

ASX: LVH MARKET RELEASE

Acquisition of US based Arrived Workforce Connections Inc

23 February 2023 | Melbourne, Victoria

- LVH executes a Binding Term Sheet on a strategic US-based shift scheduling technology business acquisition. The acquisition will allow LVH to further penetrate existing Direct Sourcing clients and win new customers that require shift scheduling as part of their total workforce management solution.
- LVH has reached binding terms to acquire all the business and assets of Arrived Workforce Connections Inc, for US\$2m in LVH shares at completion (each with an issue price of A\$0.35) plus US\$2m in contingent scrip consideration (each with an issue price of the lesser of the 15-day VWAP of LVH shares and A\$0.35). All consideration is to be paid in LVH shares with no cash consideration payable to Arrived.
- Proposed acquisition will allow for LVH to integrate Arrived's shift management mobile and desktop applications into the LVH's platform and provide an enhanced solution for placement of contingent and shift workers.
- The acquisition also bolsters LVH's US based executive team, with Jennifer Byrne (CEO of Arrived Workforce Connections and former Chief Technology Officer of Microsoft's US Division) set to join LVH as the global Chief Product and Technology Officer, based in Phoenix Arizona.
- Proposed acquisition is subject to completion of due diligence, execution of an asset sale agreement and LVH shareholder approval.

LiveHire Limited (ASX: LVH) ("LiveHire" or the "Company" or "LVH") announces that, as part of its previously announced strategic review, it has entered into a conditional binding term sheet with Arrived Workforce Connections Inc ("Arrived") to acquire all of the business and assets of Arrived ("Proposed Acquisition").

Overview of Arrived

Arrived (<https://arrivedjobs.com/>) has developed a shift management capability plus mobile application which matches workers to available work, based on preferences and skills.

Strategic rationale

Consistent with prior statements, the on-going strategic review has identified the opportunity to expand LiveHire's technology capability to further address the extended workforce market. The Proposed Acquisition extends the Company's capability into agile shift management and rapid re-

deployment addressing the needs of workers on shifts and short-term assignments. Shift workers can often be a significant component of the contingent workforce of Fortune 1000 companies and large enterprises in general. Following completion of the Proposed Acquisition, the LiveHire platform will integrate with Arrived's shift management capability with mobile app to provide a comprehensive solution for placement of contingent and shift workers.

The Proposed Acquisition will expand LiveHire's addressable market in key industry verticals including healthcare, manufacturing, and retail. LiveHire management estimates that 25-35% of its current US Direct Sourcing pipeline have some level of shift scheduling requirement. The Proposed Acquisition will also allow LiveHire to extend penetration into existing clients as well as unlock new clients who require shift scheduling.

Effect of Proposed Acquisition

The Proposed Acquisition and accompanying organisational restructuring are expected to be net cashflow neutral over the 12 months post acquisition, through the combination of staff synergies and new deals.

Management and Board composition update

Following completion of the Proposed Acquisition, Jennifer Byrne, Chief Executive Officer of Arrived, will join LiveHire's executive team as the Company's new global Chief Product and Technology Officer, based in Phoenix, Arizona. Jennifer will report to LiveHire's CEO Christy Forest.

Prior to Arrived, Jennifer was the Chief Technology Officer of Microsoft's US division, leading a team of 250 architects, engineers, and business strategists who built cloud-native solutions for Fortune 500 clients. She focused on industry-specific capabilities to drive product market fit and top-line growth. Jennifer also led the fifteen Microsoft Technology Centers in the US, each housing a team of developers and architects to build proofs of concept for marquis customers utilising the latest technologies, including Artificial Intelligence and Mixed Reality. Jennifer first joined Microsoft as the Chief Security Officer for the Worldwide Public Sector Division, leading a global team of security executives in fourteen countries, and creating Microsoft's first ever public sector-specific cybersecurity strategy. Jennifer brings her wealth of experience to LiveHire's executive team and provides global leadership from her base in the US.

LiveHire's CEO Christy Forest said: *"We are delighted to have an executive of Jennifer's calibre and experience join the LiveHire team. The trust and confidence that Jennifer and her fellow Arrived shareholders have placed in LiveHire through this transaction is terrific validation of our strategy by people who understand the market and the opportunity very well."*

Antonluigi Gozzi, LiveHire Founder, Executive Director and current Chief Products and Technology Officer, will transition out of the executive role effective 22 February 2023 and remain employed until 8 July 2023. Antonluigi will also resign from his Board of Directors' position at LiveHire effective 22 February 2023.

Antonluigi Gozzi said: *"It has been a true honour to serve the shareholders of LiveHire, who have put incredible trust in the potential of our Technology from the very early days. I want to thank our Board Members and our incredible colleagues in the company, all of whom have shown immense talent and unwavering dedication to make our Vision a business reality: "To empower the flow of the world's talent". With 8+ million profiles on the platform, hundreds of thousands of placements, and recognised product leadership in market, I am confident that the company has proven its path to success, especially in its ability to conquer the huge addressable market of contingent labour in US and EU. After 12 years of tech and product leadership, driving innovation, platform agility and incredible platform security and scale, I decided to take some personal time to dedicate to my extended family and recharge. I have enormous confidence in the ability of the company to succeed under the leadership of Christy and stewardship of the Board. I am a very committed shareholder and I look forward to see the company succeed on the global stage with truly sensational clients and partners.*

Christy Forest added: *"Gigi has been visionary in both the company's mission and product, humanising recruitment and transforming business outcomes for LiveHire clients through the elegant, user-centred design of the LiveHire platform. The Company thanks Gigi for his tremendous contribution as both a Founder and Executive of the Company. His strategic clarity and analysis, his honest leadership style, and his ability to build award winning products for millions of users is his legacy."*

LiveHire's Chairman, Andrew Rutherford, commented: *"I speak on behalf of the Board of Directors in thanking Gigi for his tireless contribution to the Company's success. His strategic insights, in-depth knowledge of the industry, and his consultative approach have been a true asset for the Board. We wish Gigi tremendous success with his personal and professional goals."*

An Appendix 3Z for Antonluigi Gozzi and an Appendix 3H in relation to associated cancelled securities will be lodged separately.

Transaction Terms

Purchase Price

The aggregate purchase price for the Proposed Acquisition is up to US\$4 million, all of which will be paid through the issue of fully paid ordinary shares in the Company, consisting of the three payments described below ("Consideration Shares").

The issue of all Consideration Shares is subject to LiveHire shareholder approval. Further details will be set out in the notice of meeting which will be sent to shareholders.

Completion Consideration

At completion of the Proposed Acquisition, Arrived will receive US\$2 million in fully-paid ordinary shares in the Company (each with an issue price of A\$0.35).

Integration Milestone Consideration

Subject to the integration of Arrived's shift scheduling capability ("Scheduling Product") into LiveHire's platform within 12 months after completion of the Proposed Acquisition ("Integration Condition"), Arrived will receive US\$1 million in fully-paid ordinary shares in the Company (each with an issue price of the lesser of (i) the 15 day volume weighted average price ("VWAP") of the Company's fully-paid ordinary shares immediately prior to the date of issue and (ii) A\$0.35).

Scheduling Product Sale Milestone Consideration

Subject to satisfaction of the Integration Condition and LiveHire entering into an agreement for the sale of the Scheduling Product (either on its own or integrated into LiveHire's platform) to a new or existing customer of LiveHire within 12 months after completion of the Proposed Acquisition, Arrived will receive US\$1 million in fully-paid ordinary shares in the Company (each with an issue price of the lesser of (i) the 15 day VWAP of the Company's fully-paid ordinary shares immediately prior to the date of issue and (ii) A\$0.35).

Conditions Precedent

The Proposed Acquisition is subject to various conditions precedent, including:

- completion of due diligence on Arrived by LiveHire and the outcome of that due diligence being to LiveHire's satisfaction ("Due Diligence Condition");
- execution of an Asset Sale Agreement by LiveHire and Arrived;
- certain employees or contractors identified by LiveHire during its due diligence as being key to Arrived's business agreeing to enter into employment or contractor agreements with LiveHire with effect from completion; and
- LiveHire receiving all shareholder and regulatory approvals and confirmations necessary to complete the Proposed Acquisition (including in respect of the issue of the Consideration Shares to Arrived).

Each of the conditions precedent is expressed to be for the benefit of, and may only be waived by, LiveHire. If the Due Diligence Condition is not either waived by LiveHire or satisfied by 27 March 2023, either LiveHire or Arrived may terminate the binding term sheet and completion of the Proposed Acquisition will not occur. If any other condition precedent is not either waived by LiveHire or satisfied by 20 April 2023, either party may terminate the binding term sheet and completion of the Proposed Acquisition will not occur.

LiveHire and Arrived must use reasonable endeavours to negotiate and, if agreed, enter into formal transaction documents for the Proposed Acquisition, including an Asset Sale Agreement, which reflect the terms in the binding term sheet and any additional terms agreed to by the parties. If the Asset Sale Agreement is not executed, and LiveHire waives the condition precedent requiring the execution of an Asset Sale Agreement, the binding term sheet will remain in force as a binding agreement to implement the Proposed Acquisition and (subject to the satisfaction or waiver of all other conditions precedent), LiveHire and Arrived will be bound to proceed to completion (which is to occur within 2 business days after all conditions precedent have been satisfied or waived).

The Proposed Acquisition is also subject to other conditions as are typical in such transactions, including obtaining all third-party approvals and consents necessary to complete the Proposed Acquisition, the absence of any material adverse event and none of the warranties given by Arrived being or becoming incorrect, inaccurate, misleading or deceptive in any material respect.

Timing of completion

Subject to the satisfaction or waiver of all conditions precedent (including obtaining shareholder approvals necessary to complete the Proposed Acquisition), LiveHire anticipates that completion of the Proposed Acquisition will occur on 20 April 2023.

If completion of the Proposed Acquisition does not occur by 20 April 2023, LiveHire is responsible for all costs incurred by Arrived in connection with its employees and contractors in respect of the period from 21 April 2023 until the earlier of completion of the Proposed Acquisition and termination of the binding term sheet.

Strategic review

The Company's cost reduction initiatives continue to be implemented as previously announced.

A further announcement on progress of the previously announced Strategic Review will be made following the half-yearly announcement on 28 February 2023.

For more information:

Christy Forest – CEO and Executive Director

investors@livehire.com

Subscribe to LiveHire's newsletter at: <https://www.livehire.com/investors/directors/>
www.livehire.com/investor

Christy Forest, CEO and Executive Director, authorised the release of this announcement to the ASX.

About LiveHire

LiveHire is an award-winning¹, market-leading recruitment, talent mobility and direct sourcing platform. It revolutionises the candidate experience and enables businesses and curation partners to thrive with talent on demand. The platform makes managing the flow of talent into and through businesses seamless, delivering value through detailed visibility of

¹ https://drivenxdesign.com/SYD17/winners_list.asp

talent, shifting both permanent and contingent recruitment from reactive to proactive, improving fit, 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, Perth and Miami.

www.livehire.com

For personal use only