

ASX Release

19 July 2017

LiveHire June Quarterly Report and Appendix 4C

June Quarter 2017 Highlights

- Talent Community Connections (TCCs) continued to increase exponentially, **hitting 362,130 TCC**, achieving **20.7% QoQ growth** (Q3 FY17 300,103).
- **Cash receipts increased 30.3% QoQ to \$330k** (Q3 FY17 \$253k), directly reflecting the strong increase in TCCs.
- June quarter delivered a significant expansion into the Australian Healthcare vertical, setting LiveHire up for continued growth in the sector across all states. **Bupa** expanded further across its organisation (IT division), and both **Queensland Health** (80,000+ employees state-wide), Australia's largest public health service provider, and **Barwon Health** (6,000+ employees), one of the largest and most comprehensive regional public health services in Australia, joined the LiveHire ecosystem, establishing Talent Communities for long-term growth.
- Subsequent to quarter end, LiveHire entered the Mining & Resources industry via the signing of a Cornerstone client, **Roy Hill (1,600+ employees)**, which has successfully launched its Talent Community organisation-wide.
- Entered two new verticals: Food Retail with **Harris Farm** stores enterprise wide and Accommodation with **Radisson Blue Hotel Sydney**. Strengthened market presence in Retail with the launch of the **Reece Talent Community**.
- Continued to strengthen the team, the platform infrastructure, and the client prospect pipeline for rapid scaling in the next phase of growth in FY18. Specifically, advanced plans are in place to expand into: (i) Mining and Resources industry; (ii) Retail industry for high volume recruitment campaigns; and (iii) international opportunities with channel partners and RPO.
- Very strong balance sheet of **\$17.75m cash at bank** as at 30 June. The Company remains debt free, with a clear line to cash flow positive on forecasted capital expenditure.

Melbourne, 19th July 2017, LiveHire Limited (ASX: LVH), the Talent Community platform providing an enterprise scale, human-cloud hiring ecosystem for entire industries, is pleased to release its June Quarterly Report and Cash Flow report for the period ending 30 June 2017.

LiveHire Managing Director Antonluigi Gozzi said: *"We are very pleased with the continued growth in our key metrics this quarter, extending our first mover advantage significantly in Australia.*

"We have continued to accelerate the growth of the ecosystem, through additional integrations, and increased the functionality required for ongoing expansion of the Talent Community proactive recruitment solution. We are pleased to be consistently delivering Cornerstone Clients each quarter, which are larger and more material, expanding into the largest industry verticals.

"We are witnessing first-hand in mainstream industries, the real positive changes LiveHire is having across the entire sourcing and recruitment industry, with clients and prospects moving to a proactive sourcing and Live Talent Community model.

"LiveHire continues to lead the positive change in the human capital technology sector, an industry that is experiencing an incredibly rapid rate of innovation."

Well-funded and positioned to scale

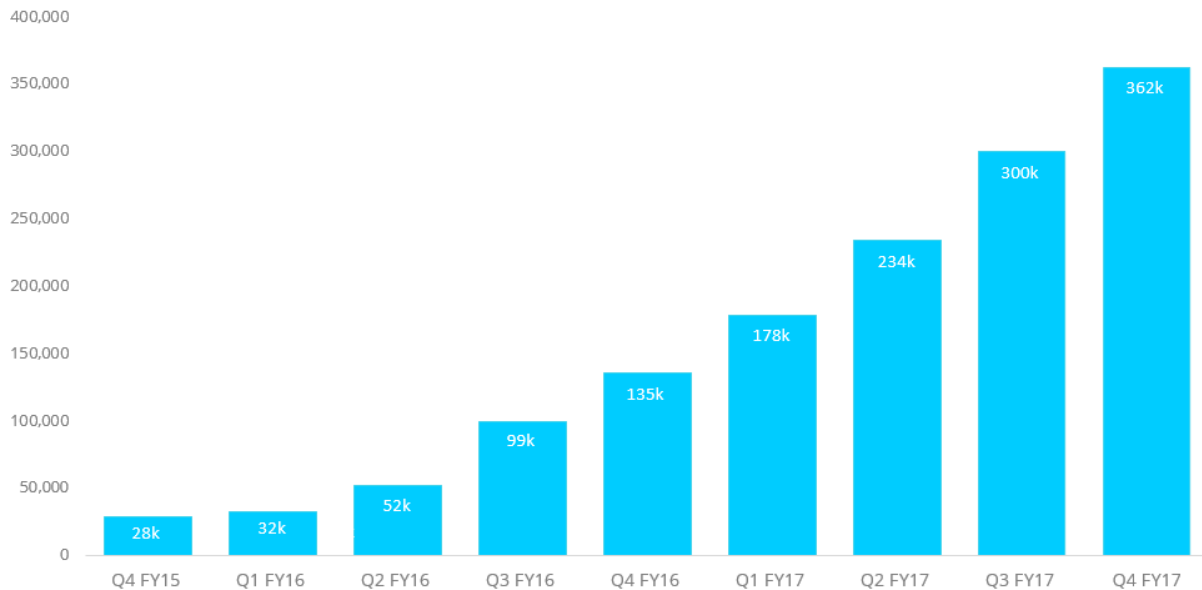
LiveHire's growth in cash receipts, combined with R&D rebates, saw the quarter end with minimal change to cash at bank, with \$17.75m (previously \$18.0m).

LiveHire continued to strengthen its team across sales and marketing, IT development, customer success and finance, to prepare for its next phase of Cornerstone client growth both in Australia and internationally.

Following successful implementations and traction with leading brands in a growing number of industries, LiveHire has begun to progressively scale its enterprise sales team to capitalise on the market opportunity and focus on delivering expansion across each industry.

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Talent Community Connections (TCCs) grew by 20.7% QoQ to 362,130



The Company targets exponential growth of its key performance metric, TCCs, of 20% Quarter-on-Quarter (QoQ). During the June Quarter, Paid Talent Community Connections continued to expand strongly, growing 20.7% to 362,130 (28.3% Q3 FY17).

Quarter-on-quarter growth rates do fluctuate depending on the timing of launches of major client Talent Communities, and can experience significant step changes as the size of LiveHire clients continues to increase.

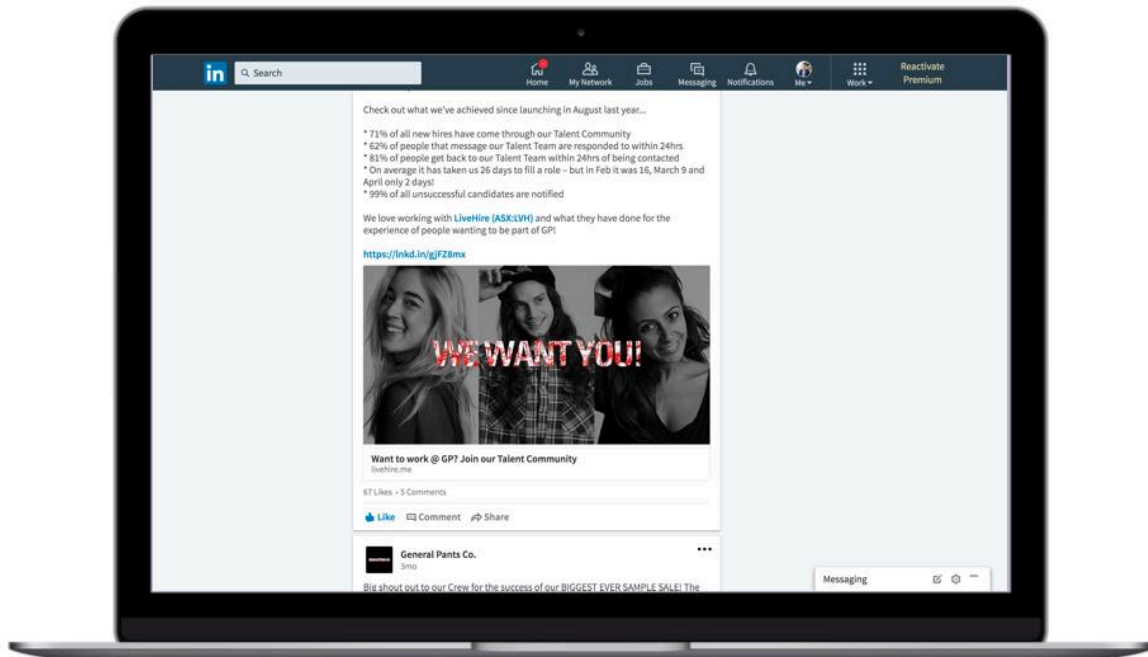
LiveHire is confident of maintaining the exponential growth rate quarter-on-quarter of at least 20%, effectively doubling the Company’s user base annually. Significant step changes beyond this will come from large enterprise clients, ASX25 prospects, recruitment process outsourcing (RPO) partnerships and international expansion.

TCC growth delivered from a quality mix of existing and new clients

Importantly, during the quarter more than 50% of TCC growth came through the expansion of existing clients’ Talent Communities, demonstrating strong and expanding adoption of the technology by existing clients. The proactive recruitment model enabled by the LiveHire Talent Community Ecosystem continues to deliver significant improvements in time, cost, and quality of hire for clients over the traditional and inefficient reactive recruitment model and software.

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The LiveHire platform continues its exciting stage of penetration and growth across an increasing number of industries. New client adoption continues to accelerate on the back of existing client success, advocacy, and proven (5-10 times) ROI.



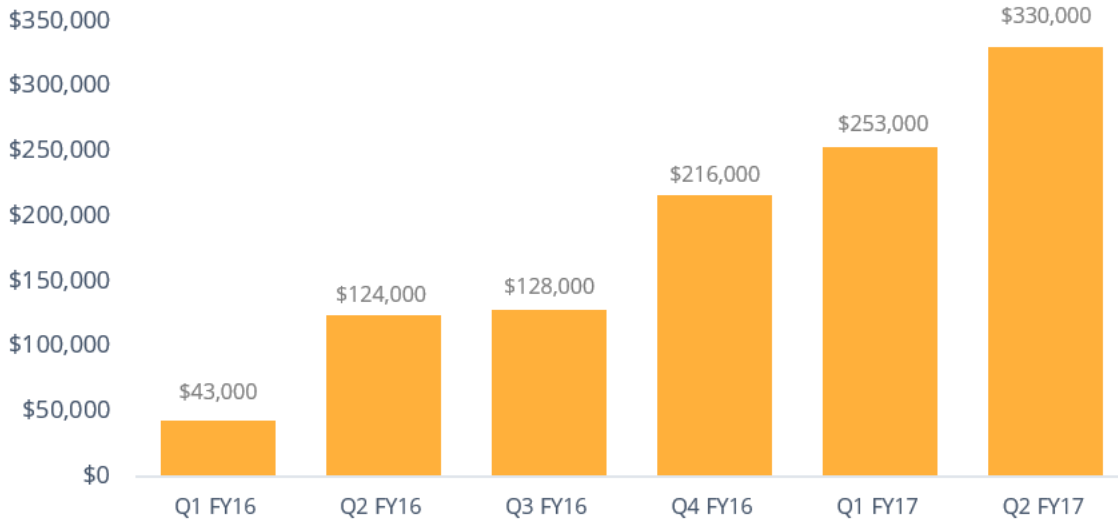
Public LinkedIn business case by General Pants, showing average time to hire reaches 2 days in April 2017 (Australian average is 68 days)

As seen in General Pants' public LinkedIn page, its Talent Community is achieving phenomenal results across candidate engagement (which is also likely their consumer), and time and cost to hire:

- 71% of all new hires have come through General Pants Talent Community
- 62% of people that message its Talent Team are responded to within 24 hours
- 81% of people get back to its Talent Team within 24 hours of being contacted
- On average it has taken General Pants 26 days to fill a role – but in February 2017 it was 16, March 9 and April only 2 days.
- 99% of all unsuccessful candidates are notified

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Cash receipts for the quarter grew by 30.3% to \$330k QoQ



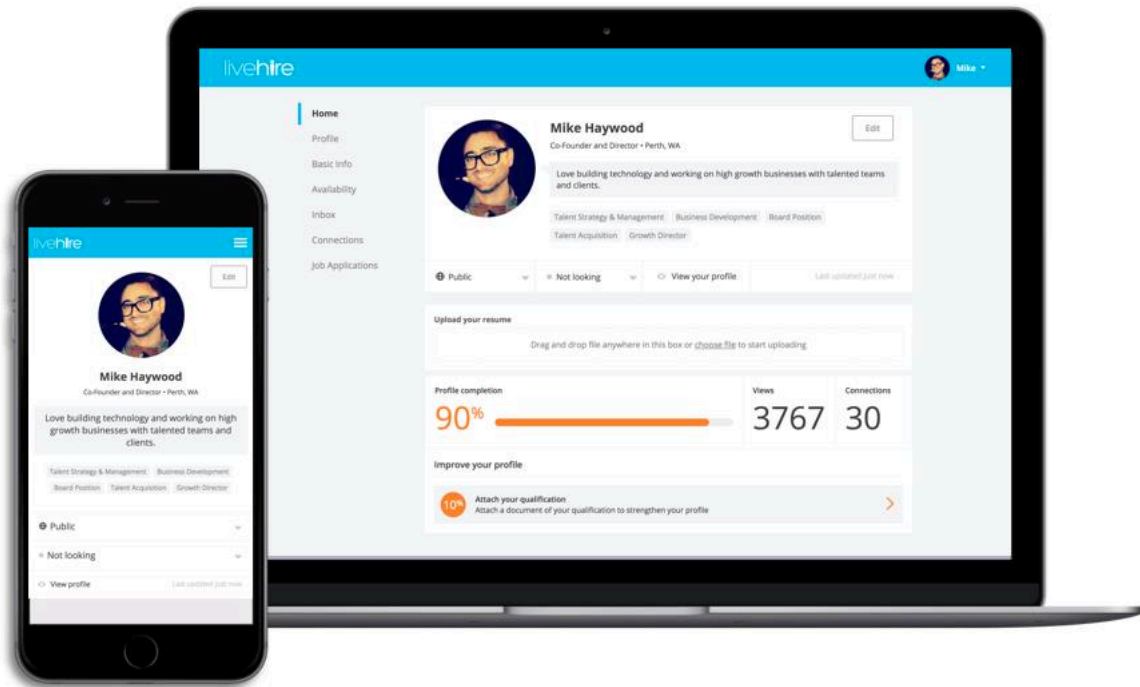
LiveHire’s cash receipts for the quarter grew 30.3% to \$330k from \$253k in the previous quarter. TCCs are a lead indicator for the Company’s revenue growth. LiveHire’s focus remains on the strategic launch of large cornerstone Talent Communities in each industry, to support long-term, exponential TCC growth. Building scale and industry standard will drive a strong network effect to deliver significant value to clients, resulting in strong and sustained revenue growth.

Product

LiveHire continued to refine and optimise its **Live Talent Pooling functionality** and **artificial intelligence (AI)**, helping drive ongoing improvements in time and cost to hire for all clients Talent Communities’ across the ecosystem.

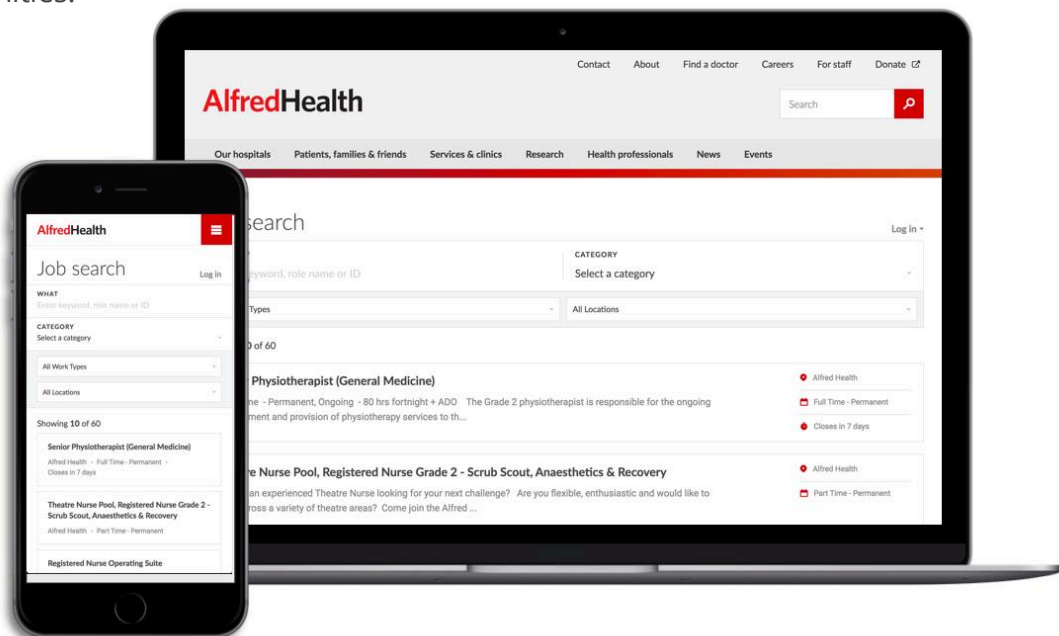
LiveHire released the alpha phase of its new **Candidate Dashboard** this quarter, a powerfully simple and intuitive, mobile first interface, where candidates manage their career data and documents, Talent Community invites and connections and private communications with employers.

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During the quarter, LiveHire and **SAP's SuccessFactors** continued to develop its integration, making strong progress and achieving strong milestones, investing in the building blocks of a high value, repeatable product that can be deployed to large SAP SuccessFactors clients.

LiveHire released the second evolution of its **mobile first career pages for employers**, powering one of the largest organic sources of talent into companies Talent Communities: the online careers website. Candidates typically start a job search on Google by searching for an "industry" or "company name", plus the words "jobs" or "careers". Career pages rank highly in organic search results, and provide direct and fast access to joining Talent Communities.



LiveHire manages and powers Alfred Health career website

LiveHire continues to develop **Talent Pooling, Artificial Intelligence (AI) and Machine Learning** to further improve candidate and company experience, time to hire, cost to hire, and quality of hire.

To accompany this release, LiveHire also completed the migration of its entire platform from the .me domain to .com domain, the most valued domain extension in the hierarchical Domain Name System (DNS) of the internet. Organic search traffic has immediately increased 10% on the previous month, driving a step change in organic Talent Community Connections ongoing to all Talent Communities.

Demonstrating the expansion of the LiveHire ecosystem, the Company tripled its Amazon Web Service (AWS) servers from 14 to 42, as it is now processing almost 2,000 candidate live data updates a minute, with fresh candidate data flowing across all Talent Communities in the shared ecosystem in less than a quarter of a second. This speaks to the truly live ecosystem and hiring productivity for employers, the quality and speed of the platform, and scalability.

LiveHire's strategic pillars of TCC growth

LiveHire's purpose of empowering the flow of the world's talent, is achieved through networked growth of private Talent Community Connections. LiveHire's delivery against the three strategic TCC growth pillars remains strong and on-track.

The foundations of long term, sustainable, exponential growth of TCCs will come from the accelerated launch of Talent Communities, and this will be achieved through:

- i. Recruitment Process Outsourcing (RPO) partnerships globally;
- ii. High-quality enterprise direct sales team to sign Cornerstone clients in each industry and geography; and
- iii. Integrations with the largest Human Resource Information Systems (HRIS) globally to capture all talent relationships of each organisation into a single Talent Community. This three-pillar approach provides LiveHire with the ability to ultimately service all clients in its total addressable market.

The second half of 2017 will see the continued focus on rapidly expanding market share through accelerated launch of new Talent Communities for new customers, industry wide portals, RPO partnerships, and integrations with major Human Resource Information Systems enabling the launch of Talent Communities with larger organisations. The Company continues to progress significant opportunities that will provide step changes

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in growth with ultra-large enterprises private and public, including pursuing ASX25 opportunities.

RPO channel partner program

Recruitment Processing Outsourcing (RPO) firms service 40% of medium-to-large organisations globally who choose to outsource their recruitment function. RPO firms remain a major international growth channel for LiveHire.

LiveHire is engaged with four global RPO providers that have included the LiveHire platform as their supporting technology in proposals both nationally and internationally. LiveHire is confident with progress with RPO contracts in CY17, and awaits the outcomes of client negotiations with RPOs, to start delivering value from new Talent Community solutions.

LiveHire continues to develop and focus on the RPO channel strategy as a significant foundation of the LiveHire Talent Ecosystem, which will also be central to quickly achieving international expansion.

Corporate

LiveHire received a government rebate for its research and development during the quarter of \$1.1 million.

Costs for the quarter were below expectations. Management will continue to carefully manage costs, in-line with the approved FY18 strategy and budget.

The Company received \$330k from clients, in-line with internal expectations, demonstrating strong growth QoQ of 30.3%.

After R&D rebates and other payment, the net cash outflow from operating activities in the Q4 FY17 was \$349k. The Company had \$17.75 million cash at bank as at 30 June 2017, with no debt.

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For more information:

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About LiveHire

LiveHire is a productivity and collaboration platform for talent management that delivers a proactive sourcing and internal mobility solution called Live Talent Communities. The platform makes managing the flow of talent into and through businesses seamless, delivering value through perfect visibility of existing employees, and shifting recruitment of new talent from reactive to proactive, 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, Brisbane and Perth.

www.livehire.com
www.livehire.com/investor

Disclaimer

This announcement contains “forward-looking statements.” These can be identified by words such as “may”, “should”, “anticipate”, “believe”, “intend”, “estimate”, and “expect”. Statements which are not based on historic or current facts may be forward-looking statements. Forward-looking statements are based on:

1. assumptions regarding the Company's financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and
2. current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained within the presentations are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by forward-looking statements. For example, the factors that are likely to affect the results of the Company include general economic conditions in Australia and globally; exchange rates; competition in the

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markets in which the Company does and will operate; weather and climate conditions; and the inherent regulatory risks in the businesses of the Company. The forward-looking statements contained in this announcement should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive. The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The Company disclaims any responsibility to update or revise any forward-looking to reflect any change in the Company's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law. The projections or forecasts included in this presentation have not been audited, examined or otherwise reviewed by the independent auditors of the Company. You must not place undue reliance on these forward-looking statements.

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

LiveHire Limited

ABN

59 153 266 605

Quarter ended ("current quarter")

30th June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	330	927
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing	(88)	(318)
(d) leased assets		
(e) staff costs	(1,284)	(4,400)
(f) administration and corporate costs	(455)	(1,967)
1.3 Dividends received (see note 3)		
1.4 Interest received	42	148
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	1,106	1,106
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(349)	(4,504)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	0	(12)
(b) businesses (see item 10)		
(c) investments		

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) 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 Net cash from / (used in) investing activities	0	(12)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	141	12,704
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options	0	75
3.4 Transaction costs related to issues of shares, convertible notes or options		
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 - IPO / Capital Raising Transaction Costs	(46)	(958)
3.10 Net cash from / (used in) financing activities	95	11,821

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	18,002	10,443
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(349)	(4,504)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	0	(12)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	95	11,821

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	17,748	17,748

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	950	659
5.2 Call deposits	16,763	17,308
5.3 Bank overdrafts		
5.4 Other – Deposits for Bank Guarantees	35	35
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	17,748	18,002

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

206

Payment of Directors salaries, superannuation and fees

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	(100)
9.4 Leased assets	
9.5 Staff costs	(1,600)
9.6 Administration and corporate costs	(600)
9.7 Other (provide details if material)	
9.8 Total estimated cash outflows	(2,300)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

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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.

Sign here: Date: 19 July 2017
(Director/Company secretary)

Print name: Charly Duffy

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.

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