

ASX Announcement/Press Release: 23rd November 2022
Xref Limited (ASX: XF1)

Xref acquires employee engagement platform, Voice Project

Global HR tech platform Xref (**ASX:XF1**) has acquired employee engagement company Voice Project. This is the third and final piece of the Xref strategy to offer a comprehensive hire-to-retire solution for employers.

Xref has established a leadership position in automated applicant reference checking. Last year, Xref launched its exit survey product, and now with the acquisition of Voice Project, it accelerates the launch of its Pulse and Engagement Survey offering to complete the hire-to-retire product portfolio.

Xref will pay \$2m cash from its existing cash reserves at completion plus up to \$2m in script on the 1st and 2nd anniversaries following completion, conditional on performance. The acquisition will add approximately \$4 million to Xref's revenues and increase staff from 85 to 100. Voice Project is profitable and is forecast to be EPS accretive to Xref.

The acquisition creates opportunities for cross-selling by giving Voice Project's 944 clients access to Xref's complementary services and offering Voice Project's services to Xref's 1,300 enterprise clients and 15,000 users.

Over the last decade, Voice Project has become highly respected for its comprehensive suite of data-driven workplace surveys, including Leadership 360, onboarding, customer satisfaction, employee engagement, exit, and pulse surveys. It has also developed a series of industry benchmarks that allow organisations to compare their service quality to their peers, driving continuous business improvement to both individual organisations and the broader sectors.

Voice Project customers now include HammondCare, Hungry Jacks, 236 community service organisations and 70 universities and research institutes. Since its establishment, Voice Project has engaged with over 3.75 million people via its surveys and conducted over 3,070 projects facilitated by its experienced workplace psychologists. Voice Project has a 99 percent client satisfaction rating on a rolling five-year average and it enjoys a +78 net promoter score (well above the +62 industry average).

Most importantly, the acquisition also accelerates Xref's product strategy and growth potential. Xref will integrate the Voice Project portal, containing its comprehensive suite of market-leading surveys, into Xref's platform, so employers will be able to view every single piece of information about a candidate, employee, or ex-employee in one place, and identify actionable insights.

Voice Project's Sydney-based founder, Dr Peter Langford, will join Xref along with his team of 14 and will continue to develop the Voice Project platform and business as General Manager, Xref Engage. The initial purchase consideration will be paid under the terms of the Share Purchase Agreement when the conditions precedent have been fulfilled or waived. Completion is expected to take place in the current quarter.

Xref CEO and Founder, Lee-Martin Seymour, said "This acquisition is an important step towards Xref's goal of becoming the leading global hire-to-retire employee feedback platform and is a great example of two profitable and credible Australian technology businesses uniting to be more competitive in the global market. This is a true win-win for all involved.

"The complementary nature of the two firms and the huge value in the resulting end-to-end product for employers will allow Xref to compete alongside other leading global players in the engagement survey category.

"Xref will now offer a complete hire-to-retire engagement service for employers that is more comprehensive than most other well-known brands, and we will be the only one covering 195 countries. Voice Project's IP, database and technology are second to none, and its senior management has remained at the helm for decades. It is a profitable and highly credible business, with particular strengths in benchmarking, survey design and reporting and a number of other great technology assets that will now be integrated into the Xref platform."

Voice Project Founder and Director, Dr Peter Langford, said: "We are so excited to see the value of our survey technology and client base being recognised by a global leader like Xref. We couldn't be happier to help create the world's only complete end-to-end solution for employers.

"Employers develop such a plethora of important staffing information right from the moment an applicant contacts them, all the way through to that employee retiring or moving on. Until now, the solutions for harnessing this data have been fragmented and have almost always resulted in lost or incomplete employee information. Not anymore."

Xref Chairman, Tom Stianos, said "While the Voice Project acquisition is forecast to be EPS accretive to our shareholders, the more significant benefits are that it completes our product portfolio (hire-to-retire strategy), provides cross-sell opportunities, and accelerates our growth. I look forward to Peter Langford joining the Xref leadership team."

Xref will use its own cash surplus to fund the acquisition and sees this as a significant investment into growth and increased profitability.

This announcement has been approved by the board of directors of Xref Limited.

To learn more, please visit

Website: xref.com

Investor Centre and Presentation: xf1.com

Twitter: @xf1

Email: investors@xf1.com

About Xref



Headed up by Founder and CEO Lee-Martin Seymour, Xref is a profitable growth business supported by major institutional investors.

Xref supports over 15,000 active users from 2600 entities across over 1300 organisations servicing large global enterprises and sectors within the trust economy such as Healthcare, Aged Care, Not For Profit, Government and Education.

Xref allows employers to verify a candidate's references and ID, together with other key checking services, bringing all these onto one platform, via a partner marketplace. Xref's growth trajectory continues as employers want to safeguard their company from breaches in fraud, privacy and discrimination. The marketing-led, data-driven organisation ranks #1 in reference checking globally.

With talent acquisition becoming remote on a more permanent basis, business-critical platforms such as Xref are in high demand. Reference surveys, identity verification, and other pre-employment checks are crucial to give organisations confidence in their hiring and Xref is meeting that demand with an aggressive product development roadmap.

The evolution of Xref's business reflects the leadership team's unwavering focus towards an enhanced platform that increases Xref's global addressable market. Xref will continue to meet the changing needs of recruitment and HR teams globally.

About Voice Project

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The Voice Project survey methodology is psychometrically robust and has stood the test of time. Voice Project grew out of a research program at Macquarie University in 2002, which explored the impact of employee and client 'voice' on engagement, leadership and service quality.

Voice Project's core purpose is "improving organisations by giving people a voice." Voice Project's approach to the survey process helps capture the crucial information that informs better decisions and inspires greater ownership and engagement amongst staff and clients.

Voice Project works across all sectors. We're a leading provider of employee engagement, employee lifecycle, customer service and 360 leadership surveys.

Voice Project's research-backed surveys and expert service help clients to drive real participation and change. Voice Project is headquartered in Sydney, has affiliates around the globe and delivers surveys in a wide range of countries. Voice Project's portal provides user-friendly tech that helps its customers understand the key issues that matter most to their people.

Voice Project continues to expand its work to promote great workplaces that value their employees. Voice Project's survey platform will continue to save its customers time and money, and its data analytics make it effortless for its customers to uncover actionable insights in their organisations.

Voice Project's Best Workplace and Change Champion awards will continue to recognise those who are improving the world of work - by giving people a voice and making impactful change.

Visit: voiceproject.com