

ASX: LVH MARKET RELEASE

CEO's Address to AGM

30 November 2020 | Melbourne, Victoria

As the markets around the world have been facing one of the most challenging periods in global economic history, I have been impressed and inspired by the strength and growth of our business, as well as the agility of our technology. As Michael said, we have been laying foundations that not only prove our model is enduring but accelerating us ahead of the competition.

With quick reminder of our annual results, we achieved 38% YOY ARR growth and 43% YOY Cash Receipts growth. Our Net Revenue Retention is on a steady march to industry standard as we already achieve 90% retention of the subset of our clients who leverage our full solution for external recruitment. Accordingly, new sales this calendar year have all been made for the full solution for external recruitment, and are also predominantly multi-year contracts. These are the key factors we are consciously driving into our business to create foundational strength in our financials, and which we can now leverage off for accelerated top-line growth.

Since the close of our financial year, we have welcomed fifteen new SAAS clients, including leading companies such as Baby Bunting, MyState, Elphinstone Medical Services and Telstra Purple. We will complete our integration with Workday, a leading Human Resource Information Systems, for one of our recently won clients. We achieved a win with an Australian \$2.4B transport company via our Recruitment Process Outsourcing partner, Manpower. Also, we welcomed the Australia/New Zealand regional business for one of the largest pharmaceutical and life sciences companies in the world, with our new partner, Hudson, a leading Australian talent solutions provider.

Last financial year, we entered an emerging direct sourcing market in North America with our two new client wins and proven technology to transform the way Fortune 1000 companies hire contingent workers at speed and with significant savings. Beyond the large opportunity outlined by Michael as the \$80B in contingent hiring spend in the US, the trend according to Gartner, is that 32% of companies plan to replace full-time employees with contingent employees to achieve cost savings and increase organisational agility. This is the COVID effect. We have positioned ourselves in the right place at the right time, as a disruptive technology to penetrate this large and growing segment.

In February, we hired an industry veteran, Karen Gonzalez, as our Executive Vice President, North America, to build out our US business and speed our path to success. Her depth of experience in the partner ecosystem, which Michael mentioned is fundamental to our go-to-market play, is speeding our path to signing additional official partners who we anticipate will give us access to more than half the Fortune 1000.

To date, our US formula is unfolding exactly as planned. It is three-fold:

- Sign and enable partners to build pipeline across their current client base
- Win clients with our partners and rapidly launch the LiveHire Direct Sourcing solution
- Achieve full run rate of the Estimated Annual Contract Value for that client as quickly as possible in their first year, by accumulating more and more of their hires made via the LiveHire platform monthly.

We are incredibly pleased with the progress that Karen and her team have made in signing formal agreements with now 6 total partners who all, like our first partner Ian Martin Group, introduce the LiveHire technology into their

client bases as a Managed Direct Sourcing solution. The new partners are at various stages of being enabled for pipeline creation. We expect our earliest partners to contribute to the wins this quarter and our more recent partners to begin coming on-line with their wins in the New Year.

Since we closed the financial year, the LiveHire product has been deployed to four new direct sourcing clients. These wins include one that we sold directly, one through Managed Service Provider, Geometric Results Inc., and two through our staffing supplier partner, Ian Martin Group. The second client win for Ian Martin Group, beyond the Canadian Provincial Government Health agency previously disclosed to the market, is a \$30B energy generation and distribution provider in North America, which we signed this quarter.

The price points for our Direct Sourcing solutions generates approximately 10x+ our current SAAS average contract price for an average Estimated Annual Direct Sourcing contract.

Cause for celebration with Ian Martin Group is that they have hired more than 300 contact tracing staff for the Province of Ontario, demonstrating LiveHire's ability to speed contractor hiring for large volumes of roles, at any level of hire.

As Michael mentioned, last financial year, we reduced our cost base by \$7M in annual ongoing costs, fully reflected in our Q1. I'm proud that we have been able to reconceive our cost base with now a well-fitted, but still highly innovative and evolving product that affords us a differentiated position in all our use cases, along with commercial teams focused precisely in our key growth markets, achieving milestones at pace for our North America market entry and healthy, steady growth in our Australia-New Zealand business.

Our product and technology teams continue to distinguish LiveHire in the work they have done, including:

- Expanded our platform to support North America and direct sourcing, with significant focus on our unique differentiators in Candidate Engagement and AI matching;
- Made significant advancements in: Artificial Intelligence, Predictive Analytics; Internal Mobility, and Recruitment Process Automation; and
- Built scale, interoperability and security into all elements of the platform, with more than 1 million Talent Community Connections added in FY20 alone.

I would like to echo Michael's thanks to the Board and all our investors, and to Michael himself for his ongoing and active support of me and my teams. Michael has an especially in-depth understanding and articulation of our clear line of sight to success at LiveHire, the progress we are making at pace and our differentiated opportunity to truly empower the flow of the world's talent.

I am so excited by the large opportunity ahead and I look forward to reporting to shareholders on our results as we execute from a position of strength in our business fundamentals and the unique position we've created for ourselves to win in the years ahead.

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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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