

ASX: LVH MARKET RELEASE

Chairman's Address to AGM

30 November 2020 | Melbourne, Victoria

LiveHire is on a mission: to empower the flow of the world's talent, and this year we have built the strong foundations that will enable us to genuinely reach for that goal .

We have achieved high product market fit in all three major use cases of total talent, which is a truly unique capability globally.

- External permanent hiring
- External contingent (contractor) hiring
- Internal staff mobility

In Australia our direct sales force, which we stood up 18 months ago, now demonstrates a consistent pipeline and client growth, with over 100 clients at year end. Our Australian business is an annual subscription business mostly focused on external permanent hiring and internal mobility (such as Qld and Vic Government) sold to the HR function.

Our clients and their candidates love our product. Rated independently by the Talent Board out of New York, the pre-eminent global authority on Candidate Experience, our NPS scores for candidate experience are almost twice as high as all other award winners this past year. Net retention for our clients who use our full platform is above 90%, and we have churned off all but a few of the original 30 sourcing only (pre product market fit) clients.

Our pipeline in Australia demonstrates a welcome mix shift to higher price points via larger private sector and government clients joining our platform. In addition we launched in New Zealand and have our first clients there. We are proud that our sales team continued to grow the business every quarter through the Covid pandemic. Special thanks go to Chris Cooper, Chief Revenue Officer, and Zac Beeten, Sales Director, for their inspiring leadership.

Our most exciting development this year has been our expansion into the US and Canadian contingent (contractor) hiring markets. After a year of foundation building we were excited to welcome our first two large US Contingent hiring clients in May and June this year. Following up with three more in the first quarter of FY 20/21.

Over \$80 Billion is spent annually in the US on contingent hiring through agencies, with salary markups of 20% plus. Clients using LiveHire can now directly source the majority of their hires, saving around half of their markup costs and paying a 1% to 2% fee to LiveHire of all hired contractor's ongoing salaries.

Direct Sourcing is now the number one priority of procurement executives as researched by Ardent Partners, a leading research firm for contingent workforce in North America. Disruption in the space is coming.

Last time a technology shift swept through this market was the introduction of VMS technology, the majority of the Fortune 1000 adopted it over a decade. There are also thousands of companies outside the Fortune 1000 we can serve. Our opportunity is very large and exciting.

This is a land grab. We are accelerating our path to market in the US through partners, including staffing partners, MSP's (Managed Service Providers) and VMS's (Vendor Management Systems) who have strong existing relationships with the Fortune 1000 companies. Our goal this half year is to increase our partners who, like Ian Martin Group, are totally committed to accelerating their own businesses and revenues by taking LiveHire to all their existing and new clients.

A big thank you goes to our North American team led by Karen Gonzalez for her tremendous work securing these partnerships. The combination of compelling savings proposition, weak competition and the size and number of the potential clients, creates an enormous opportunity for LiveHire.

Covid is turning out to be an accelerator for us as companies are looking harder at saving money and moving to a more flexible hiring base by shifting more to contractors .

We also welcomed at the end of this year our first client sourced through our SAP Systems Integrator channel, after a year of foundation building. Rizing and Cognitus, two of SAP's largest integrators with thousands of clients between them have both confirmed us as their preferred global total talent technology partner.

On the technology side we continue to get high marks for the quality of our platform's user experience, both from candidates and recruiters. Thanks must go to Matt Ryan, Chief Tech Officer, and his very capable team of developers. Thank you all for building us such a great product!

We have completed our major product build and have been able to reduce spending this year throughout the business by \$7m p.a. At year end we were well capitalised with a cash balance of \$20.9m, and budgeted projections sees this level of cash as sufficient for us to reach break even.

We have a dedicated Board and in particular I want to thank Adam Zorzi, who retired in September this year. Adam was a Director from day one and was the first Chairman of LiveHire. LiveHire would not be here today without his leadership.

Reina Nicholls joined our Board as Non-Executive Director and Chair of the Nomination & Remuneration Committee a year ago and has led the rethink of our remuneration philosophy for Senior Executives with more emphasis on delivering both short and long term performance outcomes for shareholders. Reina worked closely with external advisors, Denis Godfrey Group, who brought both benchmarking and extensive experience to the task. Thank you Reina for what has been a significant effort supporting us this year.

We welcome our new Non-Executive Director Board member Raj Ray who joined us in September. Raj brings tech experience, accounting, risk and SAAS business building experience to the board. We are excited to have Raj with us.

We will continue to strengthen the Board going forward.

I have to call out a big thank you to our CEO Christy Forest and the outstanding team she has attracted to LiveHire. Our two founders Antonluigi Gozzi (Director and CPO, leading Product) and Mike Haywood (spearheading our US growth) both continue to play pivotal roles in the business.

LiveHire is a different company, in a much stronger position than it was a year ago.

Again, I want to truly thank our loyal shareholders who have stayed the course with us as we found product market fit and laid the foundations for our multi market growth. We look forward to rewarding you handsomely in the years ahead as together we realise LiveHire's large global opportunity.

For more information:

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Subscribe to LiveHire's newsletter at: <http://eepurl.com/b2EMFL>
www.livehire.com/investor

Michael Rennie, LiveHire's Chair and Executive Director, authorised the release of this announcement to the ASX.

About LiveHire

LiveHire is an award-winning talent acquisition & engagement platform that revolutionises the candidate experience and enables businesses to thrive with talent on demand. Our Talent Acquisition & Engagement platform delivers a proactive sourcing and talent mobility solution called Live Talent Communities. The platform makes managing the flow of talent into and through businesses seamless, delivering value through detailed visibility of talent, shifting 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 and Perth.
www.livehire.com

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