



AGM Presentation

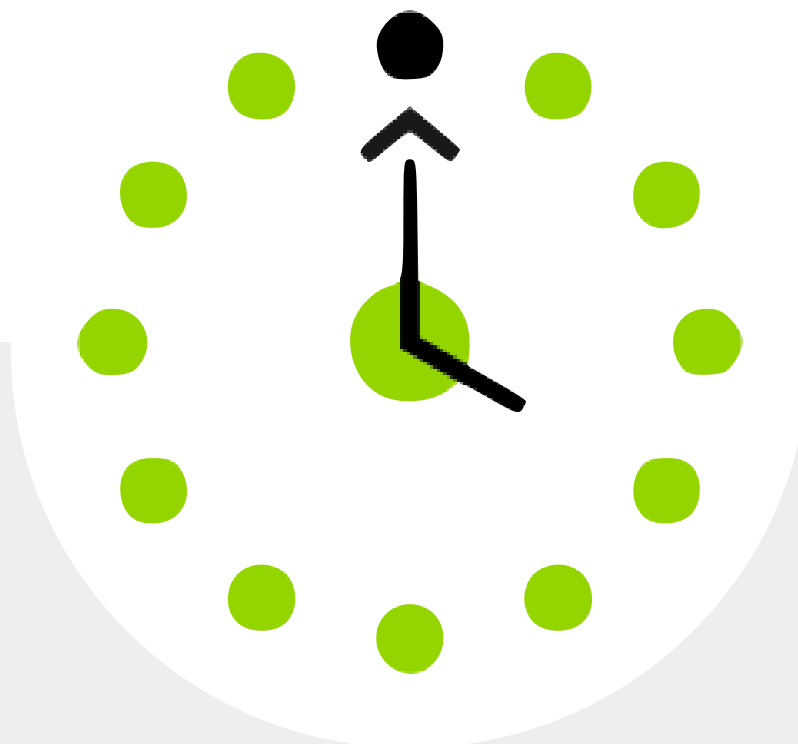
November 2018

(Updated September 2018 Presentation)

The current measure is revenue but the goal is profitability

An update on key business metrics that drive our global growth and profitability.

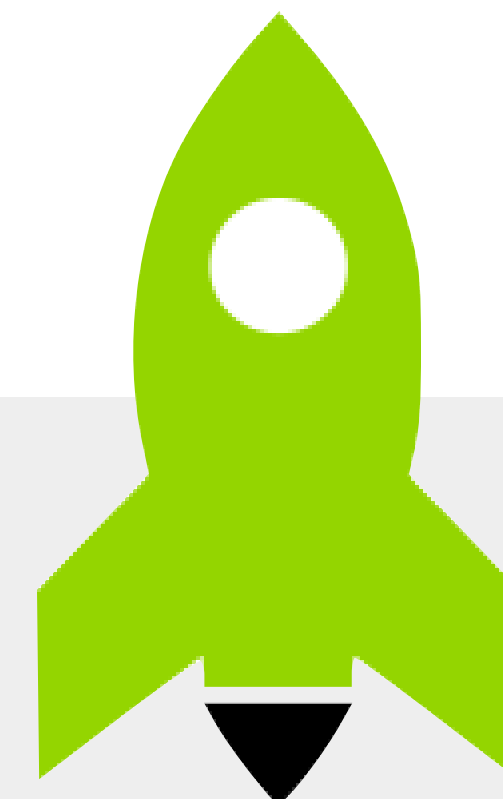
HISTORY SNAPSHOT



KEY METRIC UPDATE



FUTURE OPPORTUNITY



The traditional task of collecting reference checks on new hires is broken.

We re-invented it.

Xref History Snapshot

	Private Company			Publicly Listed (8th Feb 2016)		
	FY13	FY14	FY15	FY16	FY17	FY18
Total Staff	1	2	4	25	53	65
Overseas Staff	0	0	0	6	10	13
Global Offices	0	1	1	3	3	4
Direct Clients	2	7	49	170	394	780
Sales	0.025m	0.25m	0.67m	1.7m	4.1m	7.1m
International Sales	-	-	-	1%	9%	13%
Countries using Xref platform	-	-	85	128	161	192
Languages Offered	1	1	1	1	7	12
Channel Partner Integrations	0	0	0	1	5	13

XREF

English (UK) ▾

Tell Us Your History STEP 2 OF 3

Complete your work history with the following requirements:

- Minimum 1 Referee
- Cover the last 3 years

Please ensure that there are no gaps of more than 4 weeks

Start date
dd/mm/yyyy

End date
dd/mm/yyyy

Type

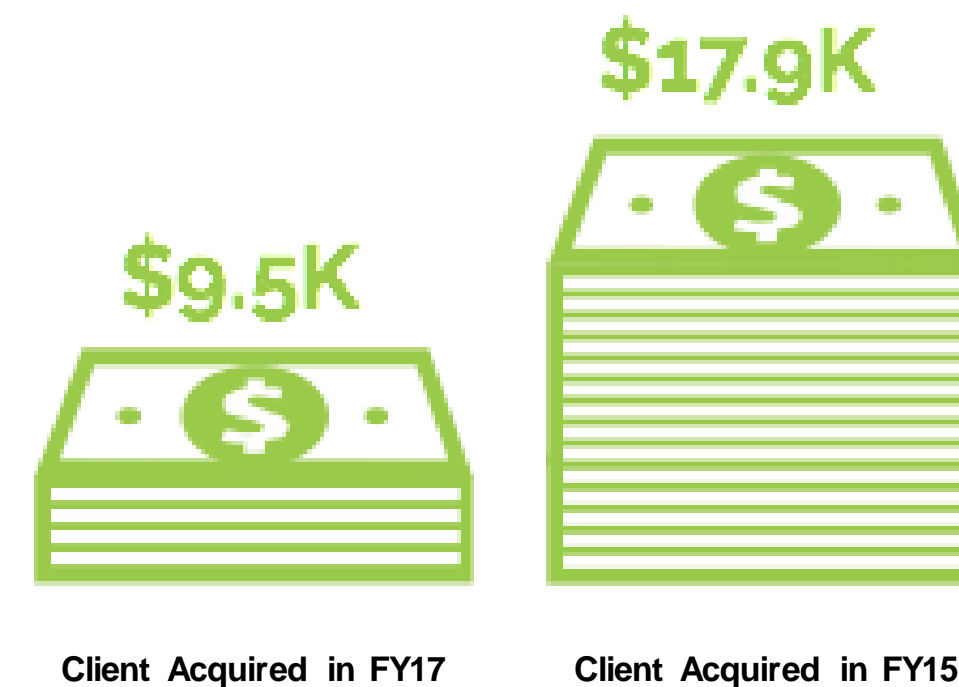
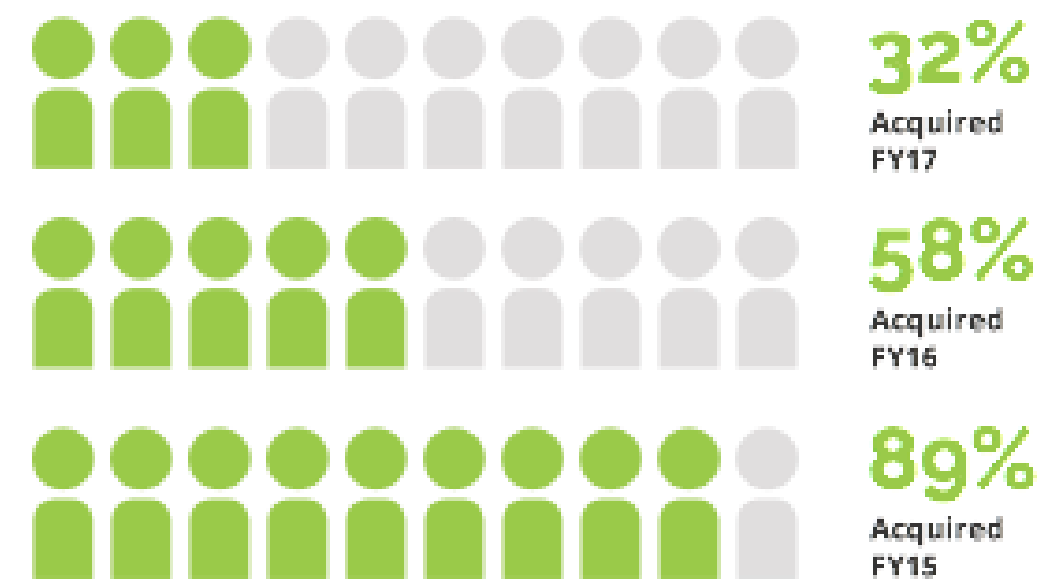
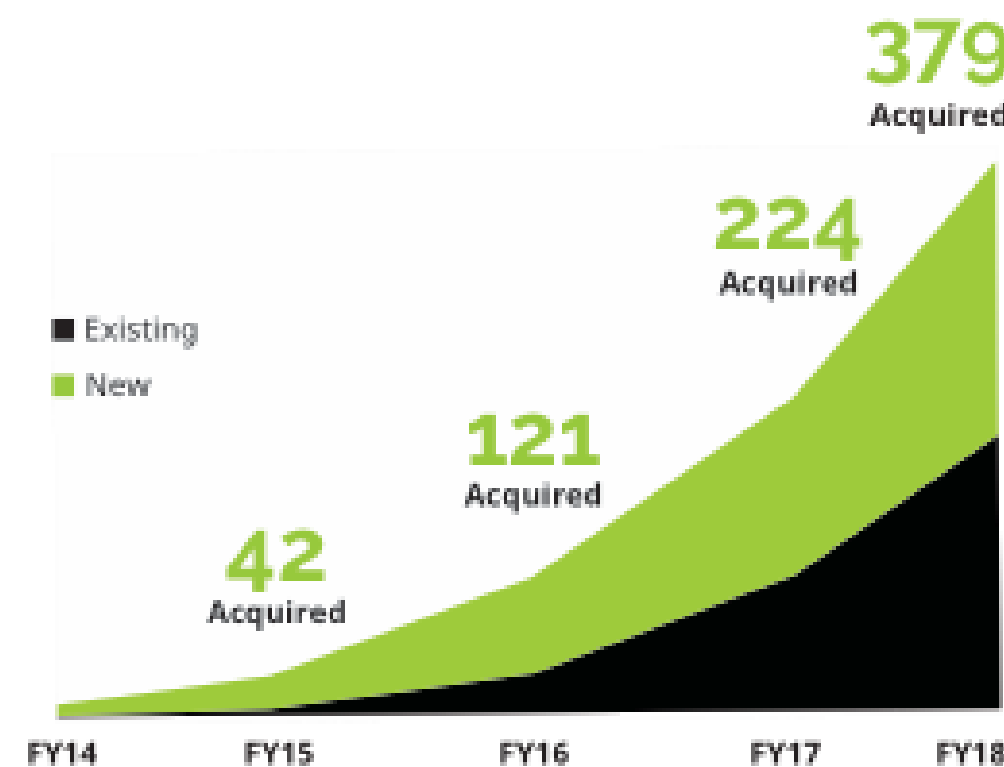
ADD

MAY 2014 MAY 2017

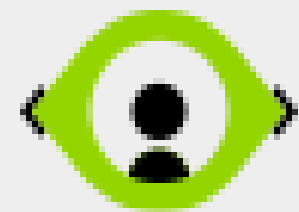
Add entry to cover gap

ACME Ent

Key Metrics Update As at end of FY18



Client Acquisition



Client acquisition continued to strengthen and at 30 June 2018, more than 750 direct paying clients were using our services globally. Use of integrations to access Xref also more than doubled in the final quarter of FY18 alone and at the end of the financial year 136 clients use our platform through channel partners.

Client Adoption



Adoption is the percentage of the client's total hiring requirement that is being referenced through Xref. The adoption rate for newly acquired clients is 29% in their first year. For clients in their second, third and fourth years adoption rates have grown to 32%, 58% & 89% respectively. Overall client adoption was 38% at the end of the financial year.

ARPA Annual Revenue per Account

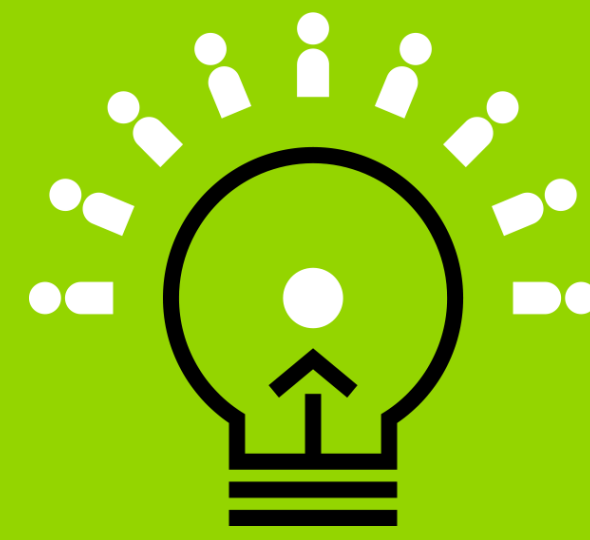


New clients acquired during FY18 contributed an ARPA of \$8.4k, while for clients in their second, third and fourth year their ARPA has grown to \$9.5k, \$12.5k and \$17.9k respectively.

Measuring our success is simple. Now and into the future.

In February 2018 we released our Key Metrics presentation. Since then every piece of communication to our shareholders has provided an update on our key metrics.

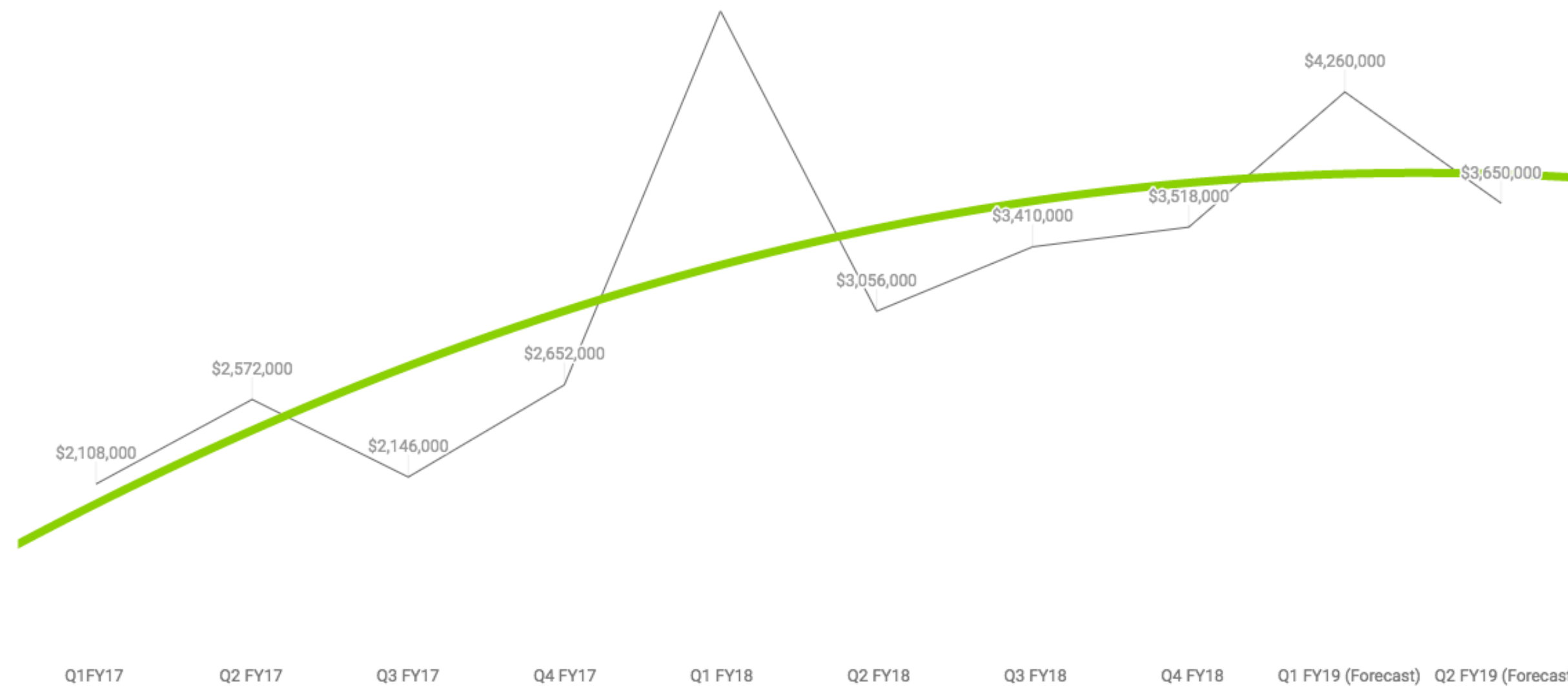
[Key Metrics Presentation](#)



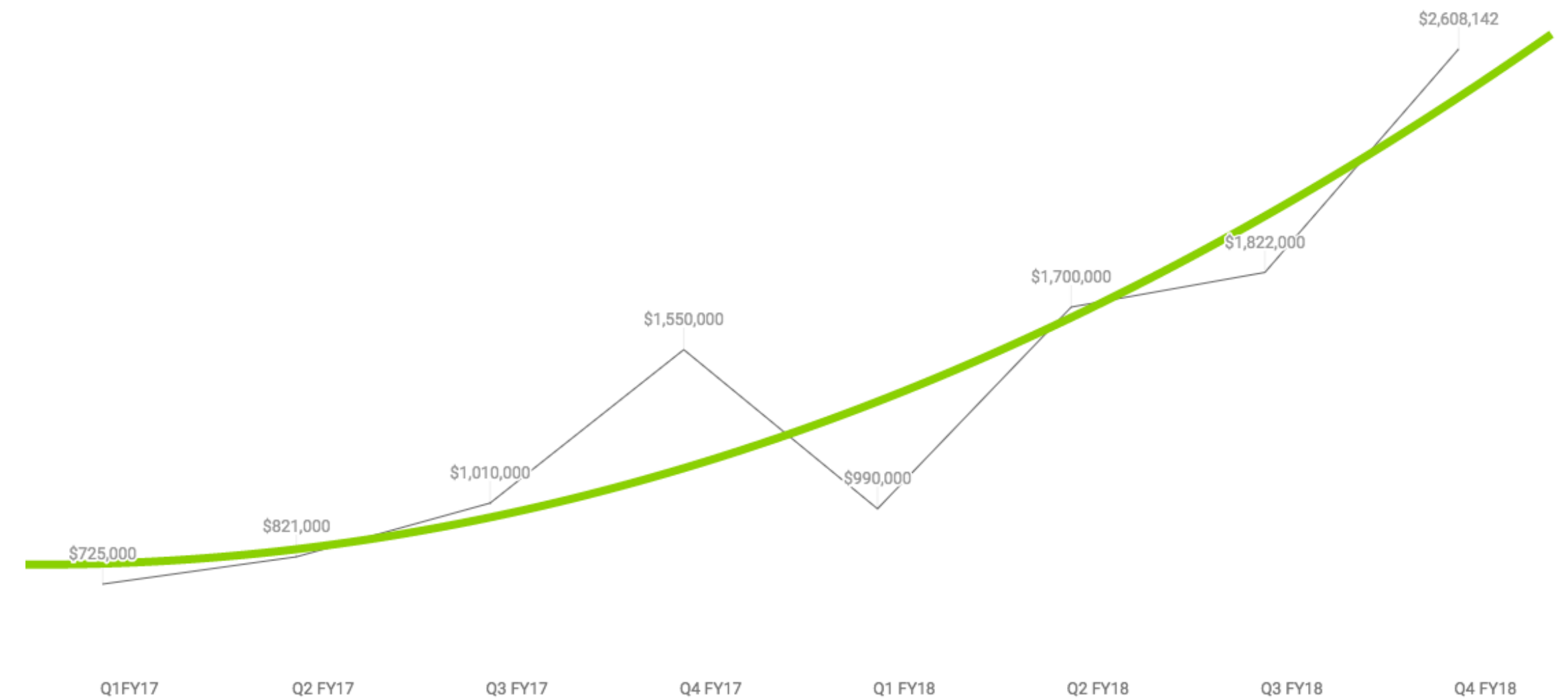
Q: Can revenues continue to grow without increasing costs?

Yes.

Costs Flattening



Growing Sales Revenue



Q1 FY 2019 Update

Q1 Acquisition

+100

Xref acquired 103 new clients. Numbers of direct clients grew to more than 850, while overall retention rates remained at 94%.

Q1 Adoption

36%

Xref credits purchased by the 103 newly acquired clients in Q1 were used across 36% of their total hires.

Q1 ARPA

\$12k

Clients acquired before FY19 contributed, on average, \$12,218 during Q1, an increase of 32% since ARPA was first recorded in January 2018.

Q1 Sales

+100%

Credit sales reached \$2.0 million, up 100% from \$1.0 million in Q1 FY18. Q1 FY19 sales to clients using Xref via integrations were \$0.3 million, 16% of the total.

Q1 Usage

+86%

Usage reached \$1.7 million, up 86% from \$0.9 million in Q1 FY18. Credits used via an integration totalled \$0.3 million, a fourfold increase on Q1 FY18.

Q2 Expense Forecast

\$3.7m

Expenses for Q1 were \$4.3 million. Q2 expenses are estimated at \$3.7 million. Xref has a four-week payroll period and four cycles occurred in Q1 FY19.

ISO Certification

27001



A global standard on data security that validates platform security, data privacy and accessibility.

Awards

50 | Technology **Fast 50**
2018 AUSTRALIA
Deloitte.

Xref ranked 22nd in Deloitte's list of top 50 fastest growing technology companies in Australia.

Capital Raising

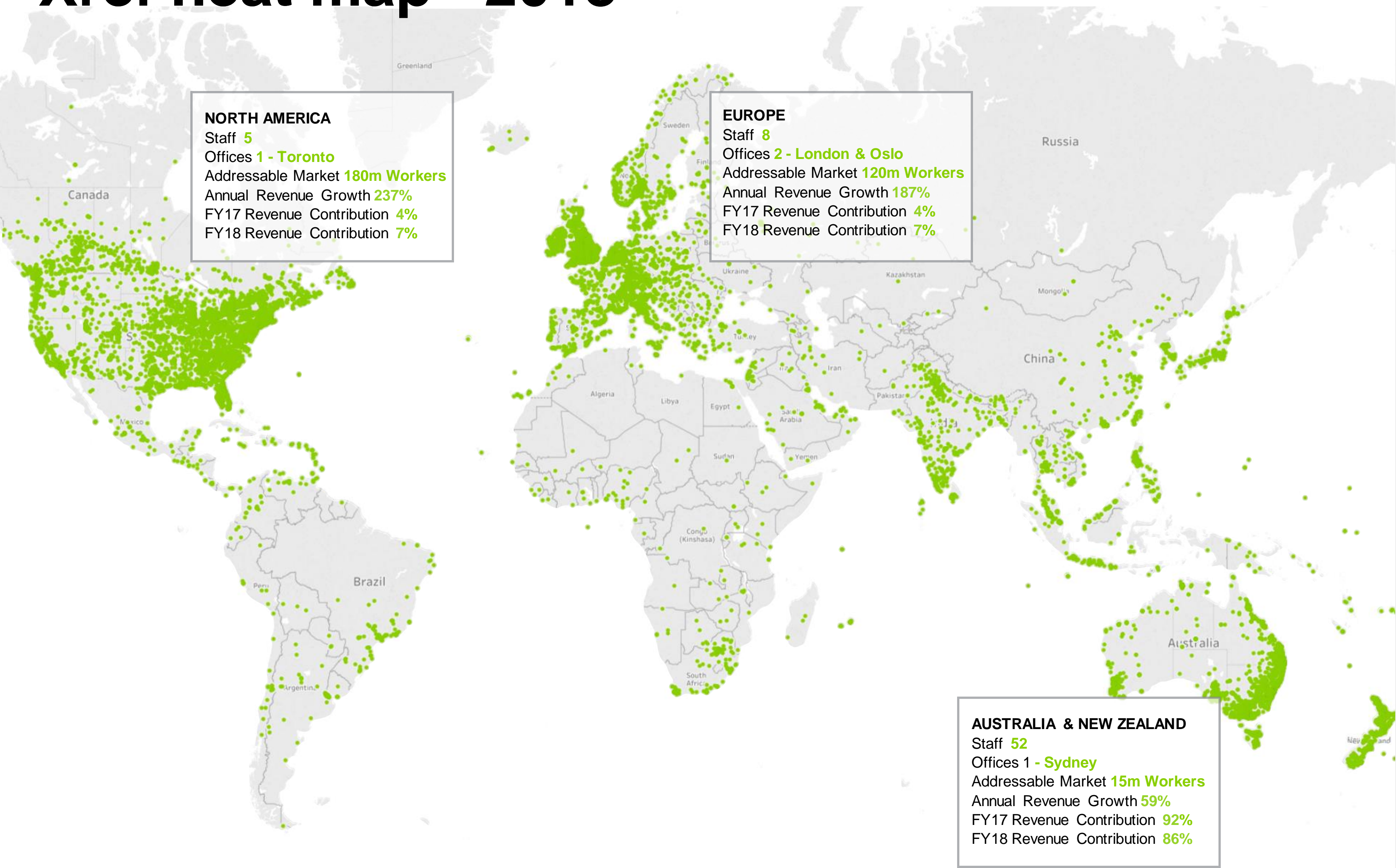
+\$8m

Successful \$8 million capital raising, including new cornerstone institution, increases cash on hand to \$12 million.

XREF

**We are focused on
opportunities that will
accelerate profitability.**

Xref heat map - 2018

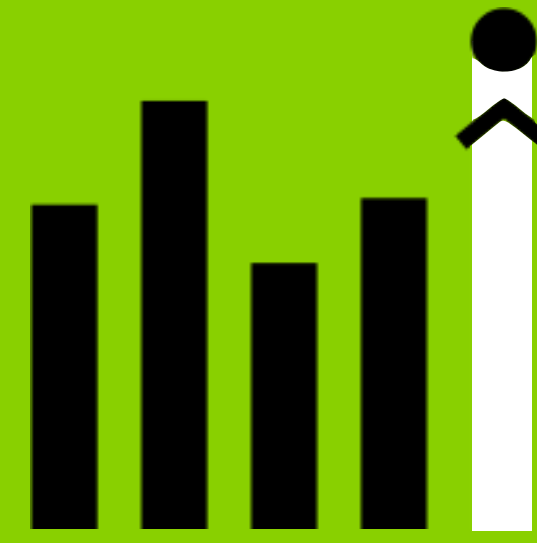


**Global means
bigger clients
in bigger
markets.**

The average size of an Xref client in Australia is 1600 employees. With average employee attrition rates of 15%, these businesses will hire 240 people a year.

Enterprise clients in North America and Northern Europe are much larger and Xref now has the opportunity to grow its ARPA and market share faster.

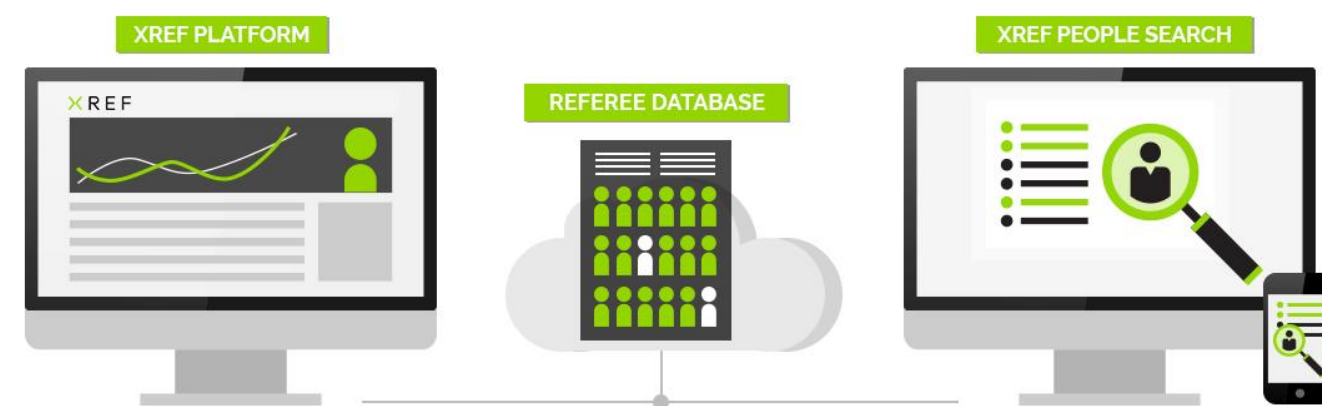
Map showing platform usage from employers, candidates and referees across the globe.



Innovative new services increasing ARPA and margins

People Search

Xref People Search is a standalone analytics platform that will help users search and filter the referee data that is already held in their Xref account. Xref People Search is the latest in a line of solutions to improve the value Xref offers users and increase Average Revenue Per Account (ARPA).



Channel Growth

One of Xref's key growth strategies is to enter into joint marketing activities with partners. These partner companies currently employ more than 10,000 support staff and support more than 50,000 organisations. Sales from integrated clients represented 24% of revenue in FY18.



Additional Checks

Xref's platform offers additional checking services, including credit, criminal, driver and identity checks through Checkr in the US and Canada, and Equifax/Fit2Work in Australia.



We land and expand.

78% of our clients were acquired in the last 2 years.

The majority of our clients have joined us within the last 2 years and present one of our largest opportunities for growth.

Our ability to scale provides the opportunity to continually grow clients and revenues time and time again.

With increased **client acquisition, adoption and ARPA** Xref has a clear view of the horizon, and it looks bright.

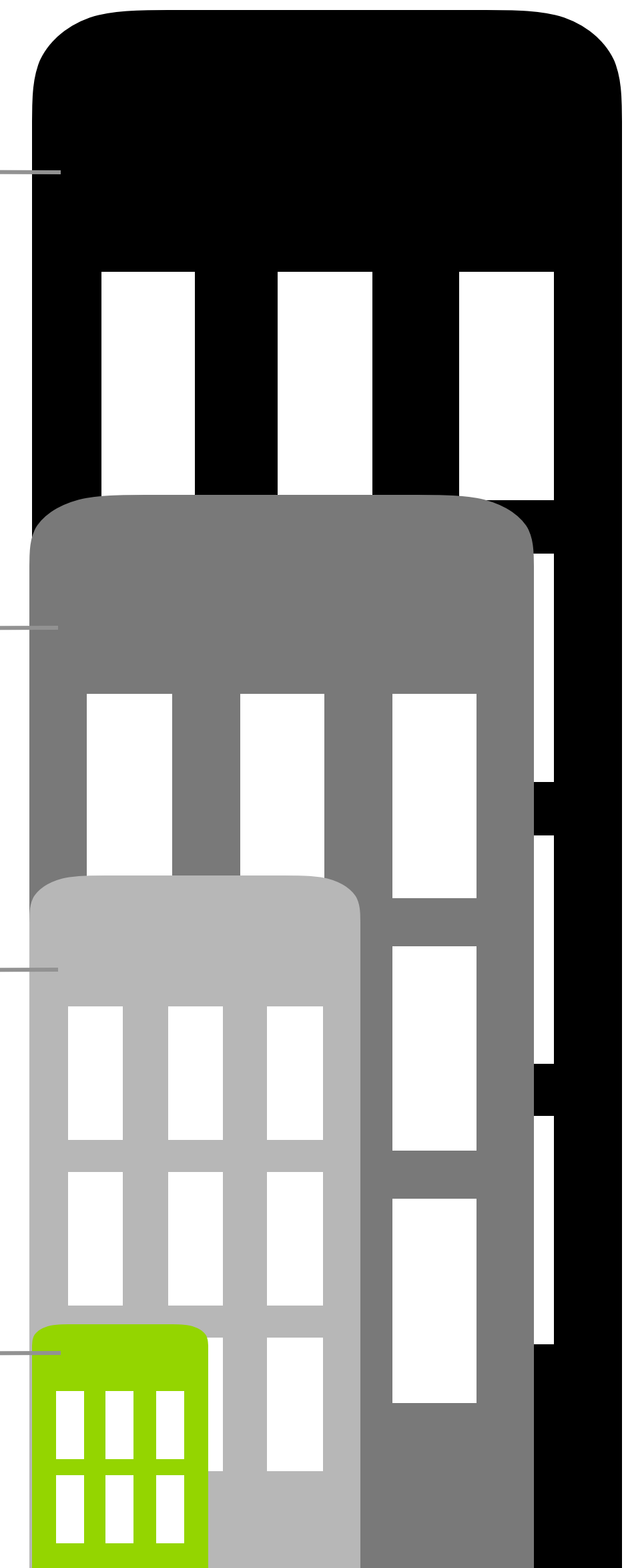


Increase in
ARPA

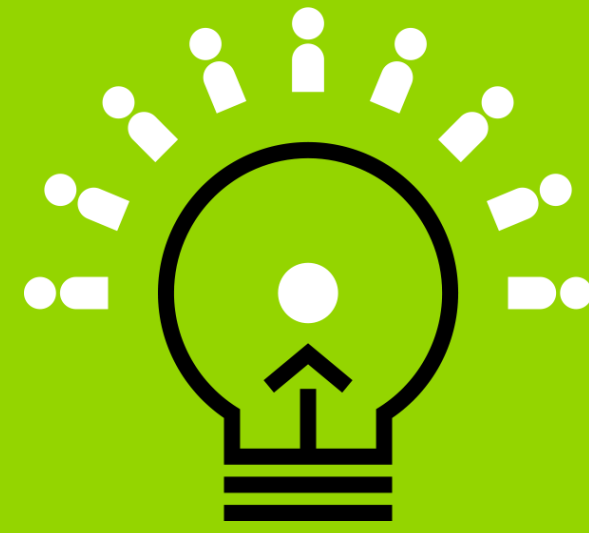
Increase in
**overall client
adoption**

Increase in
**client
acquisition**

Today
**+780* direct clients
at \$10k ARPA and
38% adopted**



*as at 30 June 2018; excludes non direct clients included within RPO and Channel Partners



Today we acquire new clients in an average of 42 days - from lead to paid.

Q: In 2019 can we do it in 1 day?



Sales Cycle Progress

FY17

97

SALES CYCLE DAYS

FY18

65

SALES CYCLE DAYS

Q4 FY18

42

SALES CYCLE DAYS

Q1 FY19

33

SALES CYCLE DAYS

FY19

1

SALES CYCLE DAY

- ✓ Lead Generated
- ✓ Lead Converted
- ✓ Account Provisioned
- ✓ Requested Xref
- ✓ Xref Reports Delivered
- ✓ Recognised Revenue

X R E F

**With Xref, clients make smarter,
more confident hiring decisions.**

xref.com

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The Xref story

Xref brings ease, security and value to the candidate reference checking process. Via an online, automated platform, it delivers the data-driven candidate insights organisations need to make smart, fast and confident hiring decisions.

The customer-centric solution and team enable the flexibility and scalability Xref's global clients require to hire the best talent, quickly. Xref was the vision of Lee-Martin Seymour, a frustrated recruitment professional, and Tim Griffiths, an MBA-qualified technologist who teamed up to improve an archaic process that had been conducted in the same way for decades but was no longer consistently delivering on its purpose. To validate the suitability of a candidate.

With passion, ambition and drive, the Xref concept was born.

After launching in Sydney in 2011, Lee and Tim spent five years perfecting the solution for the domestic market. The strength of the platform today was formed from that initial development and growth period.

Xref listed on the ASX in early 2016 and has since expanded into three additional offices. These allow the company to support more than 780* organisations across APAC, EMEA and North America, with the flexibility of the product architecture enabling solutions tailored to the needs and demands of each market.

* as at 30 June 2018: 780 Organisations include non direct clients included within RPO and Partner clients



**780+ Direct
Clients**



**4 Global
Offices**



**Used in 192
Countries**



**13 Channel
Integrations**

[Xref customer stories](#)

The solution

Xref puts candidates in the driving seat, offering them transparency and the opportunity to manage the progress of their references.

This candidate-driven approach, coupled with the online nature of the solution, delivers improved efficiency, while collecting more data, protecting clients from the threat of fraud and reducing the risk of any data and discrimination breaches.

The Xref process is completed in three simple steps:

- > One: a recruiter or hiring manager spends 30 seconds requesting a reference and the candidate confirms referee details via the Xref platform.
- > Two: the referee provides feedback online via any device at time that suits them, usually within 24-32 hrs.
- > Three: the employer has access to a secure, detailed analysis of the reference feedback, which consists of 60% more data than traditional approaches are able to gather.

The result: employers are able to make smarter, faster and more confident hiring decisions, based on a greater volume of more insightful data.

Watch the
Xref video



The image shows a smartphone screen displaying the Xref app interface. At the top, the 'XREF' logo is visible. Below it, the text 'Tell Us Your History' is followed by 'STEP 2 OF 3'. A sub-header reads 'Complete your work history with the following requirements:'. Two requirements are listed in green-bordered boxes: 'Minimum 1 Referee' and 'Cover the last 3 years'. Below these, a note states 'Please ensure that there are no gaps of more than 4 weeks'. The form contains three input fields: 'Start date' (placeholder 'dd/mm/yyyy'), 'End date' (placeholder 'dd/mm/yyyy'), and 'Type' (placeholder '---'). An 'ADD' button is positioned below the 'Type' field. At the bottom of the screen, a timeline shows 'MAY 2014' and 'MAY 2017' with a green bar between them. A dashed box contains the text 'Add entry to cover gap'. The bottom of the screen shows 'ACME Ent'.



Our business model

1. When Xref's clients purchase credits (**Credit Sales**) to use the Xref platform, the value of their purchases is recognised as unearned income (**Unearned Income**).
2. When they pay for the credits, the cash is recognised as cash receipts (**Cash Receipts**).
3. Once the credits are used by the client (**Usage**), Xref recognises the value of the credits used as revenue (**Recognised Revenue**).

Capital structure (at 27th November 2018)

164m

Quoted Shares

\$82m

Market Capitalisation at 50c

TOP 5 SHAREHOLDERS

30.9m

SQUIRREL HOLDINGS
AUSTRALIA PTY LTD

Timothy Griffiths

30.9m

WEST RIDING INVESTMENTS
PTY LTD

Lee-Martin Seymour

29.2m

HSBC CUSTODY
NOMINEES (AUSTRALIA)
LIMITED

13.0m

J P MORGAN
NOMINEES (AUSTRALIA)
LIMITED


4.6m

CS THIRD
NOMINEES PTY LTD

Performance Rights of 16.7 million will convert in line with the following milestone:

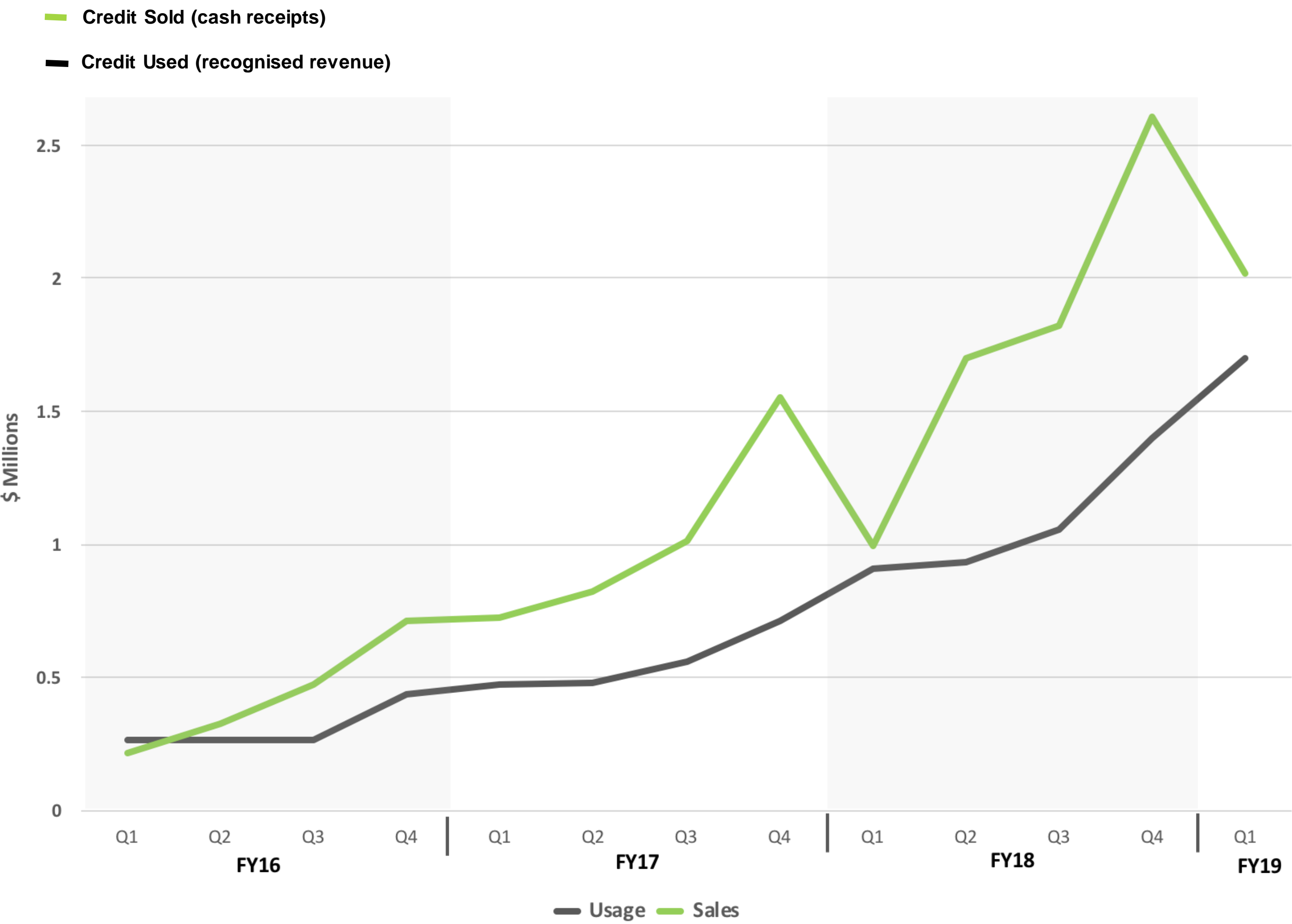
Milestone : 16.7m Performance Rights will vest once Xref achieves annualised EBITDA of A\$5m within 5 years from Listing

13.5 million options, with 2.0m at \$0.23 exercise price, 0.9 million at \$0.585 exercise price, 0.2m at \$0.66 exercise price and 10.4m at \$0.70 exercise price, which expire between Feb 2019 and Feb 2023



**Focus on capability,
performance and growth
delivering value to our
clients, staff and investors**

Credit sales & usage history



Consecutive sales and usage records for three years

Sales of Xref credits increased more than 70% year-on-year to a record \$7.1 million in FY18, up from \$4.1 million in FY17. Credit usage increased 63%, rising to \$4.8 million from \$2.9 million.

[FY 2018 Annual Report](#)

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