

ASX Release

Tuesday 18th October

LiveHire Quarterly Activity Report – ending 30 September 2016

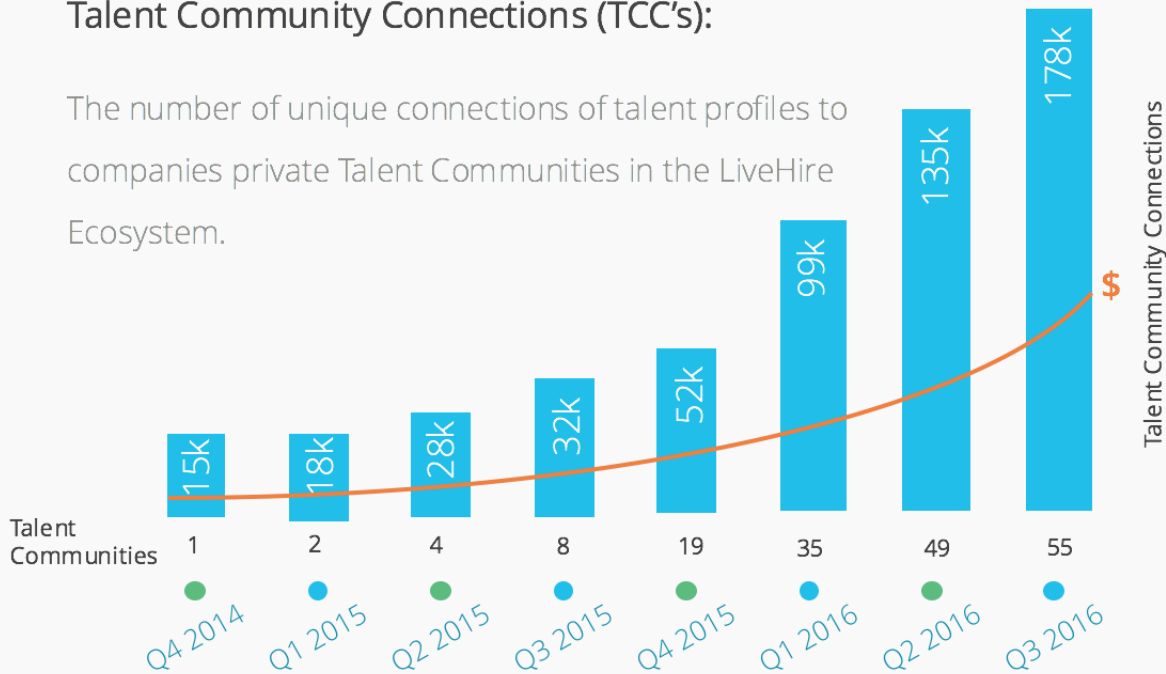
“It is incredibly exciting to see the positive impact and value the LiveHire technology is having on both companies and talent, and the exponential speed with which the Live Talent Ecosystem is being adopted and scaling. Over 5 billion people currently work. This is the world LiveHire not only looks to empower, but grow, improving workforce utilization and participation by simply connecting the right talent with organizations much faster than the currently inefficient and unenjoyable process of advertising, processing, rejecting and repeating.

We thank you for your continued support, confidence and input in helping LiveHire create ‘a world that works.’”

Antonluigi Gozzi and Mike Haywood
Co-Founders of LiveHire Limited

Talent Community Connections (TCC's):

The number of unique connections of talent profiles to companies private Talent Communities in the LiveHire Ecosystem.



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Highlights

- Another strong quarter of Talent Community Connections (TCCs) growth during Q3 2016, recording 178,000 connections (previously 135,000), with continued strong growth of existing clients and uptake by **new significant cornerstone clients**.
- Established RPO channel partnership with leading recruitment process outsourcer (RPO) **Randstad Sourceright**, the operating RPO arm of Randstad, which manages end to end hiring for more than 180 corporate clients globally.
- Launched Cornerstone client **Telstra Health**, Telstra's eHealth business, one of the largest e-Health providers in Australia.
- Launched Cornerstone client in retail - General Pants Co. - with its national Talent Community using LiveHire technology as its single destination point for 100% of its hires across its 50 retail stores.
- The launch in retail coincided with the launch of LiveHire embedded tools to manage 'volume recruitment' centered on the LiveHire Platform, to help medium to large business focused on seasonal high-volume recruitment, such as retail, education, hospitality and tourism, and agriculture. These industries collectively employ 3.7 million Australians, or 31% of the workforce in Aug 2016 (source: ABS).
- Integrated the **FlareHR** candidate on-boarding technology into the LiveHire ecosystem, Australia's first all-in-one employee onboarding and benefits platform, backed by the Westpac Reinventure fund.
- Integrated the **Sonru** video interviewing technology into the LiveHire ecosystem, the global leader in automated video interviewing technology. Over 5,000 video interview requests have been sent across the ecosystem in the first month of use, proving significant adoption, usage and value for clients.
- The integration of Sonru and FlareHR with the LiveHire platform continues to reinforce the humanised recruitment methodology of the LiveHire Ecosystem, whilst further improving time to hire, quality of hire and candidate experience. The partnerships have already made a considerable impact with existing cornerstone clients, and established an integrated partnership sales channel for future growth.
- Appointed a GM of Sales in the QLD and NT market, to complement the existing sales team in NSW, VIC, and WA, and progressed a significant number of cornerstone clients into advanced stages of the sales pipeline.
- **Client retention rate of more than 90% for the quarter**, again reinforcing the 'stickiness' of the ecosystem, value to clients, and unique Talent Community Connection hosting fee SaaS model.
- Strong balance sheet with expenditure for commercial, technology and customer success in line with budget, whilst achieving material growth on all key performance indicators: Talent Community Connections, new clients signed, client retention and platform usage.

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MELBOURNE, Australia, 18 October 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 activity highlights for Q3 2016, for the period ending 30 September 2016.

Cash position as at 30 September 2016 of \$8.94m

The Company holds \$8.94m in cash, is debt-free, and expenditure run-rate and revenue growth in line with budget and forecasts.

The company strategy is firmly focused on rapid commercialisation, growth and market adoption through Cornerstone clients, RPO partnerships and technology integrations. As the company grows Talent Community Connections with each new implemented Talent Community, contracts progress from set-up (implementation fee) and ramp-up phase (fixed fee), to steady state (\$0.5 per connection per month).

Quarterly summary:

The September quarter was particularly pleasing for LiveHire as it continued its exponential growth in Talent Community Connections for the 8th quarter in a row since product launch, at the same time devoting significant development and commercial time on setting up for strong future growth.

LiveHire continued to develop and enhance its Talent Community and Talent Pooling functionality in the quarter, whilst apportioning development time to opening its ecosystem to third party HR software vendors. Video interviewing functionality (Sonru) was integrated, with more than 5,000 candidate video interviews requested in the first month, proving strong adoption, usage, and value to clients. Candidate on-boarding and employment benefits software (FlareHR), backed by Westpac Reinventure, was also integrated, with General Pants Co adopting the functionality first, for onboarding over 400 new hires. Both integrated technologies enhance the LiveHire platform's suitability and demand in the retail space, where functionality to manage high volume hiring and exceptional candidate experience are paramount.

Commercial focus was on solidifying LiveHire as the industry gold standard in the Retail and Healthcare sectors, building out clusters of companies to form ecosystems to leverage the efficiency of a unified talent profile. Examples include Telstra Health, BUPA, Vivir, Alfred Health among others in the Health sector, and General Pants Co. and Michael Hill in the Retail sector. LiveHire is now able to accelerate its commercial focus in these two industries ahead of schedule.

December quarter looking forward:

As a result of the September quarter, LiveHire is very confident it is set up for strong and sustained quarter on quarter growth from both existing and future clients. LiveHire's existing clients are not

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yet near full maturity in terms of full size Talent Communities, with significant growth achievable from existing clients alone. The LiveHire commercial team has worked efficiently to build an advanced stage sales pipeline of Cornerstone sized clients. Sales is supported by strong endorsements, video case studies and presentations from current clients experiencing significant improvements in quality of hire, time to hire and cost to hire with the proactive recruitment model, made possible with LiveHire Talent Communities.

LiveHire is in the final stages of launching an HR industry wide partnership, to bring awareness of the Talent Community model to the majority of the HR industry in Australia.

Case Study: General Pants Co. launches Talent Community

General Pants Co. launched its LiveHire Talent Community in September, aiming to engage past, present and future candidates as part of its sourcing strategy to drive increased recruitment productivity, quality of hire and a more humanised candidate experience.

General Pants has 50 retail stores in Australia and an e-commerce site that ships globally. It is recognised as a cutting edge purveyor of youth fashion.

As a direct comparison between General Pants Co.'s previous years' recruitment drive:

Using the traditional reactive process (advertising jobs, processing applicants, rejections, repeat) to hire 400 people.

Using this year's proactive process to hire roughly 480 people (engaging people direct from a qualified, interested and available Talent Community through chat and video) General Pants were able to complete their recruitment drive in 1/3rd of the time (4 weeks compared to 18 weeks), whilst delivering a far superior candidate experience, cost per hire and quality of hire.

"Success in business truly comes down to the people you work with. I've worked with numerous HR Tech so called solutions throughout my career and never have they been as seamless as this experience. Alastair and his team truly have delivered above and beyond what was expected.

I get sick and tired of hearing about the war on talent and how there is a talent shortage.....In four weeks, we've just proved that if you engage with people in the right way, talent is there. You just need to be able to communicate with them in a way that suits and excites them."

Michelle Farrer-Eagles – GM HR General Pants Co.

Michelle Farrer-Eagles, the GM of HR for General Pants Co will be presenting the outstanding results of their LiveHire Talent Community at the HR TechFest conference in Melbourne.

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Telstra Health Launches Talent Community

In September, LiveHire announced an agreement with Telstra's eHealth business, Telstra Health, in which it will manage the flow of talent into and across its various entities. The growth of the Telstra Health Talent Community is expected to be a significant focus of this coming quarter, with its Talent Community expected to be best in class in terms of diverse source of channels activated to attract and engage talent.

Telstra Health, is a business division of Telstra Corporation and one of Australia's largest eHealth businesses. Telstra Health is working with medical experts, the health sector, government, funders as well as the world's best and most innovative eHealth companies.

LiveHire implements with Randstad Sourceright first client

In July, LiveHire announced a partnership with Randstad Sourceright, the RPO division of the world's second largest human resources provider, Randstad.

The partnership with Randstad Sourceright is delivering LiveHire's Talent Community platform to select Randstad Sourceright's RPO clients who are 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 international scale, and 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% 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.



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.

During the quarter, LiveHire achieved the milestone of implementing Randstad Sourceright's first Talent Community client, and both Randstad and LiveHire are now actively exploring subsequent implementations globally.

LiveHire integrates with FlareHR

FlareHR is the leader in Australia for all-in-one human resources and employee benefits technology, providing superior candidate experience during the employee onboarding process into an organisation, and simple and transparent setup, management and selection of their employee benefits.

The integration and partnership between LiveHire and FlareHR provides a new channel for LiveHire to market increasing sales and adoption of its Talent Community platform. Current and new prospect clients of both FlareHR and LiveHire can now benefit from an integrated platform and seamless candidate experience from sourcing and recruitment (LiveHire) to onboarding, payroll and employee benefits management (FlareHR). Employee benefits management is becoming an important category in HR globally, helping employees to manage superannuation, insurance, cars, rewards and more broadly financial advice for employees.

The integrated offering, paired with the ease of implementation, HR productivity benefits, low cost entry and the cloud based nature of the offering, will increase adoption of the LiveHire platform with larger and more complex cornerstone clients.

LiveHire integrates with Sonru, global leader in video interviewing

LiveHire has partnered with Sonru, a trusted global leader and pioneer of automated online video interviewing for screening candidates. Its customers include Fortune Global 500 companies and come from a wide variety of industries. Video interviewing from Sonru enables recruiters to replicate a live interview by replacing early-stage phone, Skype or face-to-face interviews.

Under the Sonru agreement, existing and future LiveHire clients will have the option to access all the candidate video interviewing functionality white-labelled as part of the LiveHire candidate and recruiter's experience, further enhancing usability and increasing usage of the LiveHire platform for both companies and candidates.

The relationship with Sonru opens up a new and global sales channel for LiveHire among medium-to-large organisations who need to **manage high volume and project-based recruitment**. Empowering volume recruitment achieves a key milestone for the LiveHire technology, providing a fully integrated productivity platform to clients in the retail, hospitality, facility management and services industries.

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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 in Sydney, Brisbane and Perth.

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

Livehire Limited

ABN

59 153 266 605

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from customers	128	128
1.2 Payments for (a) staff costs	(907)	(907)
(b) advertising and marketing	(99)	(99)
(c) research and development	(143)	(143)
(d) leased assets	-	-
(e) other working capital	(226)	(226)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Research & development refund	-	-
Net operating cash flows	(1,247)	(1,247)

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Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,247)	(1,247)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
	-	-
Net investing cash flows		
1.14 Total operating and investing cash flows	(1,247)	(1,247)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other – IPO transaction costs	(258)	(258)
	(258)	(258)
Net financing cash flows		
Net increase (decrease) in cash held		
1.21 Cash at beginning of quarter/year to date	10,443	10,443
1.22 Exchange rate adjustments to item 1.20	-	-
	8,937	8,937
1.23 Cash at end of quarter		

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	168
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payment of Directors salaries/fees of \$168k.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	87	89
4.2 Deposits at call	8,797	10,300
4.3 Bank overdraft	-	-
4.4 Other(a) Deposits for Bank Guarantees	53	53
Total: cash at end of quarter (item 1.23)	8,937	10,442

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	-	-
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net assets	-	-
5.5 Nature of business	-	-

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

.....
 Company secretary

Date: 18 October 2016

Print name:

Charly Duffy

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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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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