

17 June 2019

INTELLIHR CAPITAL RAISING

Highlights

- intelliHR has successfully undertaken a \$3 million placement
- Issue price of \$0.075, being a 18.5% discount to the last close of \$0.092 on the ASX
- Funds raised will be used for ongoing R&D and product enhancement, investment in sales and marketing to expand growth pipeline, and for working capital

intelliHR Holdings Limited (ASX:IHR) is pleased to announce it has successfully undertaken a \$3 million placement to institutional and sophisticated investors at an issue price of \$0.075 per share.

Funds raised under the capital raising will be used for:

- Ongoing R&D and product enhancement
 - Platform enhancements to improve ability to integrate additional modules to create a complete people solution for customers
 - Continuing investment in analytics, natural language processing and reporting functionality to maintain and widen product advantage over competition
- Investment in domestic and international sales and marketing to expand growth pipeline
 - Targeting run rate of 4 new customers per sales person per month
 - Current sales team approaching capacity given growth in current lead generation pipeline
 - New sales staff to be brought on-line as required to meet growth opportunities
- General working capital to enable ongoing execution of business strategy
 - Continue to grow customer base to increase headcount beyond 9,000 contracted users
 - Global expansion strategy

The issue price represents a discount of:

- 18.5% discount to the last close of \$0.092 on 12 June 2019
- 23.4% discount to the 15-day VWAP of \$0.098
- 22.0% discount to the 30-day VWAP of \$0.096

The capital raising consists of a placement of 40,000,000 fully paid ordinary intelliHR shares (**Shares**) to institutional and sophisticated investors, who are unrelated parties (**Placement**). The Placement will be completed in two Tranches. Tranche one, comprising 18,852,876 Shares, will be issued without shareholder approval using the Company's existing capacity under Listing Rule 7.1 and 7.1A, with completion expected to occur on 25 June 2019. Tranche two, comprising 21,147,124 Shares will be issued following shareholder approval. An Extraordinary General Meeting (**EGM**) to approve the issue of Tranche two shares is anticipated to be held on 29 July 2019, with settlement to occur shortly thereafter

Morgans Financial Limited acted as Lead Manager for the Placement.



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Signed for and on behalf of intelliHR Holdings Limited:

A handwritten signature in black ink, appearing to read "S. Yeates".

Suzanne Yeates

Company Secretary
intelliHR Holdings Limited

About intelliHR

intelliHR is an Australian HR technology business developing and currently marketing a next-generation cloud-based people management and data analytics platform. Delivered to customers by a SaaS business model, it is disruptive and advanced technology leveraging AI specifically Natural Language Processing in the application. It is scalable to a global market and is industry agnostic. For more information visit www.intellihr.com.au.

