livehire

Annual Report 2021

livehire

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The best way to view this report is with Adobe Reader. Click on the links and use the home button in the header to navigate the report.

All figures quoted in this report are in Australian Dollars unless otherwise indicated.

Right place / Right time

Empowering the flow of the world's talent

The global pandemic has transformed the way companies find, match, engage, employ and change workforces at speed.

Direct Sourcing is workforce procurement leaders' number-one priority. They seek technologies to step-change recruiting quality, time and costs.

LiveHire is a market-leading recruitment, talent mobility and direct sourcing software platform. It provides a more connected experience for candidates and recruiters, providing high-value outcomes for both.

The Market Opportunity

North American contingent hiring spend is US$80 billion+[2]

Shift to contingent grew 11% in 2021[3]

60% adoption of direct sourcing expected in the next 2 years[4]

Disintermediate the ~20% mark-ups paid on temporary employees[5]

Accelerators

US$80B+

US spend on MSPs[6]

1MSP Global Landscape Summary 2020: US$86 billion managed service provider (MSP) market in 2019. LVH assumes technology costs of 1–2%

77%

of executives[7]

believe freelance and gig workers will substantially replace full-time employees within the next five years

32%

of organisations[6]

are replacing full-time employees with contingent workers to reduce costs

COVID

effect[8]

- permanent shift to contractor hires
- need for agility
- cost reduction

98%

of executives[9]

are planning to redesign for future-fit workforces

25–30%

of the workforce[10]

will be remote in 2021

85%

of companies[7]

expect technology transformation to disrupt their operations

1 Contingent workforce in North America is known as the contractor workforce in Australia and New Zealand.
2 staffingindustry.com/Research/Research-Reports/Americas/The-US-Gig-Economy-2020-Edition
3 staffinghub.com/staffing-and-recruiting-trends/u-s-temporary-staffing-revenue-to-exceed-pre-pandemic-level-in-2021-sia-report
4 raiserecruiting.com/sia-research-report-download
5 headcountmgmt.com/everything-but-staffing
6 staffingindustry.com/row/Research/Research-Reports/APAC/MSP-Global-Landscape-Summary-2020
7 2020-2021 CXC Contingent Workforce Global Trends Report.
8 randstad.com.au/hr-news/employer-branding/what-we-can-take-from-2020-office-future
9 Mercer, 2020–2021 Global Talent Trends Report.
10 globalworkplaceanalytics.com/work-at-home-after-covid-19-our-forecast

Benefits

Agility and Speed

World-class candidate and recruiter experience

Enables diversity

25% of Australian companies can't find the talent they need[1]

78% of Australian CEOs identified key skills shortages as a top threat to growth. Only 18% have made significant progress on upskilling programs.[2]

War for Talent:

47%
of organisations[3]
are increasing budgets for total talent investment

69%
of organisations[3]
expect they will implement total talent management in 2021

39%
of companies[4]
will use more varied talent pools

84%
of organisations[4]
in Australia are focused on improving diversity and inclusion

45%
of executives[5]
believe their current workforce is adaptable to future needs

Accelerators

1 accenture.com/_acnmedia/PDF-149/Accenture-Fast-Track-Insurance-Report-3-31-21-Final.pdf
2 pwc.com.au/about-us/insights/non-executive-directors/business-led-upskilling.html
3 Randstad Sourceright, Talent Trends Research 2021.
4 Mercer, 2020–2021 Global Talent Trends Report.
5 2020–2021 CXC Contingent Workforce Global Trends Report.

Direct Sourcing

Contingent Target Market Opportunity

Identified market	Pipeline
70+ (Target over 3yrs) Partners[1]	25+
1000+ Clients[1]	50+
$1b+[2] Clients EACV (AUD)	$15m+

Direct Sourcing **Investment Thesis**[3]

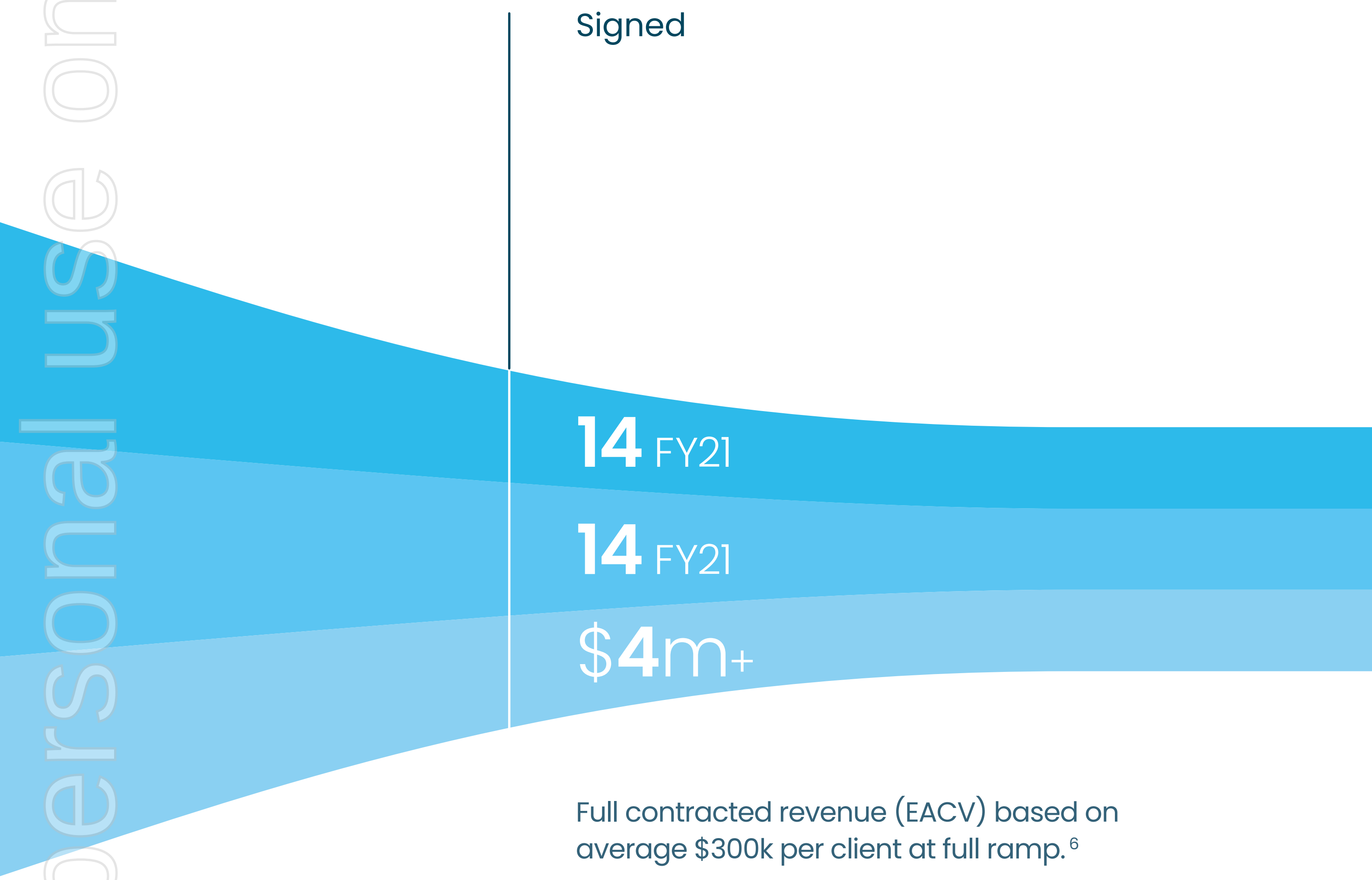
The Opportunity

$1 billion+ tech spend: SIA research[4] indicates that 60% of large enterprises will consider adopting Direct Sourcing strategies in the next two years.

Strong Foundations

After 18 months in the North American market, strong foundations have been established to take advantage of this growth.

1 LiveHire management's estimate.
2 MSP Global Landscape Summary: US$80 billion MSP spend in US in 2019. LVH assumes an estimated 1–2% technology fee converted to AUD (at 1.38).
3 Clients become active on average after 3mth implementation.
4 SIA Report: Achieving Excellence in Direct Sourcing.



Full contracted revenue (EACV) based on average $300k per client at full ramp.[6]

LiveHire expects clients to take 12–18 months to ramp to this rate of use.

Market Leading Platform

Staffing Platform is commercially proven and ranked by Ardent Partners[5], as "market leading" in the 2021 *Digital Staffing Platforms Technology* advisor report.

Value Proposition

- LiveHire goes to market with staffing firms, offering clients on average 50% reduction in hiring costs.
- Partners experience improved economics.

5 Ardent Partners Digital Staffing Technology Advisor for Direct Sourcing.
6 Management's assumption of an average of $300k EACV per client has been calculated on a blended sales basis across the paybooks (in $US) of the companies LiveHire intends to target and the LiveHire fee (%) that would be calculated across each paybook. The size of each paybook was assumed in USD and has been converted to AUD based on an exchange rate of 1.33.

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Direct Sourcing

Contingent Hiring

Direct Sourcing lets companies use their own brand and network to attract and engage contingent workers.

North American focused, paid as a % of contingent salaries. Direct Sourcing programs find that proactively curating and talent pooling candidates ahead of time generates better results than job advertising, allowing organisations to significantly reduce their spend on job boards.

31%
faster time-to-submit

Ontario Ministry of Health with Raise Recruiting

Raise Recruiting was engaged by the Ontario Ministry of Health to quickly streamline the engagement and hiring of contact tracers in response to the COVID-19 pandemic.

Raise successfully delivered on the complex, high-volume project with LiveHire's help.

Candidates enjoyed a positive hiring experience thanks to LiveHire's talent cloud technology.

Raise is now set up to win and deliver further rapid-response, high-volume hiring projects.

42%
of hires made within 7 days

SAAS

Software as a service

Permanent Hiring

LiveHire's recruitment software provides a world-class candidate and recruiter experience for permanent workers.

Australia and New Zealand focused, paid as an annual subscription based on number of employees. LiveHire helps build productive and high-functioning recruitment teams. It enables them to reach hiring targets while reducing spend and improving brands' reputations through a positive candidate experience.

ASICS

Employees are ASICS' backbone and successful and quick hiring is key to its organisational success.

ASICS used LiveHire to streamline its recruitment process. It aligned key stakeholders across the business, removed manual work and improved stakeholder communication.

ASICS reduced its dependence on external agencies and job boards, resulting in reduced recruitment costs and a more positive and consistent candidate experience that better represents its brand.

67% faster time-to-hire

71% response rate from candidates

95% candidate satisfaction

72% reduction in recruitment costs

2021
Highlights

This year, LiveHire was named a market leading Digital Staffing Technology by Ardent Partners in addition to our numerous other achievements.

"A strong year delivering across all key business drivers ensure solid momentum into FY22.

CLIENTS + PARTNERS

SaaS

138
Subscription Clients
▲ 110 from 2020

90%+
Net Retention Rate (NRR)

90%
of new SaaS annual recurring revenue (ARR) contracts are multi-year

$4.3m
SaaS closing ARR
▲ 24% from 2020

Direct Sourcing

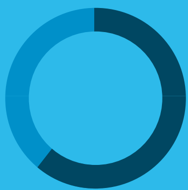
14
Direct Sourcing Partners
▲ 2 from 2020

14
Direct Sourcing Clients
▲ 2 from 2020

64%
of Direct Sourcing Partners are staffing suppliers

TALENT

4.2m
talent community connections (TCCs)
▲ 92% from 2020



Australia and New Zealand
● **2.8m**
North America
● **1.4m**

$3.4b+
total salary of hires
▲ 130% from 2020

56%
female hires on platform

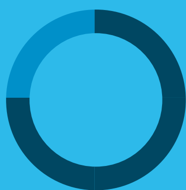
93%
talent satisfaction

FINANCIAL

$14.4m
cash in bank
Strong balance sheet – fully funded to execute strategy

$(6.6m)
total cash burn
▼ 50% from 2020

$5.5m
customer revenue
▲ 60% from 2020



Saas & other
● **$4.1m**
Direct Sourcing
● **$1.4m**

TECHNOLOGY

Full platform scalability
2.2m
profiles added in 2021

War for Talent Market leader

in candidate engagement and satisfaction with award-winning interface

Interoperability
1.2m
Profiles added to LiveHire platform via Automation

Delivering return on investment (ROI) to clients – reduce per hire cost by
▼ **60%**[1]

39,758
TOTAL 2021 PLACEMENTS
▲ 130% from 2020

1 engage.livehire.com/hubfs/Collateral/Case%20Studies/Vodafone%20Case%20Study.pdf

Chairman's message

Michael Rennie
Executive Chairman

Empowering the flow of the world's talent

US$800 million
Addressable US market for LiveHire technology fee based on 1-2%

$3.4 billion
Value of hires on our platform in FY21[1]

1 Based on number of placements in FY21 x avg salaries.
Refer to https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/nov-2020

Gearing up for growth

Our mission at LiveHire is to empower the flow of the world's talent. As we look back on this last year and then consider the year ahead, we find ourselves in the right place at the right time. This year has been our most exciting yet both in Australia and New Zealand, particularly with our expansion into North America.

Our scale is now significant with over $3.4 billion salary value of hires made on our platform this last year, up from just over $1.5 billion for the previous year. In Australia and New Zealand we successfully navigated the vagaries of COVID and continue to expand strongly.

A big thank you to Zac Beeten and Chris Cooper who have so ably led our team of sales and customer success people.

What's most exciting this year has been the proof points achieved for our expansion into the North American Contingent Hiring market. Our large company clients include well-known global brand names from diverse industries such as oil and gas, consumer goods, surgical robotics, automobile wholesaling, consulting and government health.

Congratulations must go to our CEO Christy Forest and our North American team including Karen Gonzalez, Julie Semler and Mike Haywood for this tremendous achievement.

In North America we are operating in a huge addressable technology market, with a world-leading product, as illustrated by the recent Ardent technology report. The market is waking up to these benefits. According to research from Staffing Industry Analysts, 60 per cent of large companies are looking to implement some form of managed direct sourcing in the next few years.

We have gone to market with partner staffing firms who have a big incentive to win work with us. Our technology platform enables them to expand significantly their share of their clients' staffing spend.

In all this we have been ably supported by a standout performance from our Technology and Development team led by Gigi Gozzi and Matt Ryan. The team has facilitated a 2.6 times increase in activity on the platform with no increase in cost and universally positive client feedback.

We have rejuvenated the board with the appointment of three new Directors: Raj Ray, Lesa Francis and Kathryn Giudes. All three have extensive North American experience in technology or contingent staffing.

Thanks must also go to Reina Nicholls and Adam Zorzi who stepped off the board this year. Reina played an important role in our strategy, cost and remuneration changes which have been seminal for LiveHire. Adam was with LiveHire from the beginning and served as first Chairman. LiveHire would not be here today without Adam's significant contribution.

We have supplemented this with a stellar Advisory Board packed with global contingent staffing experience in firms such as Coca Cola, Cisco, Atlassian, Novartis and Shell.

We are gearing up for more growth in North America by expanding our sales team and customer success teams. I am proud we achieved everything we set out to do this year. We have continued to grow in Australia and New Zealand with accelerated growth in client numbers and high client retention.

We have achieved our goals in North America, building partnerships and winning important clients, establishing ourselves as a leader in the fast-emerging and very large contingent staffing technology market.

It's truly an exciting opportunity.

We are very well positioned, in the right place at the right time.

Michael Rennie
Executive Chairman

CEO's message

Christy Forest
Chief Executive Officer

47%
total workforce considered non-employee[1]

75%
businesses reimagine how they structure their workforce[1]

1 Future of Work Exchange Report for 2021.

Disrupting outdated approaches to hiring talent

Over the past year and through to today, our personal lives are being disrupted and challenged as never before.

But in the most positive of ways, LiveHire continues its global journey toward disrupting organisations' outdated approaches to engaging and hiring talent.

Our faster, more humanised approach, coupled with our mission to empower the flow of the world's talent, accelerated significantly this past year with 92 per cent growth in our Talent Community Connections to more than 4.2 million.

Across our combined markets of Australia, New Zealand, United States and Canada we welcomed a total of 58 new clients (45 in SaaS and 13 in Direct Sourcing) and achieved a 91.4 per cent net retention rate (NRR), the highest performance in our history. We began reporting results in our two major business lines as SaaS and Direct Sourcing, serving human resources in permanent hiring and procurement in contingent hiring, respectively.

Our strong results in FY21 included total revenue from customers growing by 60% to $5.5 million up from $3.5 million in FY20. The SaaS business delivered annualised recurring revenue (ARR) of $4.3 million (up 24 per cent from FY20) and total revenue of $4.1 million (up 20 per cent from FY20). Of this, 90 per cent was recurring (up from 84 per cent in FY20). In addition, the Direct Sourcing business contributed $1.4 million in FY21 (its first full year of operation).

We signed 45 new clients through our sales teams in Australia as well as 12 new partners and 13 new clients through our teams in North America. These results reflect the focused efforts of our Australasian teams to deliver healthy, sustainable growth in our SaaS business and the rapid expansion of our Direct Sourcing business in North America through certified partners and client wins.

Our Direct Sourcing solution brings a powerful alternative to the traditional and expensive approach of using supplier panels to make contingent hires. We are riding the wave of a significant change in organisations' workforces toward more non-permanent employees. In fact, nearly half (47 per cent) of the total workforce is considered 'non-employee', a sharp increase from the year before. It is likely a result of the workforce agility gained from tapping into this pool of on-demand, top-tier talent. Tellingly, 75 per cent of businesses state that the pandemic forced them to reimagine how they apply skill sets to projects and how they structure their workforce.

There will be winners and losers in the contingent hiring transformation via technology and LiveHire is positioned in the right place at the right time with the highest-performing software.

We were honoured to be named a market leader in Ardent's (an independent staffing research group) review of direct sourcing technologies and to lead the thinking for procurement leaders in their journey to direct sourcing via the Staffing Industry Analyst (a respected industry group) and Talent Tech Labs feature reports. Our Products and Engineering team, led by LiveHire founder Gigi Gozzi, delivered significant technology innovations for the Direct Sourcing market in North America. These developments led to 4x improvements in client productivity and profitability, hence contributing directly to our Direct Sourcing revenue performance.

Our Talent platform now supports clients with: Remote Recruiting; High Volume Productivity; Smart Actions; Workflow Automation; Advanced Analytics. We believe that our most enduring product strategy is to make each client and user more productive with each product innovation, while delighting our customers with a simple, engaging and effective user experience. We are proud to have been recognised for the outstanding quality of the LiveHire Talent Platform with awards from DrivenXDesign; CandE Awards; and most importantly with a customer satisfaction score of 93% C-SAT from 249k data points in FY21.

Talent quality, attraction, and retention are rapidly becoming the top priorities for organisations' leaders to thrive in a global, digital, and agile competitive environment. LiveHire is incredibly well positioned to become the strategic technology partner of growing organisations around the world, having focused on scaling our platform internationally, with users active across all continents using LiveHire 24/7. During a strong year of growth (recruiter users up 105%, pageviews up 148%, and client hires run-rate up 296%), we have also reduced our technology and engineering costs, which resulted in significantly improved gross margins and operational scale. In a world being disrupted in almost every way, LiveHire is proud to be a positive force for toward a more humanised and cost-effective way to attract and hire talent. We are especially proud of the 3,286 hires made through LiveHire technology in Ontario and Alberta to deliver critical health services (contact tracers and vaccinators) to protect their citizens.

However, I am most proud of the LiveHire teams and their ability to flex with uncertain times, working remotely across multiple time zones in the US and Australia while delivering explosive growth for our business. I would like to thank our Executive Chairman, Michael Rennie, for his ongoing support and ability to tell our story with passion and conviction.

Finally, I would also like to thank the shareholders for their ongoing support and their ability to share in our vision LiveHire's future. I look forward to another exceptional year ahead.

Christy Forest
Chief Executive Officer, LiveHire Limited

Business Review

"2021 has been the year where LiveHire fully extended its product features and differentiators into the North American Contingent market. Our investments have been very successful, leading our clients to reach unprecedented levels of productivity and profitability." Gigi Gozzi, Founder, CPO

$1.4 million

direct sourcing revenue

Contingent hiring – Direct Sourcing

The North American Direct Sourcing market opportunity is significant. LiveHire can disintermediate the ~20% mark-ups charged on the US$80 billion-plus contractor staffing spend. With a 1–2% technology fee we have a US$800 million-plus opportunity.

Our path to market is primarily through partners who have a strong incentive to introduce our technology to their existing Fortune 1000 relationships and beyond.

12 new partners were signed in FY21, taking our total to 14.

A diverse mix of partners across staffing suppliers, managed service providers (MSP), vendor management systems (VMS) and consulting has ensured we have access to a range of clients in many industries. Around half our partners contributed to closing our 14 clients for FY21.

Strong revenue growth of $1.4 million for FY21 is supported already by the US team, with additional investment expected in the North American growth across sales, implementation and clients in the coming years.

$4.1 million

SaaS total revenue

Permanent hiring – SaaS

The SaaS business continues to grow and gain traction through product–market fit in Australia and New Zealand.

Well-fitted clients delivered high retention rates (91.4% NRR in FY21), a record for our business and industry standard.

A strong increase in new multi-year contracts and their respective revenues (93% in FY21 vs 33% in FY20) has helped raise recurring revenues to 90% of total SaaS revenues in FY21, up from 84% in FY20.

Challenging circumstances and longer procurement cycles for larger companies have resulted in lower price points for new sales, but the volume of sales exceeded the previous year, with 45 in FY21.

Continued expansion of current clients through internal mobility and product enhancements drives retention and margin growth.

Our closing ARR of $4.3 million in FY21 was up 24% on FY20 ($3.5 million) and total revenue from SaaS customers was up 20% to $4.1 million in FY21, vs $3.5 million in FY20.

Recurring Revenue as a per cent of total SaaS revenue was up to 90% in FY21 from 84% in FY20.

Operational Performance

After navigating the challenges of a global pandemic our revenue from customers was up 60% to $5.5 million in FY21 (vs $3.5 million in FY20). LiveHire has been able to increase margins through continued optimisation and cost minimisation across the business.

ANZ sales productivity/FTE continued to grow year-on-year and is up 54% vs FY20.

SMS cost per hire has reduced year-on-year and is down 43% vs FY20.

152 total clients (SaaS and Direct Sourcing) is up 36% from FY20. Cost per Client was down 42% from FY20.

Operating costs (ex. share-based compensation) have reduced from $14.5 million in FY20 to $11.4 million, a 21% year-on-year decrease.

Total cash burn was $(6.6m), down 50% from $(13m) in FY20.

Cash as at 30 June 2021 was $14.4 million.

$5.5 million

total customer revenue (▲ 60%)

$11.4 million

operating costs (▼ 21%)

Outlook

Our strong momentum going into FY22 and closing cash of $14.4 million has ensured we are well positioned to take advantage of the growing market opportunity in North America in Direct Sourcing. We have consolidated our position in the ANZ market with our SaaS offering.

Four key elements ensuring success across these markets and echoing our differentiators and first mover advantage in market include:

1. Full Platform Scalability

We have expanded operations in various countries (USA, Canada, Philippines) and embedded Google location features across the system to make it seamless for recruiters and candidates to adopt the platform from anywhere.

2.2 million profiles were added in FY21, doubling the entire LiveHire ecosystem in one year.

2. Client ROI

Product innovation focusing on large recruitment teams, working simultaneously across multiple world locations (US, India, Canada, Philippines, AU, NZ).

Clients in North America reached up to 4x profit margins after adopting LiveHire.

3. War for Talent

LiveHire is the market leader in candidate engagement and satisfaction. We have continued to differentiate by providing clients the ability to use multiple brands for themselves and their clients from within the same Talent Community. This means they can mobilise very quickly when a client signs a new Direct Sourcing deal.

CSAT 93% from 249k data points in FY21. Award-winning interface (Design Awards winner 2021).[1, 2]

4. Interoperability

Open APIs and integrations are critical when working with large enterprises. We have built a large set of new APIs for our clients, so that they can easily integrate their other systems into LiveHire.

1.2m profiles added to LiveHire platform via Automation.

1 https://drivenxdesign.com/MEL21/project.asp?ID=22136
2 https://drivenxdesign.com/MEL21/project.asp?ID=22135

Directors' report

1. Information on the board of directors

The Directors submit their report of LiveHire Limited (**LiveHire** or **the Company**) for the financial year ended 30 June 2021 (**Financial Year**).

The Directors of the Company at the date of this report are as follows:

Mr Michael Rennie

Executive Director, Chairman

Michael spent 33 years with McKinsey & Company, the world's leading management consultancy. He held various roles including Managing Partner of McKinsey in Australia for six years and was the global leader of the organisation, people and HR practise for ten years. He also served on McKinsey's global board.

Michael's work has been focused around four themes: Human Resources, People and Change, Technology, and Growth and Innovation.

Michael oversaw McKinsey's global research on the future of technology in HR, which examined the top 50 major technology innovations that would impact clients of McKinsey in HR over the next 20 years, led by a Silicon Valley-based team.

Michael is a board member of the NSW Environmental Protection Authority and is Deputy Chairman of the Centre for Independent Studies, a leading think-tank.

He was a founding member of the Male Champions for Change and served on the Board of the Hunger Project, which focuses its work on promoting women's empowerment in developing countries. He was a long time Chair of the Inspire Foundation for youth mental health.

Ms Christy Forest

CEO, Executive Director

Christy joined the LiveHire Board in September 2017 with a strong interest in the LiveHire platform and transformational business model that changes the way people find meaningful work.

Christy brings more than 20 years of experience in leading high-growth talent and technology businesses. As the Global Head of Member Services and the first woman on CEB's Executive Committee, she developed a passion for delivering and scaling high quality customer experiences worldwide. As MD APAC, she pioneered new markets, products and processes, consistently delivering the highest regional growth for the company.

Best known for balancing the drive for performance with collaboration and humanity in the workplace, Christy's greatest passion is animating a sense of purpose for teams and organisations.

Christy completed her undergraduate degree at the University of Virginia, an MBA from Northwestern's Kellogg Graduate School of Management, and is a member of the Australian Institute of Company Director's.

Mr Antonluigi Gozzi

Founder, Executive Director, Chief Products Officer

Antonluigi leads the product and engineering team. He has managed the vision, strategy and execution of LiveHire's Talent Platform since the beginning achieving distinguished design, technology and innovation awards for the Company.

Antonluigi's passions are technology, big data and network analytics, and businesses that use technology to improve the quality of life of millions of users and make society more efficient and transparent for all.

Prior to founding LiveHire in 2011, Antonluigi worked in management consulting. He led change and strategy execution programs at some of Australia's largest public corporates.

Antonluigi has a Masters of Engineering from the University of Parma, Italy, is a member of the Australian Institute of Company Directors and a contributor to the Forbes Technology Council in the USA.

Mr Rajarshi Ray

Non-Executive Director

Raj joined the LiveHire board in September 2020. Raj is also the Chair of the Audit and Risk and a member of the Nomination and Remuneration Committees.

Raj's executive career has included Coopers & Lybrand (now PwC), American Express and most recently as the CEO of Class – one of Australia's leading SaaS providers. He has worked in more than 20 markets across the Americas, Europe, Asia and Oceania. He focuses on the intersection of Financial Services, People and Technology.

Recent and current board roles prior to joining LiveHire include Class (ASX: CL1), CSG (ASX: CSV), Kyckr (ASX:KYK) and Heffron (Private), as well as a number of charitable organisations.

Raj holds Bachelor and Post Graduate qualifications in Technology, Accounting and Finance, and is a Fellow of the Institute of Chartered Accountants (FCA), the Financial Services Institute (SA Fin) and the Institute of Company Directors (AICD).

Ms Lesa Francis

Non-Executive Director

Lesa joined the LiveHire board in June 2021.

With over 30 years of experience leading teams and companies, Lesa brings a unique perspective to the board in how she works with individuals and teams to drive extraordinary results.

Lesa's experience working within both public and private equity environments, bringing teams together through mergers and acquisitions, and identifying and developing top talent has culminated in the creation of LJF Consulting Group. She was the first woman named CEO of a $1 billion staffing company and has been recognised by Glassdoor as one of the highest-rated CEOs nationwide.

Ms Kathryn Giudes

Non-Executive Director

Kathryn joined the LiveHire board in July 2021 and is Chair of the Nomination & Remuneration committee and member of Audit & Risk committee.

Kathryn has a strong background in technology, sales and early stage start-up companies. Kathryn has more than two decades of experience designing, building and running large internet-based businesses.

Prior to becoming a professional non-exec director, Kathryn was executive Senior Director of Xbox Games Marketplace, as well as Microsoft Store online. In this role she managed profit and loss and global expansion in over 200 geographies with annual revenue budgets in the low billions of dollars. She has extensive technical and commercial experience in software and hardware solutions and advises companies on strategy and technology. Kathryn is currently the managing director of macroDATA Digital Solutions, a green datacentre company in Australia.

Kathryn is a non-executive director for Class Ltd, Nuheara Ltd and for other non-listed companies in Australia.

Kathryn holds a Bachelor of Science (BSc) in International Marketing from Oregon State University and Associate of Science (ASc) – Computer Science and Information Systems from SCC Seattle, USA.

2. Information on

our team

Our departments

A team of high-performing rockstars.

Whether it be our Commercial, Product & Engineering or Corporate teams, it takes everyone working together to achieve our goal of empowering the flow of the world's talent.

Great leadership, collaboration, communication and transparency about team goals and our product roadmap ensure our success as a business.

Our culture

We strive to create a culture of collaboration, fun, humour and deep thinking while working towards a common goal.

A culture of realistic idealists that want to take something that's broken and make it better for candidates, recruiters and employers.

We roll up our sleeves and work together towards a shared vision.

We are distinctive in that we don't have commercial relationships with candidates but we take their concerns and feedback seriously.

We value mobility within a career, giving our people the opportunity to see something that needs to be changed and empowering them to run with it until the problems are solved.

We are fun, collaborative, innovative and successful.

Our values

Be Curious. Always

We push ourselves past our comfort zones to create the best outcomes for our clients and candidates.

Own it. Together

As one team, we work together towards a common goal and overcome any challenges that come our way. We celebrate every success as a team and learn from any mistakes as a team.

Openly. Honestly

We encourage each other, learn from one another and always communicate clearly and transparently.

Reach. Hire

We don't limit ourselves or doubt our ability to achieve our goals, but we are always looking for the next step to deliver for our clients and employees. We lead by example.

50%

female board members

Lockdown Zoom

Trivia
Meditation
Fancy Hats
Olympic Games themed drinks

96%

of staff took voluntarily pay reductions to maintain roles for fellow colleagues during COVID

Our team spirit

We succeed as a team so we've created an environment where all employees are able to bring their best self to work. Our work practices are flexible, to suit our COVID-induced 'new normal'. We celebrate in person when restrictions allow and we celebrate over Zoom when we're all at home. We also check in with one another regularly and run pulse surveys to ensure we know how our team is feeling. These check-ins ensure we continue to offer our team the best support possible.

3. PRINCIPAL ACTIVITIES

During the period, the principal continuing activities of the Group consisted of:

- Support of an increasing number of client implementations via direct sales and channel partners, and successful adoption of the LiveHire technology;
- Expansion of the Group's sales and marketing capabilities in Australia and the United States;
- Expansion of the Group's channel partner network and progression of partner enablement program, including the launch of US Talent Communities; and
- Continued product development of the LiveHire Talent Acquisition & Engagement Platform, including Offer Management, Advanced Analytics, Recruiting Process Automation, Australian and US job board integrations, HR technology software integrations, further advancements to LiveHire's unique differentiators in AI Candidate Matching and Talent Pooling, and continued investment in infrastructure and scale .

Purpose & Growth Strategy

LIVEHIRE'S PURPOSE AND INVESTMENT PROPOSITION	
LiveHire's purpose is to empower the flow of the world's talent. LiveHire does this through a platform-based approach that is rapidly deployed, infinitely scalable, easily integrated with, and underpinned by a single unified (federated) profile of a candidate, providing a private and secure single source of truth of data for organisations and talent.	
Leading SaaS Talent Acquisition & Engagement Platform	LiveHire's platform allows mid to large clients (from ~200 FTE and above) to transform their Talent Acquisition process whilst delivering exceptional levels of engagement for an authentic and personal candidate experience. The next generation cloud-based platform creates measurable results for client companies in terms of speed, quality and cost of hire, along with improved diversity outcomes [1].
Large market opportunity with significant organic growth runway	The US spends US$80 billion+ on MSPs, giving a US$800 million technology market at 1%–2%. The Australian & New Zealand market have 4,000 addressable companies with a Total Addressable Market (TAM) of $100 million+.
Strong Balance Sheet for growth	LiveHire has scope to pursue organic growth both domestically and internationally.

1 MSP Global Landscape Summary 2020: US$86B MSP in US in 2019, LVH assumes technology costs of 1–2%.

4. REVIEW OF OPERATIONS

The highlights and significant changes in state of affairs during the year included:

- **SaaS Annualised Recurring Revenue (ARR [1]) grew 24% year-on-year (YoY) to $4.322 million at 30 June 2021 compared to $3.496 million** at 30 June 2020.
- **SaaS Closing clients of 138, an increase of 25% YoY,** compared to 110 clients at 30 June 2020.
- **SaaS 45 new clients signed during the year included** Telstra Purple, Varsity Group, Hudson RPO, Heart Recruitment, AccorPlus, Manpower Group, Hindmarsh, University of Newcastle, DDH1 Drilling, Iris Consulting, Pet Circle, True Alliance and Volvo.
- **Direct Sourcing** channel partner strategy continues to grow moving to 14 partners at 30 June 2021.
- **Direct sourcing** clients continue to grow, closing at 14 as at 30 June 2021.
- **Talent Community Connections (TCCs) grew by 92% YoY,** with 4.2 million connections amongst existing clients and new clients at 30 June 2021 compared to 2.2 million at 30 June 2020. At 30 June 2021 1.4 million of TCC's related to growth in North America up from 0.4 million as at 30 June 2020.
- **Revenue from contracts with customers for the 12-month period grew to $5.5 million which was 60% up on 30 June 2020. Direct sourcing revenue was $1.4 million for period ending 30 June 2021.**
- **Cash receipts from customers for the 12-month period were $5.8 million, which was 29%** up from $4.5 million in the same period in 2020 the same period in 2020.
- Strong financial position at the end of the period, **debt free with $14.4 million cash at bank**.
- During the year the Products & Technology efforts were mostly dedicated to providing the enabling technologies and competitive advantages for new Partners and Clients in North America, with particular focus on Platform Scalability and Productivity features for large recruitment teams in Staffing Agencies. The new technology developments delivered the following outcomes:
  - **Recruitment Productivity for Volume Hiring of Contractors,** including Pipeline Velocity Management, Client and Contacts Management, Advanced Boolean Search, Profile Data Merging, New Contractor Application Process, and Multi-Brand Segments for Managed Direct Sourcing.
  - **Platform Scalability & Technological Debt,** catering for a growing number of large Talent Communities whilst improving the overall performance and reliability for all clients. We have enabled via our technology new ways to utilize the LiveHire platform, addressing important technical debt items, and speeding up volume processes and web-pages by up to 5x.
  - **Open APIs and Data Publishing,** having commenced implementations of significant data migration programs from prior cloud software providers or client's in-house bespoke technologies. We are now able to support our clients and partners with new Open APIs, Data Publishing and Data Automation tools, as well as new Integrations and Reporting capabilities.

  Collectively these new features have created significant leverage for our clients, both in North America and in ANZ, allowing to increase recruitment team productivity and hiring effectiveness, all characteristics that have proven crucial during COVID-19 industry changes and emerging remote hiring practices.
- **Board strengthened** with the appointment of Non Executive Directors Rajarshi Ray, Lesa Francis and on July 1, 2021 Kathryn Giudes was appointed.

1 SaaS ARR represents contracted recurring revenue components of term subscriptions normalised to a one-year period. We believe this common SaaS metric, which is a Non IFRS measure, provides useful information for readers to assist in understanding the Group's financial performance. These measures have not been independently audited or reviewed.

5. DIRECTORS' SHARE AND OPTION HOLDINGS

The following table sets out each current Director's relevant interest in shares, performance rights and options to acquire shares of the Company or a related body corporate as at the date of this report 30 August 2021.

DIRECTORS	FULLY PAID ORDINARY SHARES (INCLUDING LOAN BACK SHARES)	PERFORMANCE RIGHTS	UNLISTED OPTIONS	SERVICES RIGHTS
Michael Rennie	2,378,948	731,250	1,500,000	96,094
Christy Forest	2,742,190	–	2,925,000	171,875
Antonluigi Gozzi	23,380,780	562,500	–	–
Kathryn Giudes	–	–	–	80,520
Rajarshi Ray[1]	150,000	–	–	–
Lesa Francis	–	–	–	81,752

1. As announced on 1 July 2021 the company has proposed to issue to Rajarshi Ray 80,520 service rights under the company's EIP subject to obtaining shareholder approval.

6. DIRECTORS' MEETINGS

Summary of Attendances

The number of Directors' meetings held during the financial year and the number of meetings attended by each Director during the time the Director held office are:

	FULL BOARD		REMUNERATION & NOMINATION COMMITTEE		AUDIT & RISK MANAGEMENT COMMITTEE	
DIRECTORS	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Michael Rennie	10	10	3	3	–	–
Adam Zorzi	2	2	1	1	1	1
Reina Nicholls	10	10	3	3	3	3
Antonluigi Gozzi	10	10	–	–	3	3
Christy Forest	10	9	–	–	–	–
Rajarshi Ray	8	8	2	2	2	2
Lesa Francis	–	–	–	–	–	–

Director Memberships & Movements

As at the date of this report the Company has a Board, Remuneration & Nomination Committee and an Audit & Risk Committee whose members are below:

Board movements

Adam Zorzi resigned as Director on 9 September 2020.

Rajarshi Ray appointed as Director on 9 September 2020.

Reina Nicholls resigned as Director on 22 June 2021.

Lesa Francis appointed as Director on 22 June 2021.

Kathryn Giudes appointed as Director on 1 July 2021.

6. DIRECTORS' MEETINGS (continued)

A&R Committee movements

Adam Zorzi resigned as committee Chair on 9 September 2020.

Rajarshi Ray appointed as committee Chair on 9 September 2020.

Reina Nicholls resigned as committee member on 22 June 2021.

Kathryn Giudes appointed as committee member on 1 July 2021.

A&R Committee Members:

Rajarshi Ray (Chair)

Kathryn Giudes

Antonluigi Gozzi

N&R Committee movements

Adam Zorzi resigned as committee member on 9 September 2020.

Rajarshi Ray appointed as committee member on 9 September 2020.

Reina Nicholls resigned as committee Chair on 22 June 2021.

Rajarshi Ray appointed as interim committee Chair on 22 June 2021 and resigned on 1 July 2021.

Kathryn Giudes appointed as committee Chair on 1 July 2021.

N&R Committee Members:

Kathryn Giudes (Chair)

Rajarshi Ray (and resigned as interim chair on 1 July 2021)

Michael Rennie

7. FINANCIAL PERFORMANCE

The financial results of the Company for the year ended 30 June 2021 are:

	30-JUN-21	30-JUN-20	% CHANGE
Recurring revenue ($)	**3,714,924**	2,889,693	29%
Non-recurring revenue ($)	**420,938**	559,774	(25%)
Direct sourcing revenue ($)	**1,397,552**	6,900	NM
Revenue from continuing operations ($)	**5,533,414**	3,456,367	60%
Net loss after tax ($)	**(8,293,282)**	(14,644,872)	43%
Loss per share ($)	**(0.028)**	(0.049)	43%

8. REMUNERATION REPORT (AUDITED)

8.1 Introduction

This remuneration report provides a summary of the Group's remuneration policy and practices during the past financial year as they apply to the Group's Directors and executives. The remuneration report has been prepared in accordance with the requirements of section 300A of the *Corporations Act 2001* (Cth) and Corporations Regulation 2M.3.03 and has been audited by the Group's external auditor.

The report contains an overview that is intended to provide a 'plain English' explanation for shareholders of the Key Management Personnel (**KMP**) and executives' remuneration outcomes for FY21 and the existing remuneration framework.

8.2 Key Management Personnel (KMP)

KMP, as defined by Accounting Standard AASB 124 *Related Party Disclosures* (**AASB 124**), for the year ended 30 June 2021 are detailed in the table below. Accounting standards define KMP as those Executives and Non-Executive Directors with the authority and responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly. Following a review of senior executives against the criteria for determining Executive KMP, it was deemed that the Chair, Chief Executive Officer (**CEO**) and the Chief Financial Officer (**CFO**) qualify as executive KMP.

8.2.1 Executive and Non-Executive KMP

Details of KMP of the Company who held office during the year are as follows:

DIRECTORS	POSITION	TERM AS KMP
Michael Rennie	Executive Director & Chairman	Full financial year
Adam Zorzi	Non-Executive Director	Ceased 9 September 2020
Reina Nicholls	Non-Executive Director	Ceased 22 June 2021
Rajarshi Ray	Non-Executive Director	Appointed 9 September 2020
Lesa Francis	Non-Executive Director	Appointed 22 June 2021
Christy Forest	Chief Executive Officer & Executive Director	Full financial year
Antonluigi Gozzi	Executive Director – Chief Products Officer	Full financial year

OTHER KMP	POSITION	TERM AS KMP
Ben Brooks	Chief Financial Officer	Appointed 12 October 2020
Simon Howse	Interim Chief Financial Officer	Ceased 28 August 2020

On the 1 July 2021 LiveHire announced the appointment of Kathryn Giudes (formerly Rostrom Giudes) as an independent Non-Executive Director of LiveHire. Kathryn brings experience in both ASX Nomination and Remuneration Committees (**NRC**) and Audit and Risk Committees (ARC), and accordingly has been appointed Chair of LiveHire's NRC and is a member of the LiveHire's ARC.

8.2.2 Remuneration framework

LiveHire Board

- Overall responsibility for the remuneration strategy and outcomes for Executive and Non-Executive Directors.
- Reviews and, as appropriate, approves recommendations from the Group's NRC.

Nomination, Remuneration Committee (NRC)

Management & Board Remuneration Policy Monitors, recommends and reports to the Board on:

- Alignment of remuneration incentive policies and guidelines for executive and senior leaders with long term growth and shareholder value
- Superannuation arrangements
- Employee share plans
- Recruitment, retention and termination policies and procedures for senior management
- Board remuneration including the terms and conditions of appointment and retirement, Non-Executive remuneration within the fee pool approved by shareholders
- Induction of new Non-Executive Directors and evaluation of Board performance
- Remuneration of Executive KMP and other senior executives who report directly to the CEO (Senior Executives).

People, Culture, Talent Management & Diversity Monitors, recommends, and reports to the Board on:

- Talent pools available for succession planning into executive and senior leadership positions
- The effectiveness of the Group's diversity policies and initiatives, including an annual assessment and submission to the Workplace Gender Equality Agency of performance against measurable objectives and the relative proportion of a diverse workforce, including women at all levels
- Management development frameworks and individual development progress for key talent
- Monitoring internal and external surveys conducted by the Group in relation to the culture of the organisation, including monitoring these trends over periods of time
- Initiatives to improve and drive a strong performance culture
- Assessing performance against the Group's compliance with external reporting requirements.

CEO

Makes recommendations to the NRC for:

- Incentive targets and outcomes relating to short and long-term incentive plans
- Remuneration policy for all employees
- Reviewing long-term incentive participation
- Individual remuneration and contractual arrangements for executives.

External Advisors

Provide independent advice, market trend information and salary benchmark data relevant to remuneration decisions. During FY21 Godfrey Remuneration Group (**GRG**) provided a remuneration recommendation as defined under section 300A of the Corporations Act during FY21.

Managing Risk

The Board retains discretion to adjust variable remuneration outcomes as deemed appropriate. All variable remuneration outcomes are subject to Board approval prior to grant and/or payment. The Board retains discretion to review the allotment of shares at vesting through clawback provisions.

8. REMUNERATION REPORT (AUDITED) (continued)

8.2.3 Executive Remuneration Framework and Programs FY21

The NRC is responsible for reviewing and recommending remuneration arrangements for Directors and Executives. The performance of the Group depends on the quality of its Directors and Executives. The Executive remuneration framework is designed to attract and retain high-calibre talent by rewarding them for achieving goals aligned to delivering profitability, strategy and shareholder value for the Group.

The key features of the Group's Executive remuneration and Non-Executive remuneration frameworks are outlined below.

Remuneration Principles

The Group's remuneration framework is based on the principles that remuneration is performance-driven, aligned with shareholder interests and provides market-competitive remuneration opportunities.

Remuneration Strategy

Performance Driven

Remuneration rewards executives based on annual company performance compared against business plans and longer-term shareholder return. The variable components of remuneration (both short term and long term) are driven by challenging targets with both internal and external measures of financial and non-financial company performance. A meaningful proportion of executive remuneration is 'at risk'.

Aligned with Shareholders

Executives' remuneration is aligned with shareholder interests through emphasizing variable remuneration. Incentive plans and performance measures are aligned with the Group's short- and long-term success.

Ownership of the Company's shares is encouraged using equity as the vehicle for the long-term incentive plan (**LTIP**), and through the short-term incentive plan (**STIP**).

Market Competitive Remuneration

Remuneration opportunities, including those elements that can be earned subject to performance, are set at competitive levels that will attract, motivate and retain high-quality executives. Executive remuneration is reviewed annually.

The Group aims to provide market-competitive remuneration:

- fixed remuneration for executives is targeted at market median; and
- variable remuneration (through STIP and LTIP) provides the opportunity to earn total remuneration (fixed remuneration plus variable remuneration) that is market competitive.

Fixed Remuneration

Remuneration should reward executives based on annual performance against business plans and longer-term shareholder returns. The variable components of remuneration (both short term and long term) are driven by challenging targets focused on both internal and external measures of company financial and non-financial performance. A meaningful proportion of executive remuneration is 'at risk'.

Variable Remuneration

Variable component of Executive target remuneration mix allows a greater share of remuneration to be 'at risk' and subject to company performance.

STIP (at risk)

- 30% for CEO & Executive Chairman (based on target result)
- 20% for Direct reports (based on target result)

LTIP (at risk)

- 60% for CEO & Executive Chairman (based on target result)
- 30% for Direct reports (based on target result).

Managing Risk

The Board retains discretion to adjust variable remuneration outcomes as deemed appropriate. All variable remuneration outcomes are subject to Board approval prior to grant and/or payment. The Board retains discretion to review the allotment of shares at vesting through clawback provisions.

8. REMUNERATION REPORT (AUDITED) (continued)

8.2.4 Voting and comments made at Company's 2020 Annual General Meeting (AGM)

At the 2020 Annual General Meeting (**AGM**), 98.37% of shareholders voted to approve the adoption of the remuneration report for the year ended 30 June 2020. The Company did not receive any specific comments at the AGM regarding its remuneration report.

In addition to the approval of the adoption of the remuneration report, 98% of shareholders also approved the following resolutions:

- Approval of modifications to the Employee Incentive Plan (**EIP**), including adoption of US Sub-Plan.
- Approval of Director participation in EIP and issue of options to Christy Forest.
- Approval of Director participation in EIP and issue of Performance Rights to Michael Rennie and Antonluigi Gozzi.
- Approval of Director participation in EIP and issue of Service Rights to Michael Rennie and Christy Forest.

8.2.5 Use of remuneration consultants

As highlighted in the previous 2020 Annual Report the Board undertook a full review of the Company's remuneration incentive schemes.

The review which took place in August 2020 saw the Remuneration & Nomination Committee commission the Godfrey Remuneration Group (**GRG**) to benchmark the market competitiveness of non-executive director and senior executive remuneration and advise and provide recommendations on:

- Quantum, structure and internal relativities of CEO, Executive Chair and Executive Fixed Pay, Short Term Variable Remuneration and Long-Term Variable Remuneration;
- Non-Executive Director remuneration quantum and structure; and
- Short Term Variable Remuneration and Long-Term Variable Remuneration design and implementation with regard to plan performance hurdles and vesting conditions.

In engaging with GRG, only the Chair of the Remuneration & Nomination Committee met with GRG in relation to its services and GRG provided its recommendations directly to the Chair of the Remuneration & Nomination Committee. GRG confirmed that its recommendations were made free from undue influence by any KMP to whom the recommendations relate. Board decisions on the remuneration of the CEO and Executive Chair were made in the absence of those Executives. For these reasons, the Board was satisfied that the recommendations provided by GRG were made without any influence by KMP.

The objective is to:

- Demonstrate a strong performance-reward link which is expected by stakeholders;
- Create a high-performance culture amongst senior executives;
- Build focus on value creation for shareholders amongst senior executives; and
- Allow of sufficient upside to reward high performing individuals.

The cost of GRG's services was $58,000 (excluding GST).

8.2.6 Composition of variable or 'at risk' remuneration

The following table details the components of the Group's variable or 'at risk' remuneration (STI and LTI) for FY21:

	CEO AND EXECUTIVE CHAIR		DIRECT REPORTS	
VARIABLE REMUNERATION ELEMENT	TARGET %	INDICATIVE STRETCH %	TARGET %	INDICATIVE STRETCH %
STVR	30	45	20	30
LTVR	60	120	30	60
TOTAL	90	165	50	90

8. REMUNERATION REPORT (AUDITED) (continued)

8.2.7 Performance and remuneration outcomes in FY21:

Management has achieved a blended 'Target' result against the FY21 key performance metrics.

	THRESHOLD	TARGET	STRETCH
Maximum % of FY21 STI to vest	33.333% of FY21 STI	66.67% of FY21 STI	100% of FY21 STI

The following table shows the gross revenue, losses and share price of the Company as at 30 June for the last five financial years:

	30-JUN-21	30-JUN-20	30-JUN-19	30-JUN-18	30-JUN-17
Revenue ($)	**5,533,414**	3,456,367	2,622,814	1,650,517	775,845
Net loss after tax ($)	**(8,293,282)**	(14,644,872)	(13,792,699)	(10,092,222)	(4,652,153)
Share Price ($)	**0.41**	0.18	0.41	0.59	0.60

8.3 Non-Executive Director's remuneration

8.3.1 Non-Executive Directors are paid a base fee for service to the Board.

The Board, in accordance with the Company's Constitution and the ASX listing rules specify that the Non-Executive Directors fee pool shall be determined from time to time by a general meeting. The Board did not seek any increase for the Non-Executive Director pool at the 2020 AGM. Accordingly, as set out in section 5.3(f) of the Company's Replacement Prospectus lodged with the ASX on 23 May 2016, the Non-Executive Director fee pool is an aggregate of A$600,000 p.a. The Board will not seek any increase for the Non-Executive Director pool at the 2021 AGM.

Non-Executive Directors did receive a fee increase in FY21 to get parity across NEDs and pay at market rate. Other Non-Executive Directors are paid fees of $76,650 including superannuation and subcommittee membership fees as follows:

- Director fees to be inclusive of membership of one committee.
- Chair of committees to be paid an additional fee of $10,000 including superannuation.

Based on the current Board and committee composition, the total fees for FY21 relating to Non-Executive Directors was $167,121 including superannuation. Refer to below tables for details relating to year ended 30 June 2021 and 30 June 2020.

Remuneration of Non-Executive Directors of the Company for the year ended **30 June 2021** is set out below:

	SHORT-TERM EMPLOYEE BENEFITS		POST-EMPLOYMENT BENEFITS	LONG-TERM EMPLOYEE BENEFITS	SHARE-BASED PAYMENTS				
30-JUN-21	SALARY & FEES $	NON-MONETARY $	SUPER-ANNUATION $	ANNUAL LEAVE $	OPTIONS $	LOAN BACK SHARES $	SERVICE RIGHTS $	PERFORM-ANCE RIGHTS $	TOTAL $
NON-EXECUTIVE DIRECTORS									
Rajarshi Ray	64,145	–	5,467	–	–	–	–	–	69,612
Adam Zorzi [1]	12,790	–	1,215	–	–	14	–	–	14,019
Reina Nicholls [2]	76,675	–	6,829	–	–	–	–	–	83,504
Lesa Francis	2,130	–	202	–	–	–	659	–	2,992
Total Non-Executive	**155,740**	**–**	**13,713**	**–**	**–**	**14**	**659**	**–**	**170,127**

1 Adam Zorzi ceased being an Executive Director on 9 September 2020, Rajarshi Ray replaced him from 9 September 2020.

2 Reina Nicholls ceased being an Executive Director on 22 June 2021, Kathryn Giudes replaced him from 1 July 2021.

8. REMUNERATION REPORT (AUDITED) (continued)

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

	FIXED REMUNERATION 2021	FIXED REMUNERATION 2020	AT RISK (%) 2021	AT RISK (%) 2020
NON-EXECUTIVE DIRECTORS				
Rajarshi Ray	**100%**	–	**–**	–
Adam Zorzi [1]	**100%**	54%	**–**	46%
Reina Nicholls	**100%**	100%	**–**	–
Lesa Francis [2]	**78%**	–	**22%**	–

1 Adam Zorzi ceased being an Executive Director on 9 September 2020, Rajarshi Ray replaced him from 9 September 2020.
2 At risk component relates to service rights.

Remuneration of Non-Executive Directors of the Company for the year ended **30 June 2020** is set out below:

30-JUN-20	SHORT-TERM EMPLOYEE BENEFITS: SALARY & FEES $	SHORT-TERM EMPLOYEE BENEFITS: NON-MONETARY $	POST-EMPLOYMENT BENEFITS: SUPER-ANNUATION $	LONG-TERM EMPLOYEE BENEFITS: ANNUAL LEAVE $	SHARE-BASED PAYMENTS: OPTIONS $	SHARE-BASED PAYMENTS: LOAN BACK SHARES $	SHARE-BASED PAYMENTS: PERFORMANCE RIGHTS $	TOTAL $
NON-EXECUTIVE DIRECTORS								
Geoffrey Morgan AM	22,831	–	2,169	–	–	–	–	25,000
Adam Zorzi	70,362	–	6,684	–	–	14,755	–	91,802
Reina Nicholls	57,170	–	5,431	–	–	–	–	62,602
Total Non-Executive	**150,364**	**–**	**14,285**	**–**	**–**	**14,755**	**–**	**179,403**

8.4 Executive Director's & Other KMP remuneration

During the financial year ended **30 June 2021** Executive Director's & Other KMP received short-term employee benefits, post-employment benefits, long-term employee benefits and share-based payments.

30-JUN-21	SHORT-TERM EMPLOYEE BENEFITS: SALARY & FEES $	SHORT-TERM EMPLOYEE BENEFITS: NON-MONETARY $	POST-EMPLOYMENT BENEFITS: SUPER-ANNUATION $	LONG-TERM EMPLOYEE BENEFITS: ANNUAL LEAVE $	SHARE-BASED PAYMENTS [2]: OPTIONS $	SHARE-BASED PAYMENTS [2]: LOAN BACK SHARES $	SHARE-BASED PAYMENTS [2]: SERVICE RIGHTS $	SHARE-BASED PAYMENTS [2]: PERFORM-ANCE RIGHTS $	TOTAL $
EXECUTIVE DIRECTORS									
Michael Rennie	148,750	–	12,944	–	32,213	(48,514)	30,750	74,480	250,623
Christy Forest [3]	311,662	–	21,201	12,350	71,251	(30,625)	55,000	117,000	557,839
Antonluigi Gozzi	279,155	–	20,704	3,590	–	(30,625)	–	72,293	345,117
Sub-total	**739,567**	**–**	**54,849**	**15,940**	**103,464**	**(109,764)**	**85,750**	**263,773**	**1,153,579**
OTHER KMP									
Ben Brooks	143,908	–	11,998	5,078	–	–	30,000	62,742	253,726
Simon Howse [1]	47,796	–	3,564	(16,501)	–	–	–	(25,200)	9,659
Sub-total	**191,704**	**–**	**15,562**	**(11,423)**	**–**	**0**	**30,000**	**37,542**	**263,385**
Total Exec Dir & Other KMP	**931,271**	**–**	**70,411**	**4,517**	**103,464**	**(109,764)**	**115,750**	**301,315**	**1,416,964**

1 Simon Howse ceased being Interim CFO on 28 August 2020. Performance Rights which were forfeited in 2021 ($25,200) were granted on the 26 March 2019. Ben Brooks replaced him from 12 October 2020.
2 Options, Loan Back Shares, Performance Rights. The value is expensed over the vesting period and are a non-cash accounting expense. The value is determined by an independent valuation using Black-Scholes or Monte Carlo simulation. Loan back shares are accounted for as options. Performance rights and options are subject to performance criteria being achieved.
3 On 15 September 2020 1,499,580 performance rights were exercised into shares the value of those rights were $554,845.

8. REMUNERATION REPORT (AUDITED) (continued)

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

	FIXED REMUNERATION		AT RISK (%)	
	2021	2020	2021	2020
EXECUTIVE DIRECTORS				
Michael Rennie	65%	53%	35%	47%
Christy Forest	62%	66%	38%	34%
Antonluigi Gozzi	88%	90%	12%	10%
Other KMP				
Ben Brooks	63%	–	37%	–
Simon Howse [1]	100%	84%	–	16%

1 Simon Howse's are based on remuneration earned whilst serving as Interim Chief Financial Officer.

Remuneration of Executive Directors and Other KMP of the Company for the year ended **30 June 2020** is set out below:

	SHORT-TERM EMPLOYEE BENEFITS		POST-EMPLOYMENT BENEFITS	LONG-TERM EMPLOYEE BENEFITS	SHARE-BASED PAYMENTS [3]			
30-JUN-20	SALARY & FEES $	NON-MONETARY $	SUPER-ANNUATION $	ANNUAL LEAVE $	OPTIONS $	LOAN BACK SHARES $	PERFORM-ANCE RIGHTS $	TOTAL $
EXECUTIVE DIRECTORS								
Michael Rennie	131,632	–	12,505	–	78,392	48,514	–	271,044
Christy Forest	310,428	–	21,003	15,212	–	(55,715)	233,775	524,703
Antonluigi Gozzi	276,677	–	21,003	(9,406)	–	30,625	–	318,899
Michael Haywood [1]	13,850	–	1,306	1,494	–	–	–	16,650
Sub-total	**732,587**	**–**	**55,817**	**7,300**	**78,392**	**23,425**	**233,775**	**1,131,296**
OTHER KMP								
Ben Malone [2]	258,846	–	17,929	(25,548)	–	(28,385)	(29,619)	193,224
Simon Howse	27,700	–	2,613	4,083	–	–	6,452	40,848
Sub-total	**286,546**	**–**	**20,542**	**(21,464)**	**–**	**(28,385)**	**(23,167)**	**234,072**
Total Exec Dir & Other KMP	**1,019,134**	**–**	**76,358**	**(14,165)**	**78,392**	**(4,960)**	**210,609**	**1,365,368**

1 Michael Haywood ceased being an Executive Director on 24 July 2019
2 Ben Malone ceased being CFO on 30 April 2020. Simon Howse replaced him from 1 May 2020.
3 Options, Shares/Loan Back Shares, Performance Rights. The value is expensed over the vesting period and are a non-cash accounting expense. The value is determined by an independent valuation using Black-Scholes option pricing methodology. Loan back shares are accounted for as options. Performance rights and options are subject to performance criteria being achieved.

8. REMUNERATION REPORT (AUDITED) (continued)

8.5 Shareholding

8.5.1 Service Agreements

Non-Executive Directors do not have fixed-term contracts with the Group. On appointment to the Board, all Non-Executive Directors enter into a service agreement in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation. Non-Executive Directors retire by whichever is the longer period: the third annual general meeting following their appointment or the third anniversary from the date of appointment, but may then be eligible for re-election.

Remuneration and other terms of employment for executives are formalised in service agreements, summarised as follows:

Contractual arrangements with executive KMPs

COMPONENT	EXECUTIVE CHAIRMAN	CHIEF EXECUTIVE OFFICER	EXECUTIVE DIRECTOR	CFO
Fixed remuneration [1] (inclusive of super)	$161,700	$335,000	$300,000	$220,000
Value of Service Rights [2]	$30,750	$55,000		$30,000
Contract duration	Two years from 4 Oct 2019	Ongoing contract	Ongoing contract	Ongoing contract
Notice by the individual/company	Six months/12 weeks	12 weeks/12 weeks	Six months/12 weeks	12 weeks/12 weeks
Termination benefits	Subject to the 'Good Leaver' provisions of the EIP Rules, vested and unexercised Options and Rights must be exercised within a period of 30 days from termination. The Company has the discretion to call in repayment of any non-recourse loans attached to any Loan Back Shares on issue under the Employee Incentive Plan.			

1 Please note that in FY21 due to the impact of the COVID-19 pandemic and the impact on the business, there was a temporary variation to base salary where between 1 May 2020 and 31 July 2020 base salaries were reduced by 10%.

2 Fixed Remuneration and the Value of Service Rights are used in the calculation of STI &LTI

Contracts for Executive KMPs allow for short term cash incentive payments linked to KPI's however no such short-term incentive cash payments were approved by the Board during the financial year. No short-term cash incentive KPI's were set for the current financial year. The chairman does not receive additional fees for participating in or chairing committees.

8.5.2 Share-based Compensation

The Company rewards Directors and senior management for their performance and aligns their remuneration with the creation of shareholder wealth by issuing share options and/ or shares. Share-based compensation is at the discretion of the Board and no individual has a contractual right to participate in any share-based plan or to receive any guaranteed benefits.

Options

During the current financial year, 2,925,000 options were issued as remuneration to Directors or other KMP (2020 financial year – 1,500,000).

These options are vested upon meeting performance criteria, where 'the number of LTI securities that will vest on the Vesting Date will be calculated with reference to the VWAP over the 10 days on which trades in Shares occur immediately following the release of the F23 Annual Report (FY23 Share Price). Accordingly, the number of LTI securities that will vest on the Vesting Date will be based on performance criteria. That is, 100% if FY23 Share Price is $0.87 or more; 50% if FY23 Share Price is $0.70 and 25% if FY23 Share Price is $0.55.

The terms and conditions of these options are as follows:

CLASS	GRANT DATE	VESTING DATE	DATE OF EXPIRY	EXERCISE PRICE	VALUE PER OPTION AT GRANT DATE	PERCENTAGE VESTED	NUMBER OF OPTIONS
Unlisted Options	30/11/20	11/2/23	11/2/26	$0.32	$0.11	0%	2,925,000
							2,925,000

8. REMUNERATION REPORT (AUDITED) (continued)

Performance Rights

During the current financial year, 1,762,500 performance rights were issued as remuneration to Directors or other KMP (2020 financial year – 0). These rights are vested upon meeting performance criteria where the number of LTI securities that will vest on the Vesting Date will be calculated with reference to the VWAP over the 10 days on which trades in Shares occur immediately following the release of the F23 Annual Report (FY23 Share Price). Accordingly, the number of LTI securities that will vest on the Vesting Date will be based on performance criteria. That is, 100% if FY23 Share Price is $0.87 or more; 50% if FY23 Share Price is $0.70 and 25% if FY23 Share Price is $0.55.

CLASS	GRANT DATE	VESTING DATE	DATE OF EXPIRY	VALUE PER RIGHT AT GRANT DATE	PERCENTAGE VESTED	NUMBER
Performance rights	12-Oct-20	30/6/23	12-Oct-35	$0.18	0%	468,750
Performance rights	30-Nov-20	30/6/23	30-Nov-35	$0.15	0%	1,293,750
						1,762,500

Service Rights

During the current financial year, 443,471 service rights were issued as remuneration to Directors or other KMP (2020 financial year – 0). These rights are vested upon meeting service (tenure) criteria which is that the employee needs to be still employed as at 30 June 2021:

CLASS	GRANT DATE	VESTING DATE	DATE OF EXPIRY	VALUE PER RIGHT AT GRANT DATE	PERCENTAGE VESTED	NUMBER
Service rights	30-Nov-20	30/6/21	30-Nov-35	$0.18	100%	361,719
Service rights	22-Jun-21	30/6/22	22-Jun-36	$0.15	0%	81,752
						443,471

Loan Back Shares

On 13 October 2020, the Group agreed to vary the loan agreements for employees associated with certain Loan Back Share arrangements, to extend the following loan periods:

- Those due to expire on 14 October 2020 (being four year term after the Loan Back Shares were issued) to extend for a further two years until 14 October 2022.
- Those due to expire on 20 September 2021 (being four year term after the Loan Back Shares were issued) to extend for a further two years until 20 September 2023.

These Loan Back Shares were from two tranches with the modified fair value being determined using Black-Scholes option pricing model using the following inputs:

This modification has resulted in an additional expense of $128,919 being recorded in FY2021.

8. REMUNERATION REPORT (AUDITED) (continued)

8.5.3 Performance Rights holdings of KMP (Direct and Indirect Holdings)

30-JUN-21	BALANCE AT 1/07/2020	GRANTED AS REMUNERATION	EXERCISED DURING THE YEAR	FORFEITED DURING THE YEAR	BALANCE AT 30/06/2021	VESTED & EXERCISABLE
NON-EXECUTIVE DIRECTORS						
Rajarshi Ray	–	–	–	–	**–**	–
Adam Zorzi	–	–	–	–	**–**	–
Reina Nicholls	–	–	–	–	**–**	–
Lesa Francis	–	–	–	–	**–**	–
Sub-total	**–**	**–**	**–**	**–**	**–**	**–**
EXECUTIVE DIRECTORS						
Michael Rennie	–	731,250	–	–	**731,250**	–
Christy Forest	1,499,580	–	(1,499,580)	–	**–**	–
Antonluigi Gozzi	–	562,500	–	–	**562,500**	–
Sub-total	**1,499,580**	**1,293,750**	**(1,499,580)**	**–**	**1,293,750**	**–**
OTHER KMP						
Ben Brooks	–	468,750	–	–	**468,750**	–
Simon Howse [1]	150,000	–	(50,000)	(100,000)	**–**	–
Sub-total	**150,000**	**468,750**	**(50,000)**	**(100,000)**	**468,750**	**–**
Total	**1,649,580**	**1,762,500**	**(1,549,580)**	**(100,000)**	**1,762,500**	**–**

1 Performance rights were held prior to appointment as Interim Chief Financial Officer.

8.5.4 Service Rights holdings of KMP (Direct and Indirect Holdings)

30-JUN-21	BALANCE AT 1/07/2020	GRANTED AS REMUNERATION	FORFEITED DURING THE YEAR	BALANCE AT 30/06/2021	VESTED & EXERCISABLE
NON-EXECUTIVE DIRECTORS					
Rajarshi Ray	–	–	–	**–**	–
Adam Zorzi	–	–	–	**–**	–
Reina Nicholls	–	–	–	**–**	–
Lesa Francis	–	81,752	–	**81,752**	–
Sub-total	**–**	**81,752**	**–**	**81,752**	**–**
EXECUTIVE DIRECTORS					
Michael Rennie	–	96,094	–	**96,094**	96,094
Christy Forest	–	171,875	–	**171,875**	171,875
Antonluigi Gozzi	–	–	–	**–**	–
Sub-total	**–**	**267,969**	**–**	**267,969**	**267,969**
OTHER KMP					
Ben Brooks	–	93,750	–	**93,750**	93,750
Simon Howse	–	–	–	**–**	–
Sub-total	**–**	**93,750**	**–**	**93,750**	**93,750**
Total	**–**	**443,471**	**–**	**443,471**	**361,719**

8. REMUNERATION REPORT (AUDITED) (continued)

8.5.5 Additional disclosures relating to KMP

Shareholdings excluding Loan Back Shares of KMP (Direct and Indirect Holdings)

30-JUN-21	BALANCE AT 1/07/2020	GRANTED AS REMUNERATION	ON EXERCISE OF OPTIONS & RIGHTS	PURCHASED/ (SOLD) ON MARKET	BALANCE AT 30/06/2021
NON-EXECUTIVE DIRECTORS					
Rajarshi Ray [1]	–	–	–	150,000	**150,000**
Adam Zorzi [4]	3,841,329	–	–	(3,309,196)	**532,133**
Reina Nicholls [3]	125,000	–	–	–	**125,000**
Lesa Francis	–	–	–	–	**–**
Sub-total	**3,966,329**	**–**	**–**	**(3,159,196)**	**807,133**
EXECUTIVE DIRECTORS					
Michael Rennie	2,378,948	–	–	–	**2,378,948**
Christy Forest	742,610	–	1,499,580	–	**2,242,190**
Antonluigi Gozzi	22,980,780	–	–	–	**22,980,780**
Sub-total	**26,102,338**	**–**	**1,499,580**	**–**	**27,601,918**
OTHER KMP					
Ben Brooks	–	–	–	–	**–**
Simon Howse [2]	–	–	–	–	**–**
Sub-total	**–**	**–**	**–**	**–**	**–**
Total	**30,068,667**	**–**	**1,499,580**	**(3,159,196)**	**28,409,051**

1 In respect of Rajarshi Ray, at the date of his appointment as Director of the company, being 9 September 2020.
2 Shares were held/granted prior to Simon's appointment as Interim Chief Financial Officer. He resigned 28 August 2020.
3 Based on securities held by those entities in which Reina Nicholls held a relevant interest as at the date of her resignation as a director of the Company, being 22 June 2021.
4 Based on securities held by those entities in which Adam Zorzi held a relevant interest as at the date of his resignation as a director of the Company, being 9 September 2020.

Loan back shareholdings of KMP (Direct and Indirect Holdings)

Loan back shareholdings are a result of the previous 'EIP' which has now been superseded by the EIP approved at the 2020 AGM.

30-JUN-21	BALANCE AT 1/07/2020	GRANTED AS REMUNERATION [1]	FORFEITED DURING THE YEAR	BALANCE AT 30/06/2021	VESTED & EXERCISABLE
NON-EXECUTIVE DIRECTORS					
Rajarshi Ray	–	–	–	**–**	–
Adam Zorzi	389,048	–	–	**389,048**	389,048
Reina Nicholls	–	–	–	**–**	–
Lesa Francis	–	–	–	**–**	–
Sub-total	**389,048**	**–**	**–**	**389,048**	**389,048**
EXECUTIVE DIRECTORS					
Michael Rennie	2,250,000	–	(2,250,000)	**–**	–
Christy Forest	2,000,000	–	(1,500,000)	**500,000**	500,000
Antonluigi Gozzi	1,900,000	–	(1,500,000)	**400,000**	400,000
Sub-total	**6,150,000**	**–**	**(5,250,000)**	**900,000**	**900,000**
OTHER KMP					
Ben Brooks	–	–	–	**–**	–
Simon Howse [2]	208,401	–	(208,401)	**–**	–
Sub-total	**208,401**	**–**	**(208,401)**	**–**	–
Total	**6,747,449**	**–**	**(5,458,401)**	**1,289,048**	**1,289,048**

1 Based on securities held by those entities in which Adam Zorzi held a relevant interest as at the date of his resignation as a director of the Company, being 9 September 2020.
2 Shares were granted prior to appointment as Interim Chief Financial Officer.

8. REMUNERATION REPORT (AUDITED) (continued)

Option holdings of KMP (Direct and Indirect Holdings)

30-JUN-21	BALANCE AT 1/07/2020	GRANTED AS REMUNERATION [1]	EXERCISED	EXPIRED	BALANCE AT 30/06/2021	VESTED & EXERCISABLE
NON-EXECUTIVE DIRECTORS						
Rajarshi Ray	–	–	–	–	–	–
Adam Zorzi	–	–	–	–	–	–
Reina Nicholls	–	–	–	–	–	–
Lesa Francis	–	–	–	–	–	–
Sub-total	**–**	**–**	**–**	**–**	**–**	**–**
EXECUTIVE DIRECTORS						
Michael Rennie	1,500,000	–	–	–	**1,500,000**	1,000,000
Christy Forest	–	2,925,000	–	–	**2,925,000**	–
Antonluigi Gozzi	–	–	–	–	–	–
Sub-total	**1,500,000**	**2,925,000**	**–**	**–**	**4,425,000**	**1,000,000**
OTHER KMP						
Ben Brooks	–	–	–	–	–	–
Simon Howse	–	–	–	–	–	–
Sub-total	**–**	**–**	**–**	**–**	**–**	**–**
Total	**1,500,000**	**2,925,000**	**–**	**–**	**4,425,000**	**1,000,000**

1 Based on achieving performance criteria.

Equity Instruments Issued on Exercise of Remuneration Options

During the current financial year, no options were exercised by Directors or other KMP pursuant to the cashless exercise facility.

Voting and comments made at the Company's 2020 Annual General Meeting

The adoption of the Remuneration Report for the financial year ended 30 June 2020 put to the shareholders of the Company at the AGM held 30 November 2020. The resolution was passed without amendment, by way of poll. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices. Accordingly the board does not propose to take any action or amendment to its remuneration practices.

Other transactions with KMP

There are no other transactions with KMP during the financial year ended 30 June 2021 (2020: nil).

End of Audited Remuneration Report

9. OPTIONS & RIGHTS

At the date of this report, there were 4,425,000 unissued ordinary shares of LiveHire under option. No person entitled to exercise these options had or has any right by virtue of the option to participate in any share issue of any other body corporate.

At the date of this report, there were 6,683,715 performance rights on issue. No person entitled to exercise these performance rights had or has any right by virtue of the option to participate in any share issue of any other body corporate.

At the date of this report, there were 523,991 service rights on issue. No person entitled to exercise these performance rights had or has any right by virtue of the option to participate in any share issue of any other body corporate.

10. PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purposes of taking responsibility on behalf of the Company for all or part of those proceedings.

11. INDEMNIFYING OFFICERS

During the financial year, the Company paid a premium in respect of a contract insuring all its Directors and current and former executive officers against a liability incurred as such a Director or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer of the Company against a liability incurred as such an officer.

12. INDEMNIFYING AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young Australia during or since the financial year.

13. LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

LiveHire will continue to focus on driving growth and market share in North America through Direct Sourcing of contractors and Australia & New Zealand in SaaS for HR.

To achieve a satisfactory balance when managing LiveHire's significant growth opportunities with potential risks, the Group has a well-developed Risk Management Framework which follows accepted standards and guidelines for managing risk. Key business risks include the following:

RISK	RESPONSE
Failure to scale and commercialise at a sufficient rate.	To execute the Group growth strategy, the Group has invested in several senior commercial roles, including the CEO, Chief Revenue Officer, Chief Growth Officer and EVP North America. This investment has led to a strong team and business structure to execute on the multi-channel growth strategy across ANZ and the US. The Group also continues to invest in the platform to maintain competitive with global competition.
Data Security and Privacy	LiveHire understands that privacy compliance is critical to maintaining client and candidate trust. In FY21 the Group appointed an experienced General Counsel and engaged a third-party Data Security expert. This investment has resulted in the development and implementation of a robust privacy compliance framework and data security processes and policies.

14. CORPORATE GOVERNANCE STATEMENT

LiveHire Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board is responsible for ensuring that the Company has an appropriate corporate governance framework to protect and enhance company performance and build sustainable value for shareholders.

The Company has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council. The Corporate Governance Statement is available on the company's website at www.livehire.com/investors.

15. EVENTS SINCE THE END OF THE FINANCIAL YEAR

No matter or circumstance has arisen since 30 June 2021 that has significantly affected the company's operations, results or state of affairs, or may do so in future years.

16. NON-AUDIT SERVICES

During the year the following fees were paid or payable for non-audit services provided by the external auditor.

	30-JUN-21 $	30-JUN-20 $
Taxation Services	**15,315**	21,798
	15,315	**21,798**

The board of directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard for independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out above, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Audit, Risk and Compliance Committee, in line with the Committee Charter, to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

17. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Independence Declaration by the lead auditor under Section 307C is included on the following page to these annual financial statements.

Signed in accordance with a resolution of the Board of Directors.

Michael Rennie
Executive Chairman

Melbourne, 30 August 2021

Christy Forest
Chief Executive Officer/Executive Director

Melbourne, 30 August 2021

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Auditor's Independence Declaration to the Directors of LiveHire Limited

As lead auditor for the audit of the financial report of LiveHire Limited for the financial year ended 30 June 2021, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of LiveHire Limited and the entity it controlled during the financial year.

Ernst & Young

Ernst & Young

David Petersen
Partner

30 August 2021

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

	NOTES	30-JUN-21	30-JUN-20
Revenue from continuing operations			
Revenue from contracts with customers	6	**5,533,414**	3,456,367
Other Income	6	**793,399**	50,000
Total revenue and other income		**6,326,813**	3,506,367
Employee benefits expense	7	**(8,146,301)**	(10,061,608)
Operating expenses	7	**(3,245,764)**	(4,402,383)
Share based payment expense	17	**(1,385,998)**	(2,308,315)
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**(6,451,250)**	(13,265,939)
Depreciation and amortisation expense	7	**(1,793,200)**	(1,624,094)
Loss before interest and tax (EBIT)		**(8,244,450)**	(14,890,033)
Net finance income	7	**(25,032)**	245,161
Loss before income tax		**(8,269,482)**	(14,644,872)
Income tax expense	8	**(23,800)**	–
Loss from continuing operations		**(8,293,282)**	(14,644,872)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations, net of tax	16	**1,897**	5,209
Other comprehensive income for the period, net of tax		**1,897**	5,209
Total comprehensive loss for the year		**(8,291,385)**	(14,639,663)
Loss per share attributable to ordinary equity holders			
– Basic loss per share	18	**(0.028)**	(0.049)
– Diluted loss per share	18	**(0.028)**	(0.049)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	NOTES	30-JUN-21 $	30-JUN-20 $
ASSETS			
Current assets			
Cash and cash equivalents	9a	**14,415,868**	20,980,794
Trade and other receivables	10	**2,348,839**	521,276
Prepaid Expenditure		**324,223**	404,883
Contract acquisition costs	6	**171,050**	120,062
Total current assets		**17,259,980**	22,027,015
Non-current assets			
Plant and equipment		**280,891**	340,633
Intangible assets	11	**3,515,766**	4,363,592
Contract acquisition costs	6	**150,987**	159,933
Right-of-use assets	12	**552,885**	891,755
Other Non-current financial assets		**79,901**	80,536
Total non-current assets		**4,580,430**	5,836,449
Total assets		**21,840,410**	27,863,464
LIABILITIES			
Current liabilities			
Trade and other payables	13	**1,027,460**	651,262
Provisions	14	**793,169**	600,761
Lease liabilities	12	**280,225**	341,279
Deferred revenue	6	**1,788,069**	1,599,865
Total current liabilities		**3,888,923**	3,193,167
Non-current liabilities			
Provisions	14	**137,829**	108,544
Lease liabilities	12	**368,732**	620,348
Total non-current liabilities		**506,561**	728,892
Total liabilities		**4,395,484**	3,922,059
Net assets		**17,444,926**	23,941,405
EQUITY			
Issued capital	15	**62,321,651**	61,912,747
Reserves	16	**13,154,210**	11,766,315
Accumulated losses		**(58,030,935)**	(49,737,657)
Total equity		**17,444,926**	23,941,405

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	ISSUED CAPITAL $	RESERVES $	ACCUMULATED LOSSES $	TOTAL EQUITY $
At 1 July 2020	**61,912,747**	**11,766,315**	**(49,737,657)**	**23,941,405**
Comprehensive income:				
Loss for the year	**–**	**–**	**(8,293,282)**	**(8,293,282)**
Other comprehensive income	**–**	**1,897**	**–**	**1,897**
Total comprehensive loss for the year	**–**	**1,897**	**(8,293,282)**	**(8,291,385)**
Transactions with owners in their capacity as owners:				
Contributions of equity, net of costs	**408,904**	**–**	**–**	**408,904**
Share option expense	**–**	**1,385,998**	**–**	**1,385,998**
At 30 June 2021	**62,321,651**	**13,154,210**	**(58,030,939)**	**17,444,922**

	ISSUED CAPITAL $	SHARE-BASED PAYMENT RESERVE $	ACCUMULATED LOSSES $	TOTAL EQUITY $
At 1 July 2019	61,757,495	9,452,791	(35,183,240)	36,027,046
Effect of initial adoption of AASB 16			90,455	90,455
Restated Balance	61,757,495	9,452,791	(35,092,785)	36,117,501
Comprehensive income:				
Loss for the year	–	–	(14,644,872)	(14,644,872)
Other comprehensive income	–	5,209	–	5,209
Total comprehensive loss for the year	–	5,209	(14,644,872)	(14,639,663)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of costs	155,252	–	–	155,252
Share option expense	–	2,308,315	–	2,308,315
At 30 June 2020	61,912,747	11,766,315	(49,737,657)	23,941,405

The Consolidate Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	NOTES	30-JUN-21 $	30-JUN-20 $
Cash flows from operating activities			
Receipts from customers		**5,757,762**	4,473,068
Payment to suppliers and employees		**(11,315,652)**	(15,818,700)
Payment of interest		**(107,957)**	(147,109)
Receipt of interest		**96,528**	408,956
Receipt of Government Grant		**50,000**	50,000
Net cash outflow from operating activities	9b	**(5,519,319)**	(11,033,785)
Cash flows from investing activities			
Payment for intangible assets		**(1,084,995)**	(1,970,780)
Payment for plant and equipment		**(65,291)**	(13,134)
Proceeds from other non-current financial assets		**–**	104,336
Net cash outflow from investing activities		**(1,150,286)**	(1,879,578)
Cash flows from financing activities			
Proceeds from the issue of shares		**408,904**	155,252
Payment of principal portion of lease liabilities		**(312,671)**	(268,997)
Net cash inflow from financing activities		**96,233**	(113,745)
Net increase in cash and cash equivalents		**(6,573,372)**	(13,027,108)
Cash and cash equivalents at the beginning of the year		**20,980,794**	34,013,420
Effects of exchange rate changes on cash and cash equivalents		**8,446**	(5,518)
Cash and cash equivalents at the end of the year	9a	**14,415,868**	20,980,794

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

Notes to the Financial Statements

1. CORPORATE INFORMATION

The consolidated financial statements of LiveHire Limited (referred to as the **Company** or **LiveHire**) and its controlled entity (collectively the **Group**) for the financial year ended 30 June 2021 (the **Financial Year**) were authorised for issue in accordance with a resolution of the directors on 30 August 2021 and covers LiveHire as an entity as required by the *Corporations Act 2001*. LiveHire is a for-profit entity for the purpose of preparing these financial statements.

The financial statements are presented in Australian dollars.

LiveHire is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (listed on ASX on 8 June 2016).

The address of the registered office and principal place of business is Level 10, 461 Bourke Street, Melbourne VIC 3000.

2. BASIS OF PREPARATION

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of Preparation

This financial report is a general purpose financial report, prepared by a 'for profit' entity, in accordance with the requirements of the Australian *Corporations Act 2001*, Accounting Standards applicable in Australia and other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**). It also complies with International Financial Reporting Standards (**IFRS**) and Interpretations published by the International Accounting Standards Board (**IASB**).

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

The accounts have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 30 June 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns.

The Group has the majority of the voting or similar rights in its subsidiary. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

3. KEY JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The judgements and estimates used in relation to Intangible Assets and Share-Based Payments when preparing the financial statements for the year ended 30 June 2021 are consistent with those disclosed in our previous year end report, dated 30 June 2020.

In addition, the Group has applied judgement to determine the incremental borrowing rate and the likelihood of accepting lease renewal options, which significantly affect the amount of lease liabilities and right-of-use Assets (**ROU**) recognised.

Renewal option

LiveHire has the option, under some of its leases to lease properties for additional terms of two to three years. The Group applied judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew. The Group has therefore included the renewal period as part of the lease term for its property leases due to the needs of the business.

Incremental borrowing rate

The Group has applied judgement to determine the incremental borrowing rate which significantly affects the amount of lease liabilities and right-of-use asset recognised. The group applies a rate it best believes to be the rate that the Group will have to pay to obtain funds for an asset of a similar value to the right-of-use asset in a similar economic environment.

4. OTHER ACCOUNTING POLICIES

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

The Australian Accounting Standards Board (**AASB**) has issued several new standards which became effective from 1 July 2020 (financial year ending 30 June 2021 for the company). The company assessed the impact of each new standard. There has been no material impact from the adoption of new standards.

5. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

Activities in the operating segments are identified by management based on the way resources are allocated, the nature of the resources provided and the identity of service line manager and area of income and expenditure. Discrete financial information about each of these areas is reported to the executive management team on a monthly basis.

Management has determined that the Company has one operating segment being the provision of online Talent Acquisition software. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the company and its ongoing activities.

The geographical breakdown of the revenue for the financial period is as follows:

	30-JUN-21 $	30-JUN-20 $
Australia & New Zealand	**3,938,360**	3,337,191
North America	**1,595,054**	119,176
Total Revenue from contracts with customers	**5,533,414**	3,456,367

Single customer revenue of $1,567,316 (approx 28% of total revenue) which comprises seven (7) separate clients (2020: $6,900).

6. REVENUE FROM CONTRACTS WITH CUSTOMERS AND OTHER INCOME

	30-JUN-21 $	30-JUN-20 $
Revenue from contracts with customers		
– Hosting and Maintenance fees	**3,714,924**	2,889,693
– Implementation fees	**216,462**	336,774
– Integration fees	**3,545**	35,373
– Professional Services fees	**200,771**	179,737
– Other operating revenue	**160**	7,890
– Direct sourcing revenue	**1,397,552**	6,900
Total Revenue from contracts with customers	**5,533,414**	3,456,367
Other income		
– Research & Development Tax Incentive	**743,399**	–
– Government grants	**50,000**	50,000
Total Other Income	**793,399**	50,000
Total revenue and other income	**6,326,813**	3,506,367

RECOGNITION AND MEASUREMENT

Revenue

All revenues are recognised over time. The following specific recognition criteria must also be met before revenue is recognised.

Hosting and maintenance fees

Hosting and maintenance fee revenue is recognised on a straight-line basis over the period the SaaS arrangement is in place using an output method based on time elapsed as the customer simultaneously receives and consumes the benefit provided by LiveHire's services.

Implementation fees and Integration fees

Implementation and integration fee revenue is recognised in the period the services are provided, as this reflects the period in which the customers have received benefit from the service.

Post Contract Support Services (PCS) – Professional Services fees

Professional Services fees are recognised on a straight-line basis over the period the services are provided as the services are transferred over time.

Direct Sourcing Revenue

Direct sourcing revenue is recognised in the period the services are provided, as this reflects the period in which the customers have received benefit from the service. Direct sourcing revenue is measured based on customer usage each period of the LiveHire services.

Deferred Revenue

The following table includes the revenue on existing contracts expected to be recognised in the future which relates to performance obligations that are unsatisfied at the reporting date:

BALANCE AT 1/07/2020	AMORTISED TO REVENUE DURING THE YEAR	ADDITIONAL DEFERRED REVENUE IN FY21	BALANCE AT 30/06/2021
1,599,865	(1,574,327)	1,762,531	**1,788,069**

RECOGNITION AND MEASUREMENT (continued)

The deferred revenue balance as at 30 June 2021 will be amortised in line with the revenue treatment noted above and will be fully amortised by the end of FY22.

The following table shows the FY20 comparative information:

BALANCE AT 1/07/2019	AMORTISED TO REVENUE DURING THE YEAR	ADDITIONAL DEFERRED REVENUE IN FY20	BALANCE AT 30/06/2020
1,045,950	(984,430)	1,538,345	1,599,865

Contract Revenue

In addition to the deferred revenue balance at 30 June 2021, the following table includes the transaction price allocated to the remaining performance obligations of contracts with customers that has not yet been recognised as revenue. This relate wholly to future billings under existing contracts:

YEAR REVENUE WILL BE RECOGNISED	FROM FY21 $
FY22	$1,308,624
FY23	$1,412,626
FY24	$319,724
Total	**$3,040,974**

The following table shows the FY20 comparative information:

YEAR REVENUE WILL BE RECOGNISED	FY20 $
FY21	886,896
FY22	596,426
FY23	173,636
FY24	625
Total	**1,657,583**

All revenue is stated net of the amount of goods and services tax.

Government grants/research and development tax incentive

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received, and the Company will comply with all attached conditions. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, it is deducted from the asset to which it relates, the net value of which is amortised over its expected useful life. The Company is treating the receipt of the ATO Cashflow Boost Payment and the R&D Tax Incentive refund as a government grant.

Key estimate: Apportionment of research and development tax incentive

The company estimates the research and development tax incentive relating to an asset based on the assessment of the proportion of eligible costs that are capitalised as part of the asset value as opposed to expensed.

6. REVENUE FROM CONTRACTS WITH CUSTOMERS AND OTHER INCOME (continued)

Interest Income

Interest income is recognised using effective interest method.

Contract Acquisition Costs

The company pays sales commissions to its employees for contracts they obtain with customers. These commissions are capitalised as an asset and amortised over the average expected duration of the customer.

7. EXPENSES

	30-JUN-21 $	30-JUN-20 $
Loss before income tax includes the following specific expenses		
Employee benefits expense		
– Salaries and wages	**7,714,499**	10,373,896
– Capitalisation of salaries & wages	**(884,247)**	(1,753,337)
– Superannuation contributions	**632,041**	886,362
– Payroll tax	**460,939**	559,050
– Employee entitlement accrual	**223,069**	(4,363)
	8,146,301	10,061,608

	30-JUN-21 $	30-JUN-20 $
Operating expenses		
– Advertising and marketing expenses	**299,859**	568,023
– Consultants and contractor fees	**803,560**	1,330,293
– Capitalisation of consultants and contractor fees	**(200,747)**	(217,442)
– Technology related expenses	**1,345,506**	1,335,811
– Operating and administration expenses	**997,586**	1,385,698
	3,245,764	4,402,383

	30-JUN-21 $	30-JUN-20 $
Depreciation and amortisation expenses		
– Depreciation of fixed assets	**129,743**	141,966
– Depreciation of right-of-use assets	**338,870**	338,870
– Amortisation of software development asset	**1,324,587**	1,143,258
	1,793,200	1,624,094

	30-JUN-21 $	30-JUN-20 $
Finance (income)/expense		
– Interest (Income)	**(82,925)**	(392,270)
– Interest expense on lease liabilities	**107,957**	147,109
	25,032	(245,161)

8. INCOME TAX EXPENSE

The company has unrecognised tax losses of $38,727,122 (2020: $32,840,212) that are available indefinitely for offsetting against future profits of the company.

RECOGNITION AND MEASUREMENT

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current taxes

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantively enacted, as at the end of the reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred taxes

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

	30-JUN-21 $	30-JUN-20 $
(a) Income Tax Expense		
Reconciliation of income tax expense to prima facie tax payable:		
Loss before income tax expense	**(8,293,282)**	(14,644,872)
Prima facie income tax at 26% (27.5%)	**(2,156,253)**	(4,027,340)
Tax effect of amounts not deductible (taxable) in calculating taxable income	**276,610**	630,136
Deferred tax asset not brought to account on temporary differences & tax losses	**1,855,843**	3,397,204
Income tax effect	**(23,800)**	–
(b) Deferred tax assets not recognised		
Temporary differences	**879,881**	958,874
Tax losses - revenue	**10,069,052**	9,031,058
	10,948,933	9,989,932
Offset against deferred tax liabilities recognised	**(422,351)**	(552,418)
	10,526,582	9,437,514
Amounts in equity	**103,900**	225,753
Deferred tax assets not brought to account	**10,630,482**	9,663,266
(c) Deferred tax liability		
Temporary differences	**(422,351)**	(552,418)
Offset against deferred tax assets recognised	**422,351**	552,418
	–	–

8. INCOME TAX EXPENSE (continued)

The income tax rate of 26% (27.5% FY20) has been used based on satisfying the relevant conditions of a base rate entity, being:

- Aggregated turnover less than the aggregated turnover threshold, which is $50 million for FY21
- 80% or less of assessable income is base rate entity passive income

Current and deferred tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit and loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurements also reflect the way management expects to recover or settle that carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in the future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

The utilisation of unrecognised deferred tax assets will be dependent upon the production of sufficient future taxable income and compliance taxation regulations.

9. CASH AND CASH EQUIVALENTS

Reconciliation to cash at the end of the year

	30-JUN-21 $	30-JUN-20 $
Cash on hand	**240**	240
Cash at bank	**5,076,838**	1,641,764
Term deposit	**9,338,790**	19,338,790
	14,415,868	20,980,794

Reconciliation of net cash flows from operating activities

	NOTES	30-JUN-21 $	30-JUN-20 $
Loss for the financial year		**(8,293,282)**	(14,644,872)
Adjustments for:			
Depreciation of property, plant and equipment	7	**129,743**	141,966
Depreciation of right of use assets	7	**338,870**	338,870
Amortisation of intangible assets	7	**1,324,588**	1,143,258
Loss on disposal of Property Plant Equipment		**(611)**	8,315
Employee entitlements		**223,069**	(4,363)
Share based payments	17	**1,385,998**	2,308,315
Net foreign exchange differences		**(3,824)**	10,205
Changes in assets and liabilities			
(Increase)/decrease in trade and other receivables		**(1,227,491)**	241,224
(Increase)/decrease in prepaid expenditure		**80,660**	(161,768)
(Increase)/decrease in contract acquisition costs		**(42,042)**	(174,656)
Increase/(decrease) in trade payables and accruals		**376,198**	(794,194)
Increase/(decrease) in deferred income		**188,204**	553,915
Cash flows used in operating activities		**(5,519,319)**	(11,033,785)

RECOGNITION AND MEASUREMENT

Cash at bank and on deposit

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

10. TRADE AND OTHER RECEIVABLES

	30-JUN-21 $	30-JUN-20 $
Trade receivables	**1,004,086**	491,561
Research & Development Tax Incentive	**1,351,634**	–
GST receivable	**(10,908)**	12,085
Accrued interest	**4,027**	17,630
Total trade and other receivables	**2,348,839**	521,276

RECOGNITION AND MEASUREMENT

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Trade receivables are non-interest bearing and are generally on terms of 14 to 30 days.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (**ATO**).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Impairment

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track change in credit risk, but instead recognises loss allowance based on lifetime ECLs at each reporting date. See Credit Risk section in note 22 for more detail.

11. INTANGIBLE ASSETS

	30-JUN-21 $	30-JUN-20 $
SOFTWARE DEVELOPMENT		
Cost	**10,592,432**	9,507,436
Research & Development Tax Incentive	**(2,638,617)**	(2,030,382)
Accumulated amortisation	**(4,438,049)**	(3,113,462)
Net carrying amount	**3,515,766**	4,363,592
Total intangible assets	**3,515,766**	4,363,592
MOVEMENT		
Net carrying amount at the beginning of the year	**4,363,592**	3,536,070
Additions	**1,084,995**	1,970,780
Research & Development Tax Incentive	**(608,234)**	–
Amortisation for the year	**(1,324,587)**	(1,143,258)
Net carrying amount at the end of the year	**3,515,766**	4,363,592

RECOGNITION AND MEASUREMENT

Software development

Software consists of capitalised development costs being an internally generated intangible asset.

Research costs are expensed in the year in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Company is able to use or sell the asset; the Company has sufficient resource and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis from the time they are first available for use and over the period of their expected benefit, being their finite life of five years.

A summary of the useful lives of intangible assets is as follows:

INTANGIBLE ASSET	USEFUL LIFE
Software	5 years

Key estimate: Impairment of intangible assets

If events or changes in circumstances indicate that the intangible assets may be impaired, the Company will carry out an impairment test on the asset to determine if a portion should be expensed to the statement of profit or loss and other comprehensive income.

Key judgement: Useful lives of intangible assets

The company determines the estimated useful lives and related amortisation charges for its software development asset. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

12. LEASES

The Group has lease contracts for office buildings used in its operations. These leases have a term between three and five years.

	RIGHT-OF USE ASSETS		LEASE LIABILITIES
	PREMISES $	TOTAL $	TOTAL $
As at 30 June 2019			
Additions on transition	1,230,625	1,230,625	1,230,625
Depreciation expense	(338,870)	(338,870)	–
Interest expense	–	–	147,109
Payments	–	–	(416,106)
As at 30 June 2020	**891,755**	**891,755**	**961,628**
Depreciation expense	(338,870)	(338,870)	–
Interest expense	–	–	107,957
Payments	–	–	(420,628)
As at 30 June 2021	**552,885**	**552,885**	**648,957**
Current lease liability	–	–	280,225
Non-Current lease liability	–	–	368,732
Total Lease Liability as at 30 June 2021	**–**	**–**	**648,957**

The table below are the amounts recognised in profit and loss during the period:

	30-JUN-21 $	30-JUN-20 $
Depreciation expense of right-of-use asset	**338,870**	338,870
Interest expense on lease liabilities	**107,957**	147,109
Expenses relating to leases of low-value assets	**5,604**	5,604
Total amount recognised in profit or loss	**452,431**	491,583

The Group applies the following practical expedients in paragraph C3 and C10 b, c and e. The effect of using these expedients is:

- the group applies the low value asset exemption to leases of assets below $15,000; and
- the group estimates remaining lease term for all leases with extension options based on previous history and intentions of the Group.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

13. TRADE AND OTHER PAYABLES

	30-JUN-21 $	30-JUN-20 $
CURRENT		
Unsecured liabilities		
Trade payables	**186,627**	69,501
Sundry payables and accrued expenses	**568,732**	247,231
Payroll tax payable	**49,339**	–
PAYG payable	**172,341**	150,210
Superannuation payable	**50,421**	184,320
	1,027,460	651,262

RECOGNITION AND MEASUREMENT

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

14. PROVISIONS

CURRENT	30-JUN-21 $	30-JUN-20 $
EMPLOYEE BENEFITS		
Balance at the beginning of the year	**600,761**	625,781
Provisions raised/(used) during the year	**192,408**	(25,020)
Balance at the end of the year	**793,169**	600,761

Employee Benefits

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages and salaries are recognised as part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

NON-CURRENT	30-JUN-21 $	30-JUN-20 $
EMPLOYEE BENEFITS		
Balance at the beginning of the year	**108,544**	88,367
Provisions raised during the year	**29,285**	20,177
Balance at the end of the year	**137,829**	108,544

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

15. ISSUED CAPITAL

Issued and fully paid

	30-JUN-21		30-JUN-20	
	$	NO.	$	NO.
Ordinary shares	**62,321,651**	**294,052,098**	61,912,747	302,921,950
	62,321,651	**294,052,098**	61,912,747	302,921,950

Ordinary shares

Ordinary shares are fully paid and have no par value. They carry one vote per share. They bear no special terms or conditions affecting income or capital entitlements of the shareholders and are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Movement Reconciliation

ORDINARY SHARES	DATE	QUANTITY	ISSUE PRICE	$
Balance 30 June 2019		296,721,693		61,757,495
– Issue of shares to employees under loan purchases (Note 14(ii))	9/8/19	300,000	–	–
– Cashless buyback of Loan Back Shares	9/8/19	(6,966,390)	–	–
– Issue of shares to employees under loan purchases (Note 14(ii))	29/10/19	6,796,876	–	–
– Issue of shares to employees under loan purchases (Note 14(ii))	28/11/19	5,250,000	–	–
– Cashless buyback of Loan Back Shares	8/11/19	(292,960)	–	–
– Cashless exercise of options	3/6/20	308,477	–	
– Exercise of performance rights	–	804,254	–	–
– Loan back shares repayments	–	–	–	155,252
Balance 30 June 2020		**302,921,950**		**61,912,747**
– Cashless buyback of Loan Back Shares	23/7/20	(3,701,498)	–	–
– Exercise of performance rights & options	1/9/20	308,535	–	–
– Exercise of performance rights & options	15/9/20	1,980,506	–	–
– Cashless buyback of Loan Back Shares	13/10/20	(2,192,350)	–	–
– Loan back shares repayments		–	–	375,739
– Exercise of performance rights & options	29/12/20	75,000	–	–
– Exercise of performance rights & options	11/2/21	717,130	–	–
– Cashless buyback of Loan Back Shares	25/2/21	(5,250,000)	–	–
– Cashless buyback of Loan Back Shares	25/2/21	(807,175)	–	–
– Loan back shares repayments		–	–	33,165
Balance 30 June 2021		**294,052,098**		**62,321,651**

16. RESERVES

	SHARE-BASED PAYMENTS RESERVE $	CURRENCY TRANSLATION RESERVE $	TOTAL $
Balance at 1 July 2019	9,452,791	5,209	9,458,000
Share-based payment expense	2,308,315	–	2,308,315
Balance at 30 June 2020	11,761,106	5,209	11,766,315
Share-based payment expense	**1,385,998**	**–**	**1,385,998**
Foreign currency translation differences	**–**	**1,897**	**1,897**
Balance at 30 June 2021	**13,147,104**	**7,106**	**13,154,210**

Share-based payments reserve

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 17 for further details of these plans.

Foreign currency translation reserve

The translation reserve is used to record exchange differences arising from the translation of the Financial Statements of its overseas subsidiary.

17. SHARE-BASED PAYMENTS

	30-JUN-21 $	30-JUN-20 $
Share-based payment expense recognised during the year		
Options issued to employees and consultants (i)	**103,464**	78,392
Shares issued under employee share scheme (ii)	**(156,169)**	503,840
Modification of shares issued under employee share scheme (iv)	**128,919**	796,567
	76,214	1,378,799
Performance and Service rights issued to employees (iii)	**1,309,784**	929,516
	1,385,998	2,308,315

The key assumptions and inputs relating to the options, performance rights, service rights and modification of loan back share arrangements issued to employees during FY2021 are outlined below.

17. SHARE-BASED PAYMENTS (continued)

Options issued to employees and consultants

On 30 November 2020 the Company issued 2,925,000 options exercisable into ordinary shares on a 1:1 basis to the Chief Executive Officer with a strike price of $0.32/share. The vesting of the options is subject to the Chief Executive Officer remaining employed (and no notice of termination being given) as at 30 June 2023.

The fair value at grant date was determined using Black-Scholes option pricing model using the following inputs:

FAIR VALUE OF EMPLOYEE SHARE SCHEME	
Date of Grant	30-Nov-20
Number of Options	2,925,000
Date of Expiry	11-Feb-26
Exercise Price	$0.320
Share Price at Grant Date	$0.280
Volatility	80%
Expected dividend yield rate	0%
Risk free rate	0.2%
Fair Value of each Option	$0.112
Total Fair Value as at 30 June 2021:	**$328,799**
Value recognised during the current period:	$71,251
Value to be recognised in future periods*:	$257,548

1 Value subject to vesting criteria.

Details of options outstanding during the period are as follows:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	BALANCE AT BEGINNING OF PERIOD	GRANTED DURING PERIOD	EXERCISED DURING PERIOD	FORFEITED DURING PERIOD	BALANCE AT END OF PERIOD	EXERCISABLE AT END OF PERIOD
14-Oct-16	14-Oct-20	0.1884	1,000,000	–	(380,926)	(619,074)	–	–
12-Jan-17	12-Jan-21	0.3814	1,000,000	–	–	(1,000,000)	–	–
8-Aug-17	9-Aug-21	0.6927	1,000,000	–	–	–	1,000,000	204,150
11-Dec-19	11-Dec-23	0.6000	1,500,000	–	–	–	1,500,000	1,000,000
11-Feb-21	11-Feb-26	0.3200	–	2,925,000	–	–	2,925,000	–
Total:			**4,500,000**	**2,925,000**	**(380,926)**	**(1,619,074)**	**5,425,000**	**1,204,150**

Details of options outstanding during the prior period were as follows:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	BALANCE AT BEGINNING OF PERIOD	GRANTED DURING PERIOD	EXERCISED DURING PERIOD	FORFEITED DURING PERIOD	BALANCE AT END OF PERIOD	EXERCISABLE AT END OF PERIOD
8-Apr-16	1-Jun-20	0.2500	3,300,000	–	(3,300,000)	–	–	–
8-Apr-16	1-Jun-20	0.2500	6,300,000	–	(6,300,000)	–	–	–
8-Apr-16	1-Jun-20	0.2500	2,000,000	–	–	(2,000,000)	–	–
14-Oct-16	14-Oct-20	0.1884	1,000,000	–	–	–	1,000,000	1,000,000
12-Jan-17	12-Jan-21	0.3814	1,000,000	–	–	–	1,000,000	1,000,000
8-Aug-17	9-Aug-21	0.6927	1,000,000	–	–	–	1,000,000	235,100
11-Dec-19	11-Dec-23	0.6000	–	1,500,000	–	–	1,500,000	500,000
Total:			**14,600,000**	**1,500,000**	**(9,600,000)**	**(2,000,000)**	**4,500,000**	**2,735,100**

17. SHARE-BASED PAYMENTS (continued)

Shares issued under employee share scheme:

Shares issued under employee share scheme to employees:

These shares are ordinary shares subject to loan arrangements under the Employee Incentive Plan. The loans relating to the Loan Back Shares must be repaid in accordance with the terms of the Employee Incentive Plan and in any event, within four years of the date of issue.

No loan back shares were issued during the period (2020: 2,596,876 as part of EIP, 2,250,000 to the Executive Chairman, 1,500,000 to the CEO and 1,500,000 to an Executive Director).

Rights issued to Employees:

The Company issued 6,122,198 Rights employees. The shares vested after a period of three months based on performances previously achieved.

Details of Rights outstanding during the period are as follows:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	BALANCE AT BEGINNING OF PERIOD	GRANTED DURING PERIOD	EXERCISED DURING PERIOD [1]	FORFEITED DURING PERIOD	BALANCE AT END OF PERIOD	EXERCISABLE AT END OF PERIOD
14-Oct-16	13-Oct-20	–	308,535	–	(308,535)	–	–	–
20-Sep-17	19-Sep-21	–	769,758	–	–	–	769,758	769,758
2-Jul-18	1-Jul-22	–	240,000	–	–	–	240,000	240,000
18-Sep-18	17-Sep-22	–	175,000	–	–	–	175,000	175,000
2-Oct-18	1-Oct-22	–	1,499,580	–	(1,499,580)	–	–	–
17-Dec-18	16-Dec-22	–	338,352	–	(75,000)	–	263,352	263,352
26-Mar-19	26-Mar-23	–	500,000	–	(100,000)	(100,000)	300,000	150,000
13-Oct-20	13-Jan-21	–	–	2,424,730	(717,130)	(25,992)	1,681,608	1,681,608
30-Nov-20	11-Feb-26	–	–	3,615,716	–	–	3,615,716	–
22-Jun-21	22-Jun-26	–	–	81,752	–	–	81,752	–
Total:			**3,831,225**	**6,122,198**	**(2,700,245)**	**(125,992)**	**7,127,186**	**3,279,718**

1 Refer to below fair value tables for Performance and Service Rights.

Performance Rights

FAIR VALUE OF PERFORMANCE RIGHTS	TRANCHE 1	TRANCHE 2	TRANCHE 3	TRANCHE 4
Date of Grant	13-Oct-20	12-Oct-20	30-Nov-20	18-Jan-21
Number of Rights	2,424,730	468,750	1,293,750	1,491,497
Date of Expiry	13-Oct-24	12-Oct-35	30-Nov-35	18-Jan-36
Share Price at Grant Date	$0.310	$0.320	$0.280	$0.265
Volatility	85%	85%	85%	85%
Expected dividend yield rate	0%	0%	0%	0%
Risk free rate	0.2%	0.12%	0.08%	0.06%
Fair Value of each Performance Right	$0.310	$0.184	$0.148	$0.135
Total Fair Value as at 30 June 2021 [1]:	**$751,666**	**$86,353**	**$191,604**	**$201,188**
Value recognised during the current period:	$720,936	$12,743	$28,273	$29,687
Value to be recognised in future periods [1]:	$30,730	$73,610	$163,331	$171,501

1 Value subject to vesting criteria.

17. SHARE-BASED PAYMENTS (continued)

Service Rights

FAIR VALUE OF SERVICE RIGHTS	TRANCHE 1	TRANCHE 2
Date of Grant	30-Nov-20	22-Jun-21
Number of Rights	361,719	81,752
Date of Expiry	30-Nov-35	22-Jun-36
Share Price at Grant Date	$0.320	$0.380
Fair Value of each Service Right	$0.320	$0.380
Total Fair Value as at 30 June 2021 [1]:	**$115,750**	**$31,066**
Value recognised during the current period:	$115,750	$659
Value to be recognised in future periods [1]:	$0	$30,407

1 Value subject to vesting criteria.

Details of Performance Rights outstanding during the prior period were as follows:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	BALANCE AT BEGINNING OF PERIOD	GRANTED DURING PERIOD	EXERCISED DURING PERIOD	FORFEITED DURING PERIOD	BALANCE AT END OF PERIOD	EXERCISABLE AT END OF PERIOD
14-Oct-16	13-Oct-20	–	308,535	–	–	–	308,535	308,535
20-Sep-17	19-Sep-21	–	969,758	–	(200,000)	–	769,758	469,758
2-Jul-18	1-Jul-22	–	510,000	–	(135,000)	(135,000)	240,000	240,000
1-Aug-18	31-Jul-22	–	240,000	–	(184,767)	(55,233)	–	–
18-Sep-18	17-Sep-22	–	175,000	–	–	–	175,000	175,000
2-Oct-18	1-Oct-22	–	1,622,879	–	(62,832)	(60,467)	1,499,580	1,499,580
17-Dec-18	16-Dec-22	–	338,352	–	–	–	338,352	169,176
26-Mar-19	26-Mar-23	–	721,655	–	(221,655)	–	500,000	100,000
9-Aug-19	9-Aug-23	–	–	193,548		(193,548)	–	–
Total:			**4,886,179**	**193,548**	**(804,254)**	**(444,248)**	**3,831,225**	**2,962,049**

Modification of shares issued under employee share scheme:

On 13 October 2020, the Group agreed to vary the loan agreements for employees associated with certain Loan Back Share arrangements, to extend the following loan periods:

- Those due to expire on 14 October 2020 (being four year term after the Loan Back Shares were issued) to extend for a further two years until 14 October 2022.
- Those due to expire on 20 September 2021 (being four year term after the Loan Back Shares were issued) to extend for a further two years until 20 September 2023.

These Loan Back Shares were from two tranches with the modified fair value being determined using Black-Scholes option pricing model using the following inputs:

17. SHARE-BASED PAYMENTS (continued)

Tranche 1

MODIFIED FAIR VALUE OF EMPLOYEE SHARE SCHEME	
Date of Modification	13-Oct-20
Number of Loan Back Shares	1,235,577
Expected Life of loan	2
Exercise Price	Original
Share Price at Modification Date	$0.3150
Volatility	75.0%
Expected dividend yield rate	0%
Risk free rate	1.0%
Fair Value of each Loan Back Share	$0.177
Total Fair Value as at 30 June 2021:	**$218,850**
Incremental fair value recognised during the current period:	$62,482

Tranche 2

MODIFIED FAIR VALUE OF EMPLOYEE SHARE SCHEME	
Date of Modification	13-Oct-20
Number of Loan Back Shares	1,072,849
Expected Life of loan	3
Exercise Price	$0.8508
Share Price at Modification Date	$0.315
Volatility	75.0%
Expected dividend yield rate	0%
Risk free rate	1.0%
Fair Value of each Loan Back Share	$0.0763
Total Fair Value as at 30 June 2021:	**$81,907**
Incremental fair value recognised during the current period:	$66,437

Prior period modifications

On 18 December 2019 the Company varied the loan agreements associated with the issue price of certain ordinary shares (**Loan Back Shares**) to extend the loan period.

The loan periods were due to expire on 22 December 2019, four years after the Loan Back Shares were issued. The loan period was extended for a further four years until 22 December 2023.

The number of Loan Back Shares involved is 22,545,131 with a total loan value of $2,098,510 based on the original issue price, which varies for individual holders.

The incremental fair value granted is the difference between the fair value directly before the modification and the fair value directly after the modification, determined using Black-Scholes option pricing model. The additional expense recognised during the year was $796,567.

These Loan Back Shares were from three tranches with the modified fair value being determined using Black-Scholes option pricing model using the following inputs:

RECOGNITION AND MEASUREMENT

Share-based payments expense

Equity-settled transactions are awards of shares, options over shares or performance rights, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. For instruments where there are no market based vesting conditions, fair value is determined using either the Binomial or Black- Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Company receives the services that entitle the employees to receive payment. For instruments with market based vesting conditions these conditions are also factored into the fair value using a Monte-Carlo simulation methodology but no account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

If equity-settled awards are modified, as a minimum, an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Company or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Key estimate: Fair value of share-based payment transactions

The company determines the estimated fair value of share-based payment transactions based on the fair value of the equity instruments granted. For non-market conditions the company assigns a probability to meeting the vesting conditions and estimates the vesting period in which the share-based payment expense is recognised over. The key assumptions used in determining the fair value of share-based payments are described above.

18. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	30-JUN-21	30-JUN-20
Net loss attributable to the ordinary equity holders of the Company ($)	**(8,293,282)**	(14,644,872)
Weighted average number of ordinary shares for basis per share (No)	**297,601,868**	299,869,147
Continuing operations		
– Basic loss per share ($)	**(0.028)**	(0.049)
– Diluted loss per share ($)	**(0.028)**	(0.049)

19. AUDITORS' REMUNERATION

	30-JUN-21 $	30-JUN-20 $
Fees to Ernst & Young (Australia):		
Fees for auditing the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	**123,200**	111,627
Fees for other services		
– Taxation services for R&D grant	**15,315**	21,798
Total fees to Ernst & Young (Australia)	**138,515**	133,425

20 RELATED PARTY TRANSACTIONS

Key Management Personnel Compensation

Disclosures relating to KMP are set out in the remuneration report of the director's report.

The total remuneration paid to KMP of the company during the year are as follows:

	30-JUN-21 $	30-JUN-20 $
Short-term employee benefits	**1,087,011**	1,169,497
Post-employment benefits	**84,124**	90,643
Long-term employee benefits	**4,517**	(14,165)
Share-based payments	**411,438**	298,796
	1,587,091	1,544,771

Transactions with Related Parties

There were no related party transactions during the period.

21 CONTROLLED ENTITIES

Investments in controlled entities are initially recognised at cost. The consolidated financial statements include the financial statements of LiveHire Limited and the subsidiary in the following table:

NAME OF ENTITY	COUNTRY OF INCORPORATION	EQUITY HOLDING FY20 %	EQUITY HOLDING FY19 %
LiveHire US, Inc	United States	100%	–

The parent entity within the Group is LiveHire Ltd. LiveHire Ltd owns 100% of LiveHire US,Inc.

22. FINANCIAL RISK MANAGEMENT

Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk (being interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives (Finance) under policies approved by the Board. These policies include identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks. Finance reports to the Board on a regular basis.

Market risk

Price risk

The Company is not exposed to any significant price risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

Based on latest observation of customer payments and financial condition a provision of $61,208 at 30 June 2021 was recognised (2020: nil).

As at 30 June 2021 trade receivables of $168,062 (2020 – $81,036) were past due but not considered impaired. The ageing analysis of these trade receivables is as follows:

	30-JUN-21 $	30-JUN-20 $
Up to 3 months	**84,601**	71,203
3 to 6 months	**83,461**	9,833
	168,062	81,036

Interest rate risk

Interest rate risk consists of cash flow interest rate risk for term deposits (the risk that future cash flows of a financial instrument will vary due to changes in market interest rates) and fair value interest rate risk (the risk that the value of the financial instrument will vary due to changes in market interest rates).

Interest rate risk is the risk of financial loss and/ or increased costs due to adverse movements in the values of the financial assets and liabilities as a result of changes in interest rates.

Sensitivity Analysis – Interest rate risk

The Company performed a sensitivity analysis relating to its exposure to interest rate at the reporting date. This sensitivity analysis demonstrates the effect on the current period results and equity which could result from a change in the interest rates on the average 12-month cash reserves:

	30-JUN-21 $	30-JUN-20 $
Change in loss:		
Increase by 0.5%	**86,139**	132,437
Decrease by 0.5%	**(86,139)**	(132,437)

22. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) an available borrowing facilities to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

30-JUN-21 NON-DERIVATIVES	1 YEAR OR LESS $	BETWEEN 1 & 2 YEARS $	BETWEEN 2 & 5 YEARS $	REMAINING CONTRACTUAL MATURITIES $
NON-INTEREST BEARING				
Trade & sundry payables	755,359	–	–	755,359
Other payables	272,101	–	–	272,101
Lease payables	280,225	368,732		648,957
Total non-derivatives	**1,307,685**	**368,732**	**–**	**1,676,417**

30-JUN-20 NON-DERIVATIVES	1 YEAR OR LESS $	BETWEEN 1 & 2 YEARS $	BETWEEN 2 & 5 YEARS $	REMAINING CONTRACTUAL MATURITIES $
NON-INTEREST BEARING				
Trade & sundry payables	316,732	–	–	316,732
Other payables	334,530	–	–	334,530
Lease payables	420,628	567,568	195,324	1,183,520
Total non-derivatives	**1,071,890**	**567,568**	**195,324**	**1,834,782**

23. DIVIDENDS

No dividends have been paid or declared since the start of the financial year, and none are recommended.

24. CONTINGENCIES

There are no contingent assets or contingent liabilities as at 30 June 2021 (30 June 2020: Nil).

25. SUBSEQUENT EVENTS

There have not been any significant events that have arisen since 30 June 2021 and up to the date of this report that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

26. OTHER ACCOUNTING POLICIES

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all new, revised or amended Accounting Standards that are mandatory for the current accounting period.

Accounting standards and interpretations issued but not yet effective

Relevant Australian Accounting Standards that have recently been issued or amended but which are not yet effective and have not been adopted by the Group for the annual reporting period ended 30 June 2021 are outlined below:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

In January 2020, the AASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.

Group's assessment performed to date:

The Group does not expect there to be a material impact from this amendment.

Directors' Declaration

The Directors of the Company declare that:

(a) The financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, and:

(i) give a true and fair view of the Company's financial position as at 30 June 2021 and its performance for the year ended on that date; and

(ii) comply with Accounting Standard, Corporations Regulations 2001 and other mandatory professional reporting requirements.

(b) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) The Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with international Financial Reporting Standards.

(d) The Directors have been given the declarations by the Managing Director, acting in the capacity of Chief Executive Officer and the Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:

Michael Rennie
Executive Chairman

Melbourne, 30 August 2021

Christy Forest
Chief Executive Officer/Executive Director

Melbourne, 30 August 2021

Independent Auditor's Report

Independent Auditor's Report to the Members of LiveHire Limited

Building a better working world

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Report on the Audit of the Financial Report

Opinion

We have audited the financial report of LiveHire Limited (the Company) and its subsidiary (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2021 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Building a better working world

Capitalisation of development costs

Why significant	How our audit addressed the key audit matter
The Company develops software related to the LiveHire cloud-based Human Resource productivity tool helping employers source and recruit talent. Development costs are capitalised and presented as intangible assets. The carrying value of intangible assets as at 30 June 2021 was $3.5 million representing 16% of total assets with $1.1m capitalised during the year. The measurement of capitalised development costs is based on the time costs associated with individuals employed by the Company for the specific purpose of developing software. Capitalised development costs are amortised once the software is available for use over a useful life of five years. Capitalised development costs was considered to be a key audit matter as product development is core to the Company's operations. This involves judgment to determine whether the costs meet the capitalisation criteria set out in Australian Accounting Standards. Note 11 of the financial report contains the disclosures relating to capitalised development costs.	Our audit procedures included the following: • Assessed key assumptions made in capitalising development costs, including an assessment of whether costs related to the development phase of a project and the generation of probable future economic benefits. • Selected a sample of employee costs recorded within the capitalisation model, agreed the costs to employee timesheets and pay rates and enquired with the Company regarding the development activities that were undertaken. This included interviews with a sample of employees to verify that they were directly involved in developing software. • Assessed managements calculation of the research and development tax rebate and the allocation of this rebate between capitalised costs and operating expenditure. • Assessed the useful life and amortisation rate applied to capitalised development costs. • Assessed the consistency of the capitalisation methodology applied by the Company in comparison to prior reporting periods. • Assessed the adequacy of the disclosures included in Note 11 to the financial report.

Accounting for Share Based Payments

Why significant	How our audit addressed the key audit matter
During the year the Company awarded share-based payments in the form of 2.9 million options, 443 thousand service rights and 5.7 million performance rights to various executives and employees of the Company. These awards and those issued in prior periods vest subject to the achievement of various market based and/or other conditions. The share-based payments expense for the year ended 30 June 2021 was $1.4 million. During the year, the Company also varied the loan agreements for certain loan back shares to extend the loan period resulting in an additional share based payments expense in the Statement of Profit or Loss of $0.1m. Due to the size of the expense and judgmental estimates used in accounting for the share-based payment awards as well as the inclusion of the expense in the disclosed remuneration of Key Management Personnel in the Remuneration Report, we considered the Company's calculation of the share-based payment expense to be a key audit matter.	Our audit procedures included the following: • Assessed the Company's estimated fair value of the awards including the use of an appropriate valuation methodology and inputs. We involved our valuation specialists in undertaking this assessment. • Assessed the additional expense recorded on modification of specific awards including the estimated fair value of the awards before and after modification. • Assessed whether the related expense has been recorded in accordance with the vesting conditions, including probability of meeting non market based vesting conditions. In doing so, we also assessed the Company's judgments in determining the probability of meeting non market based vesting conditions. • Assessed the adequacy of the disclosures in Note 17 of the financial report and the Remuneration Report.

Building a better working world

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2021 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 24-35 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of LiveHire Limited for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

David Petersen
Partner

Melbourne

30 August 2021

Shareholder information

The following information was applicable as at 10 August 2021.

As referred in Section 14. Corporate Governance Statement (under Directors Report).

1. SUBSTANTIAL SHAREHOLDERS

The following holders are registered by LVH as a substantial holder, having declared a relevant interest in accordance with the *Corporations Act 2001* (Cth), in the voting shares below:

HOLDER NAME	DATE OF NOTICE	NUMBER OF ORDINARY SHARES[1]	% OF ISSUED CAPITAL[2]
Antonluigi Gozzi	28 May 2020	24,765,101	8.18%
Michael Haywood	8 August 2019	26,161,555	9.02%
FIL Limited	15 April 2020	28,594,063	9.46%
Patrick Grant Galvin	25 February 2021	14,939,703	5.08%
Telstra Super Pty Ltd	14 December 2017	13,285,195	5.49%

1 As disclosed in the last notice lodged with the ASX by the substantial shareholder.
2 The percentage set out in the notice lodged with the ASX is based on the total issued capital of the Company at the date of interest.

2. NUMBER OF SECURITY HOLDERS

SECURITIES	NUMBER OF HOLDERS
Ordinary Shares	2,159
Unlisted options over ordinary shares (Options)	2
Unlisted performance rights over ordinary shares (Performance Rights)	35
Unlisted service rights over ordinary shares (Service Rights)	5

3. VOTING RIGHTS

SECURITIES	VOTING RIGHTS
Ordinary Shares	Subject to any rights or restrictions for the time being attached to any class or classes at general meetings of shareholders or classes of shareholders: (a) each shareholder is entitled to vote and may vote in person or by proxy, attorney or representative; (b) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and (c) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held, or in respect of which he/she has appointed a proxy, attorney or representative, is entitled to one vote per share held.
Options	Options do not carry any voting rights.
Performance Rights	Performance Rights do not carry any voting rights.
Service Rights	Service Rights do not carry any voting rights.

4. SUMMARISED CAPITAL STRUCTURE AS AT 10 AUGUST 2021

Ordinary Shares

A breakdown of the total share capital of the Company, including all ordinary shares the subject of loan arrangements (Loan Back Shares), is set out below:

HOLDER	SECURITIES	%
Ordinary Shares	266,472,431	90.62%
Loan Back Shares held by Director, Christy Forest [1]	500,000	0.17%
Loan Back Shares held by Director, Antonluigi Gozzi [2]	400,000	0.14%
Loan Back Shares held by previous Director, Adam Zorzi [3]	389,048	0.13%
Loan Back Shares held by previous Director, Grant Galvin [4]	12,212,257	4.15%
Loan Back Shares held by previous Director, Michael Haywood [5]	400,000	0.14%
Loan Back Shares issued to employees [6]	13,678,362	4.65%
Total share capital	**294,052,098**	**100.00%**

1 Issued under the EIP at an issue price of $0.600169 per Loan Back Share and a loan expiry date of 2 October 2022.
2 Issued under the EIP at an issue price of $0.9846 per Loan Back Share and a loan expiry date of 29 November 2021.
3 Issued pre-IPO outside the EIP at an issue price of $0.10103 per Loan Back Share and a loan expiry date of 22 December 2023.
4 In respect of 400,000, issued under the EIP at an issue price of $0.9846 per Loan Back Share and a loan expiry date of 29 November 2021. In respect of 11,812,257, issued pre-IPO outside the EIP at an issue price of $0.060608 per Loan Back Share and a loan expiry date of 22 December 2023.
5 Issued under the EIP at an issue price of $0.9846 per Loan Back Share and a loan expiry date of 29 November 2021.
6 Issued under the EIP at various issue prices, with various issue dates and subject to various vesting conditions.

Options

A breakdown of the total number of Options on issue is set out below:

HOLDER	SECURITIES	%
Options held by Director, Michael Rennie [1]	1,500,000	33.90%
Options held by Director, Christy Forest [2]	2,925,000	66.10%
Total	**4,425,000**	**100.00%**

1 Issued under the EIP with an exercise price of $0.60 per option and an expiry date of 11 December 2023, 1,000,000 Options have vested and 500,000 Options will vest on 4 October 2021.
2 Issued under the EIP with an exercise price of $0.32 per Option and an expiry date of 11 February 2026. The Options will vest on 30 June 2023, subject to Christy Forest remaining employed as at 30 June 2023. The number of Options that will vest will be dependent on the 10-day VWAP of ordinary shares following release of the FY23 Annual Report.

Performance Rights

A breakdown of the total number of Performance Rights on issue is set out below:

HOLDER	SECURITIES	%
Performance Rights held by Director, Michael Rennie [1]	731,250	10.94%
Performance Rights held by Director, Antonluigi Gozzi [2]	562,500	8.42%
Performance Rights issued to employees	5,389,965	80.64%
Total	**6,683,715**	**100.00%**

1 Issued under the EIP. The Performance Rights will vest on 30 June 2023, subject to Michael Rennie remaining employed as at 30 June 2023. The number of Performance Rights that will vest will be dependent on the 10-day VWAP of ordinary shares following release of the FY23 Annual Report.
2 Issued under the EIP. The Performance Rights will vest on 30 June 2023, subject to Antonluigi Gozzi remaining employed as at 30 June 2023. The number of Performance Rights that will vest will be dependent on the 10-day VWAP of ordinary shares following release of the FY23 Annual Report.

4. SUMMARISED CAPITAL STRUCTURE AS AT 10 AUGUST 2021 (continued)

Service Rights

A breakdown of the total number of Service Rights on issue is set out below:

HOLDER	SECURITIES	%
Service Rights held by Director, Christy Forest [1]	171,875	32.80%
Service Rights held by Director, Michael Rennie [2]	96,094	18.34%
Service Rights held by Director, Lesa Francis [3]	81,752	15.60%
Service Rights held by Director, Kathryn Giudes [4]	80,520	15.37%
Service Rights issued to employees	93,750	17.89%
Total	**523,991**	**100.00%**

1 Issued under the EIP and fully vested.
2 Issued under the EIP and fully vested.
3 Issued under the EIP, subject to Lesa Francis remaining a director as at 30 June 2022.
4 Issued under the EIP, subject to Kathryn Giudes remaining a director as at 30 June 2022.

5. DISTRIBUTION SCHEDULE

The distribution schedule for Ordinary Shares is as follows:

SPREAD OF HOLDINGS	HOLDERS	ORDINARY SHARES	% OF TOTAL ORDINARY SHARES
1–1,000	155	62,698	0.02%
1,001–5,000	489	1,473,769	0.50%
5,001–10,000	299	2,417,107	0.82%
10,001–100,000	922	34,267,544	11.65%
100,001–9,999,999,999	294	255,830,980	87.00%
Totals	**2,159**	**294,052,098** [1]	**100.00%**

1 Including all Loan Back Shares as set out above.

The distribution schedule for Options is as follows:

SPREAD OF HOLDINGS	HOLDERS	OPTIONS	% OF TOTAL OPTIONS
1–1,000	0	0	0
1,001–5,000	0	0	0
5,001–10,000	0	0	0
10,001–100,000	0	0	0
100,001–9,999,999,999	2	4,425,000	100.00%
Totals	2	4,425,000	100.00%

5. DISTRIBUTION SCHEDULE (continued)

The distribution schedule for Performance Rights is as follows:

SPREAD OF HOLDINGS	HOLDERS	PERFORMANCE RIGHTS	% OF TOTAL PERFORMANCE RIGHTS
1–1,000	0	0	0
1,001–5,000	0	0	0
5,001–10,000	1	9,259	0.14%
10,001–100,000	19	1,286,207	19.24%
100,001–9,999,999,999	15	5,388,249	80.62%
Totals	**35**	**6,683,715**	**100.000%**

The distribution schedule for Service Rights is as follows:

SPREAD OF HOLDINGS	HOLDERS	SERVICE RIGHTS	% OF TOTAL SERVICE RIGHTS
1–1,000	0	0	0
1,001–5,000	0	0	0
5,001–10,000	0	0	0
10,001–100,000	4	352,116	67.20%
100,001–9,999,999,999	1	171,875	32.80%
Totals	**5**	**523,991**	**100.000%**

6. HOLDERS OF NON-MARKETABLE PARCELS

DATE	CLOSING PRICE OF SHARES	NUMBER OF HOLDERS
10 August 2021	$0.38	182

7. TOP 20 SHAREHOLDERS

The top 20 largest fully paid ordinary shareholders together hold 58.08% of the securities in this class and are listed below:

RANK	HOLDER NAME	SECURITIES	%
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	37,041,491	12.60%
2	MR MICHAEL HAYWOOD <HAYWOOD FAMILY A/C>	24,735,396	8.41%
3	ENDEAVOUR VOYAGER PTY LTD <VOYAGER A/C>	22,980,780	7.82%
4	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	15,018,988	5.11%
5	MR PATRICK GRANT GALVIN	12,212,257	4.15%
6	UBS NOMINEES PTY LTD	10,486,048	3.57%
7	CITICORP NOMINEES PTY LIMITED	8,729,060	2.97%
8	MR RICHARD SMITH	7,935,000	2.70%
9	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	3,977,928	1.35%
10	MR MATT RYAN	3,797,590	1.29%
11	MR BENJAMIN DAVID HAWTER <HAWTER INVESTMENTS A/C>	3,004,464	1.02%
12	DARNOLD HOLDINGS PTY LTD <MIT A/C>	3,000,000	1.02%
13	SHOREBROOK PTY LIMITED <NO FEE A/C>	2,780,000	0.95%
14	MS CHRISTY FOREST	2,742,190	0.93%
15	R & JS SMITH HOLDINGS PTY LTD <R & JS SMITH SUPER FUND A/C>	2,450,000	0.83%
16	MR MICHAEL WAYNE RENNIE	2,378,948	0.81%
17	NATIONAL NOMINEES LIMITED	2,250,801	0.77%
18	MR HENRY ADRIAN LUDSKI	1,850,000	0.63%
19	KAWAII INVESTMENTS PTY LTD <KAWAII WIPFLI FAMILY A/C>	1,815,836	0.62%
20	MR ALASTAIR IAN SCHIRMER	1,590,872	0.54%
	TOTAL	**170,777,649**	**58.08%**

8. COMPANY DETAILS

Company secretary: Charly Duffy

Registered Address: Level 10/461 Bourke Street, Melbourne VIC 3000

Telephone: 03 9021 0657

Address of where the register is kept: Automic Group Registry Services, Deutsche Bank Place, Tower Level 5/126 Phillip Street, Sydney NSW 2000

Telephone of where the register is kept: 1300 288 664

Other stock exchange where the entities equity securities are quoted: N/A

9. ESCROWED SECURITIES

There are no shares on issue that are subject to voluntary escrow restrictions or mandatory escrow restrictions under ASX Listing Rules Chapter 9.

However, the following securities (being 50% of the respective securities issued to each person) (or any Ordinary Shares issued on exercise or conversion of such securities) issued under the Company's employee incentive plan (EIP) must not be sold or otherwise disposed of until the earlier of:

(A) to the extent that the securities have been exercised or converted into Ordinary Shares, 15 years from the date of issue of the securities; or

(B) the date on which the relevant person ceases employment or ceases to hold office (as applicable) with the Company:

HOLDER	SECURITIES
OPTIONS	
Options held by Director, Christy Forest	1,462,500
Total	**1,462,500**
PERFORMANCE RIGHTS	
Performance Rights held by Director, Michael Rennie	365,625
Performance Rights held by Director, Antonluigi Gozzi	281,250
Performance Rights issued to employees	980,122
Total	**1,626,997**
SERVICE RIGHTS	
Service Rights held by Director, Christy Forest	85,937
Service Rights held by Director, Michael Rennie	48,047
Service Rights held by Director, Lesa Francis	40,876
Service Rights held by Director, Kathryn Giudes	40,260
Service Rights issued to employees	46,875
Total	**261,995**

10. UNQUOTED SECURITIES

The following Options are on issue:

CLASS	DATE OF ISSUE	DATE OF EXPIRY	EXERCISE PRICE	NUMBER OF OPTIONS
Unlisted Options (subject to vesting conditions)	11/12/2019	11/12/2023	$0.60	1,500,000
Unlisted Options (subject to vesting conditions)	11/02/2021	11/02/2026	$0.32	2,925,000
				4,425,000

There are no holders outside of EIP that hold more than 20% of the Options on issue.

11. PERFORMANCE RIGHTS

- There is a total of 6,683,715 unlisted Performance Rights on issue.
- The number of Performance Right holders is 35.
- The Performance Rights carry no dividend or voting rights.
- There are no holders outside of the EIP that hold more than 20% of the Performance Rights on issue.

12. SERVICE RIGHTS

- There is a total of 523,991 unlisted Service Rights on issue.
- The number of Service Right holders is 5.
- The Service Rights carry no dividend or voting rights.
- There are no holders outside of the EIP that hold more than 20% of the Service Rights on issue.

13. SHARE BUY-BACKS

There is no current on-market buy-back scheme.

Glossary of terms

ABBREVIATION	DEFINITION
AASB	Australian Accounting Standards Board
AI	Artificial intelligence
ARR	Annualised recurring revenue
ARRPC	Annualised recurring revenue per client
ASX	Australian Securities Exchange Limited
ATO	Australian Taxation Office
BI	Business intelligence
Corporations Act	*Corporations Act 2001* (Cth)
EBITDA	Earnings before interest, tax, depreciation and amortisation
ECL	Expected credit loss
EIP	Employee incentive plan
EY	Ernst & Young
Finance	Senior finance executives
GST	Goods and Services Tax
HRIS	Human resource information system
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
KMP	Key management personnel
LiveHire, LVH	LiveHire Limited
MSP	Managed service provider
NRR	Net Retention Rate
PCS	Post-contract support service
RPO	Recruitment process outsourcing
SaaS	Software as a service
SI	System implementer
TCCs	Talent community connections
the Act	*Corporations Act 2001* (Cth)
the Board	Board of directors
the Company	LiveHire Limited

Corporate directory

DIRECTORS AND OFFICERS

Michael Rennie
Executive Director and Chairman

Christy Forest
Chief Executive Officer and Executive Director

Antonluigi Gozzi
Executive Director

Adam Zorzi
Non-Executive Director (resigned 9 September 2020)

Reina Nicholls
Non-Executive Director (resigned 22 June 2021)

Rajarshi Ray
Non-Executive Director (appointed 9 September 2020)

Lesa Francis
Non-Executive Director (appointed 22 June 2021)

Simon Howse
Interim Chief Financial Officer (resigned 28 August 2020)

Ben Brooks
Chief Financial Officer (appointed 12 October 2021)

Charly Duffy
Company Secretary

PRINCIPAL REGISTERED OFFICE

Level 10, 461 Bourke Street
Melbourne VIC 3000

T: +61 (03) 9021 0657
Website: www.livehire.com

DOMICILE AND COUNTRY OF INCORPORATION

Australia

AUSTRALIAN BUSINESS NUMBER

ABN 59 153 266 605

AUDITORS

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000

Website: www.ey.com/au

SHARE REGISTRY

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

Website: www.automic.com.au

SECURITIES EXCHANGE

Australian Securities Exchange Limited (**ASX**)
ASX Code – LVH (Ordinary Shares)

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livehire.com