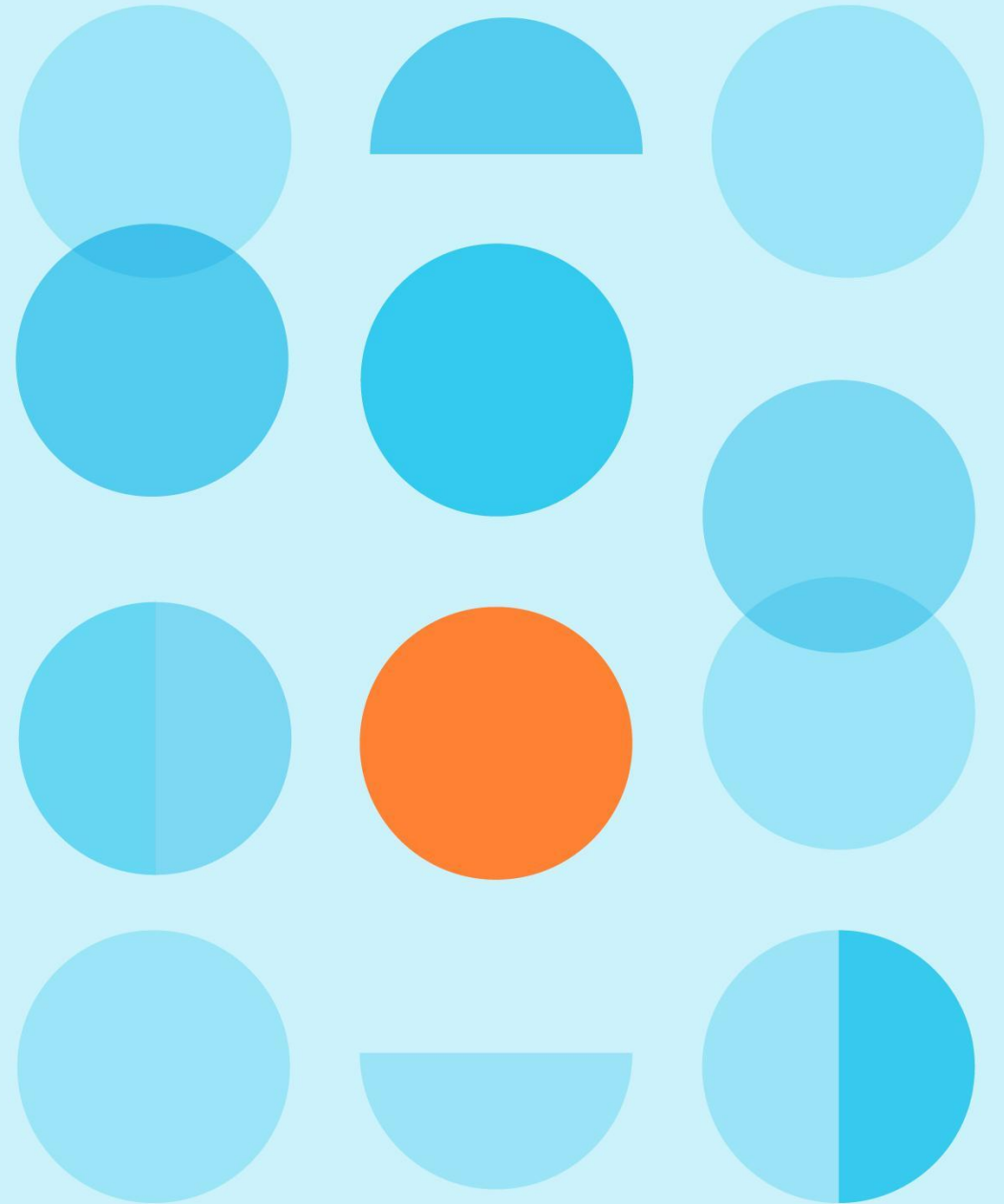


LiveHire (ASX:LVH)  
Quarterly Activities Report:  
Q4 2021

21 July 2021

livehire

Empowering the flow of the world's talent



# Strong finish to Q4 ensures solid momentum into FY22 for Direct Sourcing & SaaS

## Key Performance Metrics:

Direct Sourcing Performance	Q1 21	Q2 21	Q3 21	Q4 21
Closing Partners	3	11	13	14
Closing Clients (Logos)	5	8	9	14
Revenue (\$)	\$72,344	\$242,116	\$398,136	\$686,785

SaaS Performance	Q1 21	Q2 21	Q3 21	Q4 21
Closing Clients (Logos)	114	120	123	138
NRR rate % (rolling 12 mth)	80%	82%	86%	91%
Closing ARR Revenue (\$m)	\$3.700	\$3.917	\$4.037	\$4.322

Cash Performance	Q1 21	Q2 21	Q3 21	Q4 21
Quarterly Cash Receipts (\$m)	\$0.885	\$1.498	\$1.547	\$1,827
Operating Cashburn (\$m)	(\$2.088)	(\$1.723)	(\$1.467)	(\$1.639)
Total Cashburn (\$m)	(\$1.955)	(\$1.655)	(\$1.335)	(\$1.621)
Closing Cash (\$m)	\$19.026	\$17.372	\$16.037	\$14.416

### Direct Sourcing revenue growth up 73% from Q3 21, full year \$1.4m exceeds expectations:

- ✓ Quarterly revenue of \$686k for Q4 21 up 73% up from \$398k in Q3 21.
- ✓ Revenue well above plan due to spike in COVID hiring which will reduce next quarter, as plan resumes to normalised growth.
- ✓ 14 partners (added 1) and on plan.
- ✓ Net gain for the quarter of 5 (added 6 new clients ,1 loss in quarter) taking total clients to 14.
- ✓ Partner enablement maturing - 50 client opportunities live; 10 of these at proposal stage.

### SaaS business performed strongly across key drivers of retention and sales:

- ✓ Net gain for the quarter of 15 (added 18 new clients, 3 losses in quarter) taking total to 138 clients.
- ✓ Client retention exceeding plan with NRR rate % (rolling 12mths) moving from 86% to 91%
- ✓ 90%+ of new ARR contracts are multi-year deals year-to-date.
- ✓ Closing ARR for the Q4 21 \$4,321,703 up 7% on Q3 21, and up 24% YOY.
- ✓ 77 client opportunities live; 22 of these at proposal stage.

### Cash exceeds plan with \$14.4m in bank and Talent Community Connections (TCC's) up 92% YOY:

- ✓ Cash receipts continue to grow \$1.8m for the quarter, with 12mth rolling at \$5.8m.
- ✓ Increase in operating cashburn as expected from (\$1.5m) in Q3 21 to (\$1.6m) in Q4 due to investment in North America business and GDPR/Privacy compliance.
- ✓ TCC's for the quarter up 6% to 4.2m:
  - ANZ up 8% to 2.8m and
  - North America up 3% to 1.4m

# Introduced 6 new Direct Sourcing clients in diverse industries

Client	About
Fortune 100 Global Consumer Corporation	A major Fortune 100 global consumer focussed corporation with a large global contingent workforce.
Global Technology Leader	Provides advanced robotic systems for minimally invasive care and surgery in 67 countries with 8,000 employees.
Airport Operations and Services	One of the largest airport operations and services providers in Canada.
Major US Logistics & Delivery	US logistics & delivery arm of top US retailer, operating as an independent subsidiary to provide same-day delivery for more than 55,000 products.
Global Automotive Business	Global automotive business with 27,000+ employees, providing auto auctions and wholesales services, financial services, media and software.
Hiregenics	Hiregenics supports more than 55 clients providing a wide range of workforce management solutions to its global 1000 customers.

# LiveHire establishes Global Advisory Board

## Highlights

- Global Advisory Board of leading experts established to provide high calibre and independent advice.
- Tasked to advise on growth strategy and assist overall industry adoption of contingent Direct Sourcing.
- Spans key markets in North America, Australia and potential future market Europe.

## Global Advisory Board

LiveHire Limited (ASX: LVH) ("LiveHire" or the "Company") announces the launch of its Global Advisory Board, whose leading industry experience and insight will help guide the Company's growth in key geographies, business lines and high-growth service areas relating to contingent workforce.

LiveHire is pleased to announce 4 diverse experts across industry and geographies, who will help shape and progress LiveHire's strategy to transform and enable the contingent workforce market through Direct Sourcing technology.

The Advisory Board reflects key current and future markets in North America, Australia, and Europe. The full Advisory Board will meet formally every quarter, whilst holding informal discussions and help the Company in pursuing market opportunities.

The LiveHire Global Advisory Board will be chaired by CEO, Christy Forest, and Executive Chairman, Michael Rennie, with members of the Advisory Board including:

- Andi Breslin (Sydney, Australia), current Head of People Operations, Atlassian;
- Cris Buningh (Breda, Netherlands), current Head of Procurement, Rabobank, ex Contingent Program Leader, Unilever, Novartis and Shell;
- Kevin Sturge (California, USA), ex Global Contingent Labor Director, Cisco; and
- Thespina Spivey (Georgia, USA), current HR Contingent Worker Program Director, The Coca-Cola Company.

# Global Advisory Board



## Andi Breslin

Location: Sydney, Australia  
Current Role: Head of People Operations at Atlassian

An impact driven change-maker. A seasoned leader in Business and IT management.

Andi's proven track record extends across strategy development and execution, including digital transformations, software development, UX, service management, process improvement, complex system integrations & data migrations, infrastructure, cyber security and compliance programs.

Andi is a regular guest speaker at conferences and on panels with a focus on STEM and the future of work.



## Cris Buningh

Location: Breda, Netherlands  
Current Role: Interim Head of Procurement at Rabobank  
Former Roles: Contingent Program Director at Unilever, Novartis & Shell

Cris is an expert in strategic sourcing of people, services, IT and technology, designing and implementing new commercial, operating and collaboration models, leveraging digital strategies to enable agile and dynamic business & sourcing models.

Cris has deep industry experience in a range of commercial industries including Energy, Pharma, Industrial Trade, FMCG, Retail, IT and Telecom.



## Kevin Sturge

Location: California, United States  
Former Role: Senior Director Contingent Workforce at Cisco

Kevin has extensive leadership experience in top multi-billion-dollar and multi-million-dollar high-tech organisations, including Cisco Systems and Sun Microsystems.

Kevin's contingent workforce and talent acquisition skills are complemented by achievements in global procurement.



## Thespina Spivey

Location: Georgia, United States  
Current Role: HR Contingent Program Worker Director at The Coca-Cola Company

Thespina has a twenty-five year career in Fortune 500 brand-centric companies, primarily in HQ and Customer Service Functions. In the past five years she has transitioned into contingent workforce management earning both Contingent Worker Professional and SOW Professional certifications in 2018 and twice named an SIA "Gamer Changer."

Thespina manages and oversees all aspects of The Coca-Cola Company's North American Contingent Worker Program and supports Global implementation of any new or revised Contingent Worker policies or program expansion with process design, controls, supplier strategy and change management.

We introduced 18 new SaaS clients in the quarter, including these 16...



LiveHire is a flexible and intuitive system with dedicated customer support. We are able to manage our talent from multiple sources and also move people into vacancies without duplicating records. The ability to have all of the text messaging and communication in one place will assist with leave cover and potential turnover of recruiters.

**Jacqueline Lane - Executive Director and Corporate Services Manager**



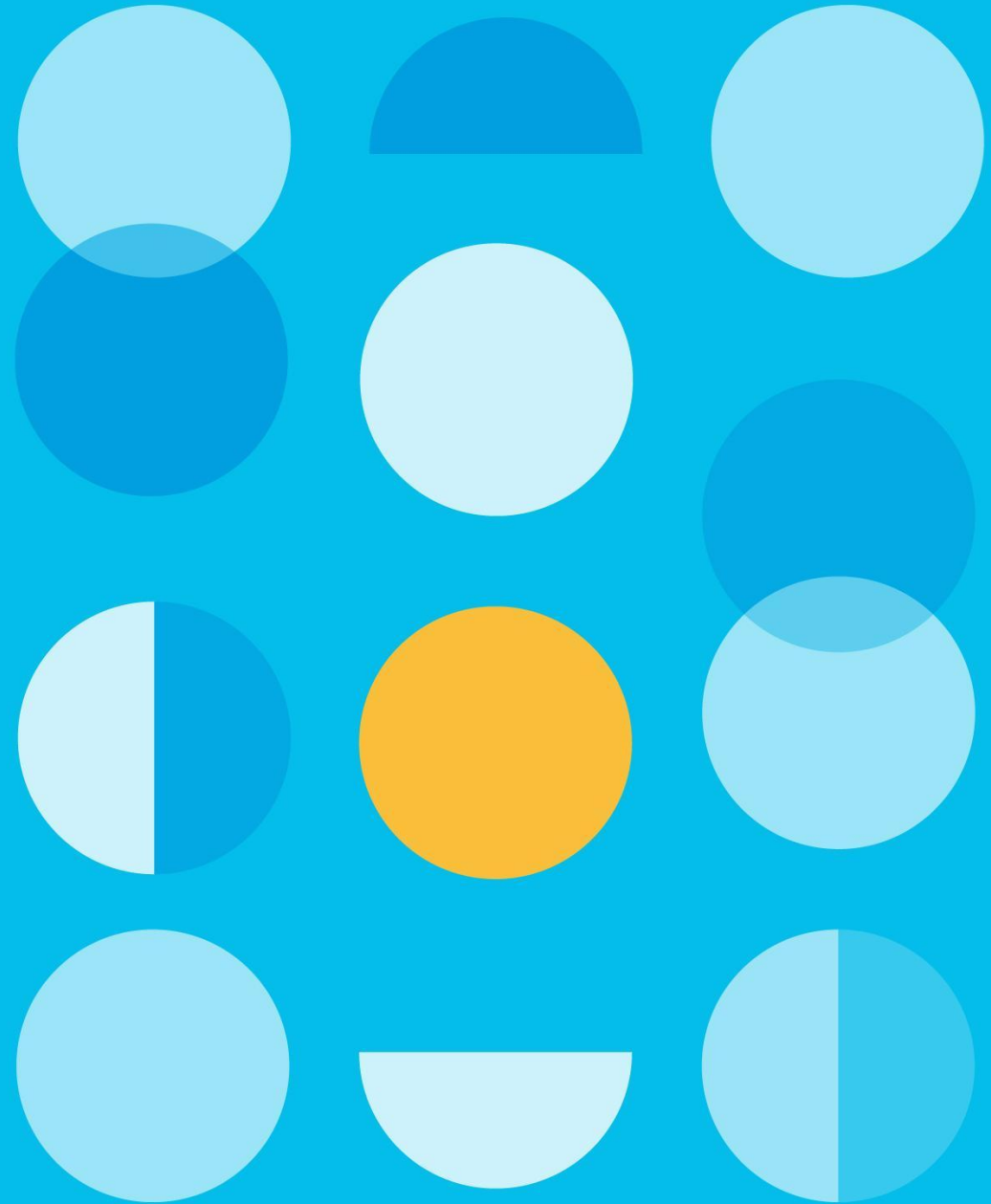
We chose LiveHire because of the intuitive system layout - making it easier for our Hiring Managers to take more of an active role in the recruitment process. We're also excited to explore how it will improve our candidate experience

**Alex Foxworthy - Talent Acquisition Lead**

# LiveHires Addressable Market & Current Progress

	Direct Sourcing market	SaaS market	
	Contingent hiring sold to procurement/finance	Permanent hiring sold to HR	+ Internal mobility sold to HR
<b>Competitive value proposition</b>	<ul style="list-style-type: none"> <li>Disintermediate the ~20%<sup>5</sup> mark-ups paid on temporary employees</li> <li>Reducing mark-ups to realise savings</li> <li>Plus faster, better hires</li> </ul>	<p>By creating a pre-existing talent community clients can*:</p> <ul style="list-style-type: none"> <li>Reduce time to hire from 25 days to 7 days</li> <li>Increase recruiter efficiency with AI from 50 to 3 candidates</li> <li>Reduce per hire cost from \$5,800 to \$2,500</li> </ul> <p>(*Vodafone client example)</p>	<ul style="list-style-type: none"> <li>Know all skills &amp; use AI to search and move talent into internal roles</li> <li>Communicate seamlessly by SMS</li> <li>Avoid turnover through poor internal job markets</li> </ul>
<b>Market Focus</b>	North America	Australia	New Zealand
<b>Estimated size of market</b>	<ul style="list-style-type: none"> <li>\$US80b+<sup>1</sup> spend in the US on MSPs</li> <li>LiveHire's fee @ 1-2% could indicate an \$US800m+ TAM</li> </ul>	<ul style="list-style-type: none"> <li>4,000 companies<sup>2</sup></li> <li>\$100m potential tech spend</li> <li>Large, medium, small</li> </ul>	<ul style="list-style-type: none"> <li>1,000+ companies<sup>3</sup></li> <li>\$10m potential tech spend</li> <li>Large, medium</li> </ul>
<b>Go to market</b>	Via partners who have a strong financial incentive to introduce to sell the solution to their clients	Direct sales force	
<b>Current position</b>	<p>14 partners (as at June 2021)</p> <p>14 clients</p> <p>Examples of clients: Ontario Ministry of Health, Global Professional Services Firm, Enbridge<sup>4</sup></p>	<p>138 clients (as at June 2021)</p> <p>Example of clients: Vodafone, University of Newcastle, BabyBunting</p>	<p>4 clients</p> <p>Examples of clients: Large state governments</p>

# Appendices





# LiveHire's Performance Metrics – Glossary

Below we explain a handful of the headline performance metrics, and inputs into key metrics, that we use every day to manage and drive LiveHire's performance.

## Monthly Recurring Revenue

Monthly recurring revenue is a point in time monthly view of LiveHire's recurring revenue components. This is a combination of fixed monthly recurring revenue streams, variable monthly recurring revenue streams, and monthly recognised recurring revenue streams for upfront paying clients.

## Annualised Recurring Revenue (ARR)

ARR represents contracted recurring revenue components of term subscriptions normalised to a one-year period.

## Opening ARR

Opening ARR represents the ARR at the beginning of the period.

## New Business ARR

New Business ARR represents the ARR derived from new clients secured in that period.

## ARR Churn – Customer Losses

ARR Churn represents the value of ARR which was not renewed by clients lost in that period.

## Net Revenue Retention (NRR) rate %

Calculated as  $(\text{Opening ARR} + \text{upsell ARR} - \text{downsell ARR} - \text{churn / lost ARR}) / \text{Opening ARR}$ . NRR is an indicator that measures how well a business can not only renew but generate additional revenue from its clients post initial sale.

## ARR Churn

$\text{ARR Churn} = \text{Customer Losses} + \text{Net Upsell ARR}$

## Closing ARR

Closing ARR represents the ARR at the end of the period and is calculated as:  
 $\text{Closing ARR} = \text{Opening ARR} + \text{New Business ARR} + \text{Net Upsell ARR} - \text{Churn ARR Customer Losses}$ .

## Churn %

ARR Churn as a percentage of Opening ARR.

## Annualised Recurring Revenue Per Client (ARRPC)

ARRPC is calculated as:  $\text{Closing ARR} / \text{number of clients}$

ARRPC is a key metric and can be grown by securing higher value clients, and by adding new products and functionality to provide more value to clients.

## Client

A client is defined as being an entity from which ARR is generated at a point in time.

## Talent Community Connection (TCC)

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 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.

# LiveHire's Financial Metrics – Glossary

Below we explain a handful of the headline performance metrics, and inputs into key metrics, that we use every day to manage and drive LiveHire's performance.

## **Recurring Revenue**

Recurring revenue is the component of statutory reported operating revenue that relates to recurring revenue streams earned during the period being reported on. Recurring revenue streams include hosting fees, user licence fees and ongoing support and maintenance fees.

## **Non-Recurring Revenue**

Non-recurring revenue is the component of statutory reported operating revenue that relates to one-off revenue streams earned during the period being reported on. This predominantly consists of upfront implementation and integrations fees as well as professional services fees.

## **Management EBITDA**

EBITDA excluding Share Based Payments and R&D rebate income, and prior to the transfer of certain costs to the software development asset. It provides a normalised view that excludes significant non-cash expenses, income not considered part of core operations, and includes all salary costs (including those able to be capitalised under the applicable accounting standards).

## **Statutory EBITDA**

EBITDA including Share Based Payments and R&D rebate income, and after the transfer of certain costs to the software development asset.

## **Annual Cash Burn excluding financing activities**

Cash Burn excluding financing activities is calculated as operating and investing cash flows as reported in the statutory cash flow statement.

It does not include net cashflows from financing activities (e.g. capital raise).

# Get In Touch



[www.livehire.com](http://www.livehire.com)



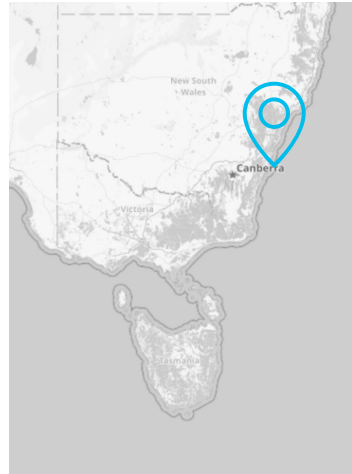
[investors@livehire.com](mailto:investors@livehire.com)



Christy Forest  
+61 408 888 545



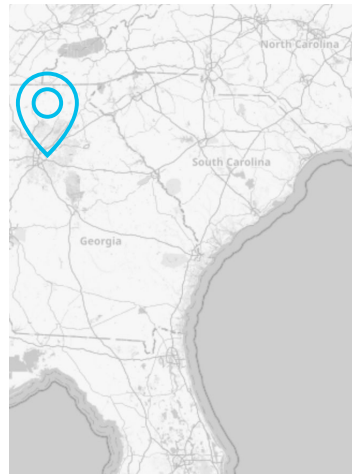
@livehireme



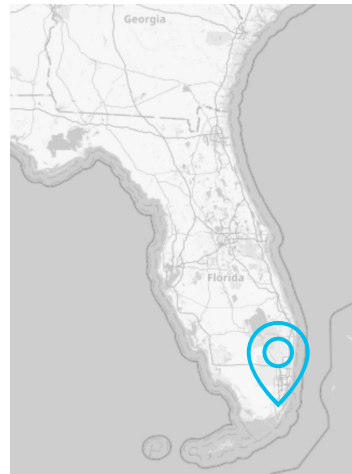
Sydney, AU



Perth, AU



Atlanta, USA

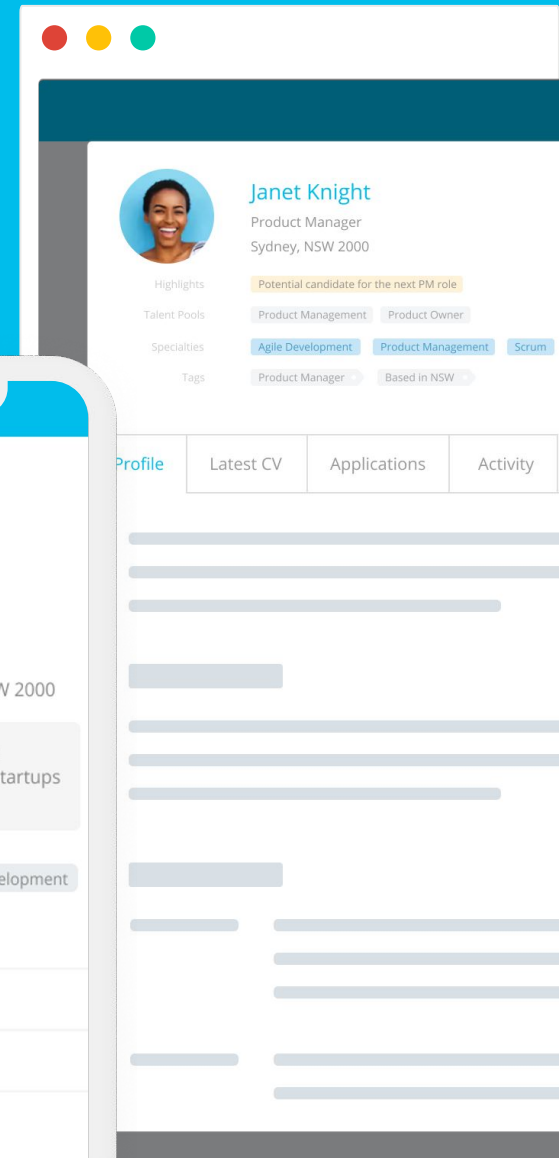
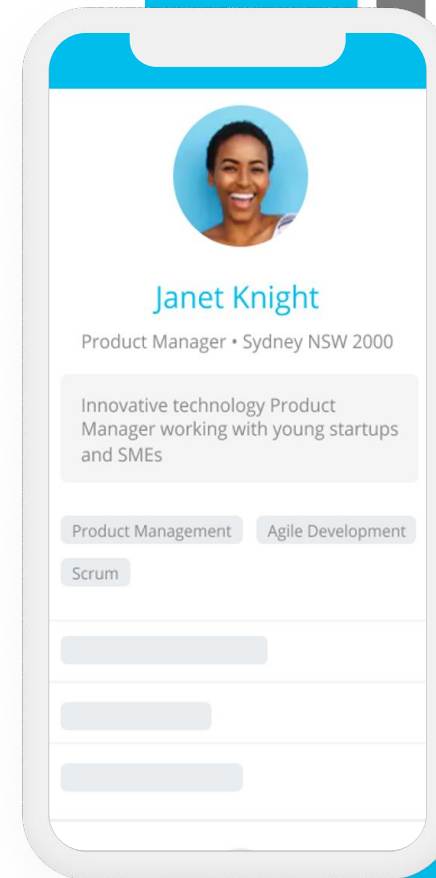


Miami, USA



## Melbourne

Level 10, 461 Bourke Street,  
Melbourne, VIC 3000



## Appendix 4C

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

**Name of entity**

LiveHire Limited

**ABN**

59 153 266 605

**Quarter ended ("current quarter")**
30<sup>th</sup> June 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,827	5,758
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(358)	(858)
(c) advertising and marketing	(411)	(546)
(d) leased assets		
(e) staff costs	(2,060)	(8,700)
(f) administration and corporate costs	(647)	(2,717)
1.3 Dividends received (see note 3)		
1.4 Interest received	10	97
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		50
1.8 Other – staff termination costs		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,639)</b>	<b>(6,917)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(30)	(66)
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
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	<b>Net cash from / (used in) investing activities</b>	<b>(30)</b>	<b>(66)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	33	409
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	<b>Net cash from / (used in) financing activities</b>	<b>33</b>	<b>409</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	16,037	20,981
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,638)	(6,917)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(30)	(66)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	33	409

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
4.5	Effect of movement in exchange rates on cash held	14	9
4.6	<b>Cash and cash equivalents at end of period</b>	<b>14,416</b>	<b>14,416</b>

5.	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	5,077	3,698
5.2	Call deposits	9,339	12,339
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>14,416</b>	<b>16,037</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

242

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments:

The above relates to payment of Directors' salaries, superannuation and fees.

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

**Total facility  
amount at quarter  
end  
\$A'000**

**Amount drawn at  
quarter end  
\$A'000**

7.5 **Unused financing facilities available at quarter end**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

**8. Estimated cash available for future operating activities****\$A'000**

8.1 Net cash from / (used in) operating activities (Item 1.9)

(1,639)

8.2 Cash and cash equivalents at quarter end (Item 4.6)

14,416

8.3 Unused finance facilities available at quarter end (Item 7.5)

8.4 Total available funding (Item 8.2 + Item 8.3)

14,416

8.5 **Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**

8.8

*Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.*

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

## 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: 21<sup>st</sup> July 2021

Authorised by: Ben Brooks, Chief Financial 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.
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.