

ASX Release

20 April 2017

LiveHire March Quarterly Report and Appendix 4C

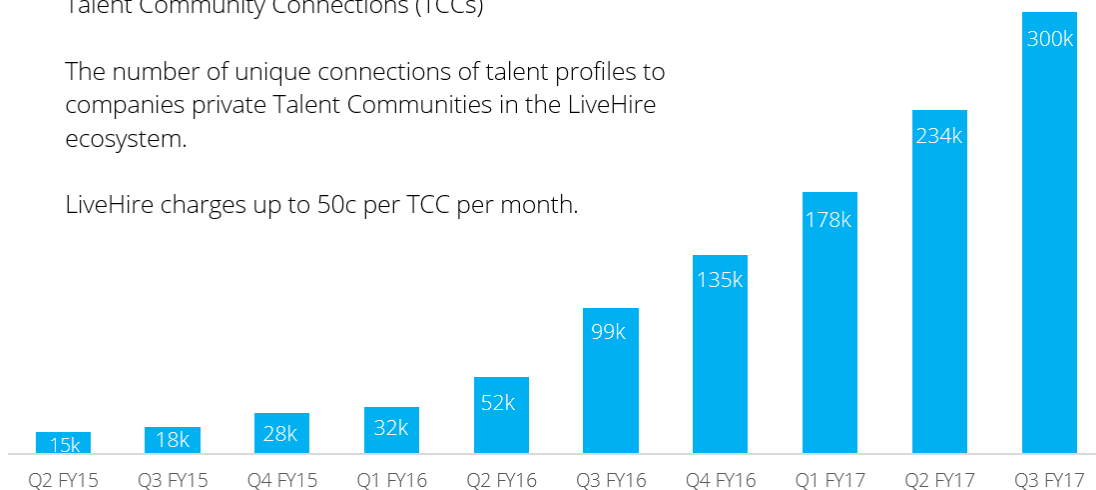
March Quarter 2017 Highlights

- **Talent Community Connections (TCCs) hit a new milestone growing to 300,103** (Q2 FY17 233,830); achieving another record month and quarter.
- **Cash receipts grew 17% QoQ to \$253,100** (Q2 FY17 \$216,000), reflecting the TCC growth from both existing and new clients directly trailing TCC growth and ahead of forecasts.
- LiveHire completed a **\$12.5m placement** to accelerate growth. The placement welcomed several high quality institutional funds to the register and was heavily oversubscribed.
- **Completed API integration with world's largest job site, Indeed**, which has more than 200 million active visitors. The integration increases ongoing candidate flow from Indeed into Talent Communities, and improves candidate experience.
- LiveHire launched the **Women in Tech** portal, a partnership with **CEB Australia (CEB)**, aiming to bring together 1,000 organisations to collectively attract 100,000 females to join the Australian tech sector. Foundation companies of the portal include Amazon Web Services, Dropbox, CBA, Salesforce, and Australia Post.
- LiveHire entered the Education industry with cornerstone clients **Laureate Universities International** and **TAFE Queensland** signing and launching Talent Communities.
- **Bupa** expanded the use of its Talent Community to include its **IT division**.
- **LiveHire held \$18.1m cash at bank** as at 31 March, debt free, with a clear line to cash flow positive on forecasted capital expenditure.

Talent Community Connections (TCCs)

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

LiveHire charges up to 50c per TCC per month.



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Melbourne, 20th April 2017, LiveHire Limited (ASX: LVH), the Talent Community platform providing an enterprise cloud-based hiring productivity tool for companies and candidates, is pleased to release its March Quarterly Report and Cash Flow report for the period ending 31 March 2016.

Commenting on the March Quarter, LiveHire Managing Director said: *"We are very pleased with the growth of LiveHire across its key metrics once again this quarter, extending our first mover advantage significantly, whilst continuing to develop the ecosystem, integrations, and functionality needed for ongoing expansion of the Talent Community proactive recruitment solution.*

"LiveHire is now in an excellent position, with more than \$18 million in the bank, to accelerate our first mover advantage. We will achieve this through launching Talent Communities faster than forecasted, launching new portals, completing key integrations with industry-leading technologies, as well as bolstering our sales and marketing teams.

"We are looking forward to the next exciting phase of growth of LiveHire, as more and increasingly larger companies continue to launch and grow their own Talent Communities, and engage with candidates in a completely new, proactive approach to hiring."

Talent Community Connections (TCCs) grew by 28% QoQ to 300,103

Talent Community Connections continue to expand strongly, with an average monthly growth rate of 10%+ since launching 30 months ago.

A TCC is generated when a LiveHire user chooses to privately connect their LiveHire Talent Profile to a company's Live Talent Community. The user can choose to privately connect their single profile with any number of different companies that use the LiveHire Talent Community platform for candidate communication and hiring. As a result, a single user can generate multiple TCCs (and monthly hosting fees) as the LiveHire ecosystem of Talent Communities expands.

Importantly, more than 50% of TCC growth this quarter came through the expansion of existing clients' Talent Communities, indicating strong, increasing adoption and usage by existing clients. The proactive recruitment model enabled by the LiveHire Talent Community Ecosystem continues to deliver significant time and cost to hire savings to clients, with significant improvements in quality of hire over the traditional and inefficient reactive recruitment model and Applicant Tracking Systems (ATS).

More than 70% of TCC growth during the March quarter came through the addition of new candidate profiles to the platform. LiveHire has not yet begun to actively spread existing talent profiles across Talent Communities. This is a focus that will increase throughout 2017, as

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LiveHire increases its vertical focus, providing the ability to rapidly grow TCCs with no cost of acquiring users (UAC).

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

2017 will see a focus on rapidly expanding market share through accelerated launch of new Talent Communities through new customers, industry wide portals, integrations with major Human Resource Information Systems enabling the launch of Talent Communities with the largest organisations. There will be a continued development focus on 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.

Cash receipts for the quarter grew by 17% to \$253,100 QoQ

LiveHire's cash receipts for the quarter grew from \$216,000 to \$253,100 (17%). TCCs are a lead indicator for revenue growth. LiveHire's focus remains on continued exponential TCC growth in 2017.

Revenue growth came from both continued expansion of existing clients' Talent Communities, as well as new clients launching Talent Communities.

The LiveHire Customer Success team is dedicated to ensuring new clients achieve rapid improvements in their HR operations, post implementation, to quickly expand their Talent Community across 100% of hires in their organisation. This was most evident this quarter with the reported ongoing expansion of Bupa's Talent Community across its organisation.

LiveHire's exponential TCC growth from existing and new clients again this quarter demonstrates proof and predictability of the LiveHire model to permanently disrupt the traditional reactive recruitment model and supporting technologies.

LiveHire's strategic pillars of TCC growth

LiveHire's delivery against the three strategic TCC growth pillars continues to remain strong and on-track.

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Integration with Indeed

LiveHire announced the successful API integration with the world's leading employment site, Indeed.

Indeed, has more than 200 million unique visitors per month and is available in more than 60 countries and 28 languages, covering 94% of global GDP. Since 2004, Indeed has given job seekers free access to millions of jobs from thousands of company websites and job boards. As the leading pay-for-performance recruitment advertising network, Indeed drives millions of targeted applicants to jobs in every field and is the most cost-effective source of candidates for thousands of companies.

The LiveHire integration with Indeed enables any vacancy listed on a Company Careers website to be added to Indeed.com, making it searchable by Indeed's millions of visitors. Candidates apply through the website directly to the clients Talent Community on LiveHire with an existing profile or by creating a new one. Employers are then able to control the Indeed status, set a schedule for open positions, set limits to opening periods, number of applicants, screening criteria and more.

Using this linked system, a candidate no longer needs to enter their personal details and career information repeatedly for different companies' application processes. The candidates profile can then be linked to multiple talent pools of different roles inside that employers Talent Community, multiplying the candidates chance of hire.

Launch of Women in Tech portal

LiveHire announced a partnership with leading best practice insight and technology company, CEB Australia, that helps more than 20,000 senior leaders from more than 10,000 organisations across 110 countries with the intelligence they need to respond quickly to evolving business conditions. CEB helps organisations more effectively manage their talent, customers and operations to exceed business objectives.

The first initiative of the partnership between LiveHire and CEB was the launch of the "Women in Tech" portal, which aims to attract 100,000 females to the technology industry in Australia, through the collective magnetism and marketing of 1,000 companies and startups that offer technology roles, welcoming women to a single destination.

The live portal, www.livehire.com/ceb-women-in-tech, has received support from some of the leading technology companies. The portal, powered by the LiveHire Talent Community platform, is an ecosystem that has proven to engage and inspire females to join workforces across all industries. Females account for 59% of all online traffic to clients' Live Talent Communities, indicating it is a uniquely placed technology to drive gender diversity targets for companies of all sizes and industries.

The Women in Tech portal is the first of many planned industry portals that will be launched under the new LiveHire and CEB partnership.

The launch of industry portals is expected to accelerate the adoption of the Talent Community proactive recruitment model and growth in Talent Community Connections.

Cornerstone clients

In February, LiveHire announced the signing of two new Cornerstone Clients, Laureate Universities International (“Laureate”) and TAFE Queensland. This allowed LiveHire to enter the Education vertical, an annual recruitment market estimated at over \$624 million¹ and growing; and further strengthened LiveHire’s growth into the public sector, the largest employer in Australia and one where significant hiring productivity can be gained.

By signing Laureate, LiveHire has established its platform with an additional global client who can realise significant cost and time savings from a shift to 100% proactive recruitment; and one that will open the LiveHire platform to future significant upside growth in TCC, by introducing channels for students, graduates and alumni.

Industry leaders, such as Laureate and TAFE Queensland Brisbane, launching Live Talent Communities is likely to result in a critical mass of the Education and Training industry workforce receiving invitations to join the LiveHire Ecosystem. This creates an industry standard for digital talent profiles, and a network effect that paves the way for more talent and companies to easily join and connect.

Expansion with Bupa

LiveHire announced that Bupa had extended its use of the LiveHire Talent Community platform across its organisation to encompass its Information Technology division.

Bupa is now using LiveHire’s Talent Community platform across its, Clinical, Aged Care, Digital, and IT divisions, representing a significant proportion of the organisation.

Bupa is one of the largest employers in Australia and growing strongly through increased services and market expansion. Data from LiveHire shows that when launching Talent Communities for Bupa, the conversion rate is 90% higher than average, showing the strength of the brand of Bupa and that it is clearly an employer of choice.

¹ 1 Total recruitment costs for education industry in Australia calculated as total workforce of 975,000 employed workers x 16% churn rate (AHRI Turnover and Retention Report 2016) x \$4,000 average cost to hire (conservative USD4,000 cost per hire – LinkedIn Global Recruiting Trends 2016) = \$624,000,000.

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Bupa's IT division is also a member of the Women in Technology portal, that is now helping several Australia's leading brands attract diversity of candidates to technology based roles, joining others including Amazon Web Services, Australia Post, CBA, DropBox, KPMG, PwC, Salesforce, Telstra Health and Uber.

LiveHire continues to progress its strong pipeline of clients in key industries, including defining ASX25 clients.

RPO channel partner program

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

LiveHire's first RPO partner, Randstad Sourceright (RSR), is scoping its next implementations, planned for the international markets, with first implementations expected in Q4 FY17.

LiveHire is additionally engaged with four global RPO providers that have included the LiveHire platform as their supporting technology in proposals both nationally and internationally.

LiveHire is focused on achieving successful implementations with RPO providers, with fast results and proven return on investment (ROI). It is expected that this will be a significant catalyst for accelerated growth and international scale in 2017.

Capital Raising

LiveHire completed a capital raising of \$12.54 million (before costs), through the placement of 28.5 million shares at \$0.44 per share to institutional and sophisticated investors. This represented a 0.6% discount to the Company's 15-day volume weighted average price (VWAP) and was completed under the Company's placement capacity under ASX Listing Rule 7.1.

The capital raising was supported by existing institutional and sophisticated shareholders and introduced some of Australia's most respected institutional funds to the register.

The proceeds of the capital raising place LiveHire in a strong position to accelerate growth through increased sales and marketing capabilities, customer success and artificial intelligence and technology investments.

The additional capital allows LiveHire to accelerate growth across three strategic pillars, being large enterprise sales opportunities and RPO partnerships to deliver a step change in TCC growth (current pipeline includes multiple ASX 200 and several ASX25 companies), launching

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industry wide portals to drive rapid growth into new industries and engage leading companies in those industries with the platform (the first being the Women in Tech portal), and deepening the artificial intelligence and machine learning capabilities of the LiveHire platform and intellectual property to consolidate the Company's first mover advantage.

Morgans Financial Limited acted as Lead Manager to the Placement. Foster Stockbroking was Co-Manager to the Placement.

LiveHire completed the issue and allotment of shares on 3 April 2017.

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

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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 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")

March 31 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	253	598
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing	(74)	(231)
(d) leased assets		
(e) staff costs	(1,074)	(3,116)
(f) administration and corporate costs	(443)	(1,512)
1.3 Dividends received (see note 3)		
1.4 Interest received	96	105
1.5 Interest and other costs of finance paid	0	(0)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(1,241)	(4,156)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(8)	(12)
(b) businesses (see item 10)		
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$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	(8)	(12)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	12,564	12,564
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options	75	75
3.4 Transaction costs related to issues of shares, convertible notes or options	(685)	(912)
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 (provide details if material)		
3.10 Net cash from / (used in) financing activities	11,954	11,727

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	7,297	10,443
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,241)	(4,156)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(8)	(12)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	11,954	11,727

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	18,002	18,002

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	659	261
5.2	Call deposits	17,308	7,001
5.3	Bank overdrafts		
5.4	Other (provide details)	35	35
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	18,002	7,297

6. Payments to directors of the entity and their associates

**Current quarter
\$A'000**

- 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

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Payment of Directors salaries and fees

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

**Current quarter
\$A'000**

- 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

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8. Financing facilities available

Add notes as necessary for an understanding of the position

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.

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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

9.4 Leased assets

9.5 Staff costs

9.6 Administration and corporate costs

9.7 Other (provide details if material)

9.8 Total estimated cash outflows

(100)

(1,400)

(500)

(2,000)

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: 20 April 2017
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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