

ASX Release

31 August 2016

4E Commentary (ASX: LVH) Period ending 30 June 2016

LiveHire Limited (ASX: LVH), the technology company behind the Live Talent Ecosystem, where people privately connect with Live Talent Communities of the best brands, is pleased to report preliminary results for the Company and its operational highlights for the full year ending 30 June 2016.

Review of Operations

Highlights of LiveHire's activity to 30 June 2016 included:

- Listing on the ASX on 10 June 2016, successfully raising \$10m through an Initial Public Offering (IPO)
- Record quarter in Q2 and record month in June of Talent Community Connections (TCCs), up +36% on previous quarter, indicating significant technology uptake by existing and new clients
- LiveHire achieved an acceleration in cash receipts in its first quarter as a listed entity, delivering +150% on previous quarter on the back of larger clients continuing to sign, and extremely high client retention
- LiveHire implemented its Talent Community platform with a number of new significant Cornerstone Clients including Alfred Health, Michael Hill, Bupa and KPMG Enterprise
- Cash receipts per Talent Community Connection scaled faster than forecasted and exceeded internal expectations
- The addition of RPO industry leader - Paul Bridgewater which has resulted in a strong pipeline of Recruitment Process Outsourcing (RPO) channel partners, a successful client implementation in Asia through Randstad Sourceright, and eight of the top ten global RPO firms actively looking at first implementations
- Strong sales pipeline of advanced client prospects has been generated during the period, and active negotiations with future Cornerstone Clients, assisted by the recent key addition of industry leader Scott Horton (Recruitment) to LiveHire's commercial team
- Strong balance sheet with \$10.44m in cash at 30 June, following IPO, with operating costs in line with budget, whilst achieving material growth on all key performance indicators: Talent Community Connections, new clients signed, client retention and platform usage.

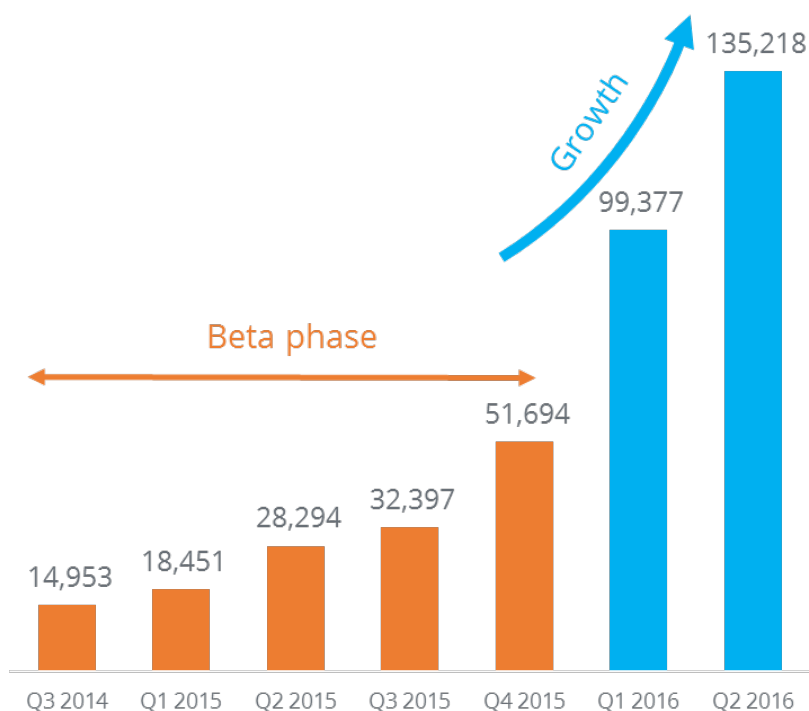


Figure 1: Paid Talent Community Connections (TCC) Growth

LiveHire has demonstrated strong growth in its key performance metric – TCC's

Talent Community Connections (TCC's) is the term used to describe the number of unique connections between Talent Profiles and Talent Communities in the LiveHire Talent Ecosystem. It is also the metric used to measure and report LiveHire's growth and revenue.

Following a highly successful 18-month phase of beta testing with 19 early clients, LiveHire entered into full in commercialisation and scale phase at the start of 2016, with TCC's growing at a rapid rate from approximately 50,000 at the end of December 2015 to 135,000 at the end of June, across 49 clients, with Talent Communities in various stages of scaling. LiveHire's TCC's are expected to continue double digit growth month-on-month.

LiveHire's vision is to empower the flow of the world's talent, to create a more agile, open and awesome working world. This vision is realised through the growth of TCC's, which can be directly attributed to a careful execution of the Company's strategy of growth, that being:

1. The sale and launch of Talent Communities with big brand Cornerstone Clients who have large candidate databases and hiring needs, reaching critical mass of talent on the platform in one industry and geography, accelerating further client sales;
2. Securing sales channel partnerships with the largest global Recruitment Process Outsourcing (RPO) clients to accelerate global scale and penetration;
3. Integration with upstream technologies providing sources of talent, and downstream technologies managing internal company processes, to become the centralized point for managing the flow of all talent (hires) into a business.

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ASX Listing

LiveHire listed on the Australian Securities Exchange (ASX) on 10 June 2016 under the ticker code LVH.

Founded in 2011, LiveHire is an Australian company headquartered in Melbourne, with offices also in Sydney, Brisbane and Perth. LiveHire is chaired by inspiring recruitment industry leader, Geoff Morgan AM.

Under the LiveHire initial public offering (IPO), a total of 50 million new shares were issued at \$0.20 per share to raise \$10 million. The LiveHire IPO did not incorporate any sell-down by pre-existing shareholders. Pre-existing shareholders entered into escrow arrangements that restrict dealing in relation to pre-IPO issued shares. Major shareholders, comprising LiveHire's founders Antonluigi Gozzi and Michael Haywood and other directors, are escrowed for 24 months (to 10 June 2018).

The IPO was aimed to enable LiveHire to accelerate its growth strategy in its existing and new markets in Australia and in time, internationally. The proceeds of the IPO are being used to develop sales and business development capabilities, to continue to evolve the company's innovative technology and IP, and for working capital.

Cornerstone client signed in health care

Subsequent to its listing on the ASX, LiveHire announced the signing of cornerstone client, **Alfred Health**, the largest health care provider in Victoria, with more than 8,000 employees.

Alfred Health is the main provider of health services to people living in the inner southeast suburbs of Melbourne and a major provider of specialist state-wide services to the people of Victoria. Alfred Health has 8,000 employees, across The Alfred Hospital, Caulfield Hospital and Sandringham Hospital. Alfred Health is recognised as a pacesetter in the national healthcare arena and has consistently been linked to progressive developments in healthcare and services, medical research and healthcare teaching.

Alfred Health is considered a cornerstone client by LiveHire's classification, due to their brand strength, and size of past applicant database being invited to their newly launched Talent Community. As a result of industry leaders such as Alfred Health launching Talent Communities, a critical mass of an industry's talent is invited to join The LiveHire Ecosystem within an industry and geography, opening the way for more talent and companies to join and connect, further strengthening the ecosystem.

LiveHire's criteria of a Cornerstone Client is as follows:

- An industry leader holding databases containing a critical mass of talent to invite onto the platform within an industry and geographical location
- Cornerstone clients pave the way for rapid adoption of smaller companies launching Talent Communities within the same industry and geographical region
- Cornerstone clients launch Talent Communities organisation-wide
- Cornerstone clients hire a significant amount of employees per annum (generally 1,000+)
- Signed contract and commenced implementation.

The LiveHire platform will allow Alfred Health's recruiters and hiring managers to turn recruitment from reactive to proactive by connecting directly with engaged candidates with live and up-to-date profiles on-demand.

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Successful technology integration

LiveHire announced the successful technology integration with leading multiple job posting software provider **Broadbean**, owned by US-based CareerBuilder, at the end of June 2016. Broadbean is a global leader in providing sophisticated, yet easy-to-use candidate sourcing tools that help recruiters improve efficiency and increase return on investment.

Broadbean's software as a service (SaaS) makes it easy to distribute jobs to attract talent from more than 4,000 job boards globally, including Seek and Indeed. Broadbean helps more than 110,000 users, ranging from one-person staffing agencies to international corporations, to recruit people online.

Events subsequent to year-end

Partnership with Randstad (RPO channel partner)

On 7 July, LiveHire announced it had entered a partnership with Randstad Sourceright, the recruitment process outsourcer (RPO) division of the world's second largest human resources service provider, Randstad.

The partnership with Randstad Sourceright will deliver LiveHire's Talent Community platform to select Randstad Sourceright's RPO clients looking to engage current, past and future employees as a part of their strategic and proactive sourcing methods to drive increased productivity, reduced costs and increased quality of hire. Partnering with RPOs such as Randstad Sourceright is also a key driver of Talent Community Connections at scale, LiveHire's lead indicator of growth and revenue.

In Australia, RPO's such as Randstad Sourceright manage the recruitment needs for approximately 40 per cent of large corporates. Large corporations utilise RPO's for a number of reasons, including cost savings, access to talent, enhanced quality of hires, process efficiencies, and workforce management support. The benefits of large corporates working with RPO's as opposed to more traditional means of head hunters or recruitment agencies are that they do not enjoy the same economies of scale, process optimisation, and deep access to critical talent. RPO's are more suitable for large corporates as smaller, direct hiring solutions tend to be more expensive on a per-hire basis and are more suitable for low-volume, obscure roles. As a result of these advantages RPO's enjoy, LiveHire will greatly benefit from partnerships with RPO's as it will enhance processes they carry out as well as importantly deepening the access to talent in an efficient and effective manner that can be drawn from instantly.

LiveHire's platform is utilised as the central destination for all candidates being qualified, interested and available for current and future work opportunities, providing an enhanced candidate experience, data rich profiles, reduced time to hire and increased quality of hire in the recruitment process.

Subsequent to establishment of the partnership, Randstad Sourceright successfully implemented the LiveHire platform for a **global consulting, technology and outsourcing client** based in Asia Pacific, representing LiveHire's first installation outside of Australia and significantly expanding its addressable market.

A Talent Community has being built initially in Malaysia, with plans to expand into Singapore to support the client's recruitment needs in the region.

Randstad is now actively investigating their second client LiveHire implementation.

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Key Team Appointments

LiveHire appointed **Paul Bridgewater** to its senior leadership team as Head of Recruitment Solutions, as announced on 5 July 2016.

Prior to joining LiveHire, Paul was General Manager of ManpowerGroup's recruitment business in Australia, where he managed a budget in excess of \$240m, delivering year-on-year gross profit margin growth and increased employee engagement ratings.

In 2015 Paul was recognised as one of ManpowerGroup's 35 global emerging leaders out of 34,000 employees worldwide.

For nearly four years Paul was also the Global Account Manager for one of ManpowerGroup's globally strategic clients, a leading diversified mining organisation. In this capacity he led a team across nine countries and multiple brands delivering RPO, MSP, recruitment and career management solutions.

Paul's experience working with global, regional and local brands across a multitude of industries such as FMCG, financial services, State and Federal Government, IT, telecommunications and mining is ideally suited to his leadership role at LiveHire, driving Talent Community technology adoption across leading RPO organisations and large enterprises nationally and internationally.

On 20 July, LiveHire announced the appointment of **Scott Horton** as Head of Commercial Operations – Queensland and Northern Territory. Scott was co-founder and Director of u&u Recruitment Partners, recognised by BRW as one of Australia's top 100 fastest growing businesses over the past five consecutive years.

Scott is responsible for the development and execution of new Cornerstone Clients and commercial partnerships between LiveHire and enterprise clients to accelerate both revenue and Talent Community Connections growth.

Prior to joining LiveHire, Scott was a founding Equity Director and Board Member of both u&u Recruitment Partners and Acquire Search responsible for u&u's strategic management. For five years he was responsible for leading the client facing team and during this period the business experienced significant revenue and profitability growth.

As Director of Client Development, Scott was responsible for developing strategic relationships with both new and existing clients in Queensland and nationally. He was focused on working with boards, executive teams and senior management to determine how u&u could best add value through traditional and innovative people solutions. Scott has developed an extensive connection to senior leadership teams in ASX-listed businesses, not-for-profits, statutory authorities, government entities, SME's and private equity firms.

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About LiveHire

LiveHire (ASX: LVH) is the technology company behind the Live Talent Ecosystem, where people privately connect with Live Talent Communities of the best brands. LiveHire's vision is to empower the flow of the world's talent, to create a more agile, open and awesome working world.

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.

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