

# Entitlement Offer Booklet

**IntelliHR Limited (ACN 600 548 516)**

1 for 5 pro rata non-renounceable entitlement offer at \$0.075 per New Share to raise up to approximately \$3 million.

The Entitlement Offer closes at 5.00pm (AEST) on 4 September 2020 (unless extended). Valid applications must be received before that time.

The Entitlement Offer is fully underwritten by the Slattery Family Trust, an entity associated with Bevan Slattery, and Colinton Capital Partners Fund I (A) Trust.

This is an important document which is accompanied by an Entitlement and Acceptance Form and both should be read in their entirety. This document requires your immediate attention. Please call your broker, professional adviser or the Offer Information Line if you have any questions. This document is not a prospectus. This document does not contain all of the information that an investor may require to make an informed investment decision regarding the New Shares offered by this document. The New shares offered by this document should be considered speculative.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

### Important Notice

This Offer Booklet is dated 14 August 2020 and was lodged with ASX on that date. The ASX does not take any responsibility for the contents of this Offer Booklet. Capitalised terms in this section have the meaning given to them in this Offer Booklet.

The Entitlement Offer is being made without a prospectus under section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). This Offer Booklet does not contain all of the information which a prospective investor may require to make an informed investment decision. The information in this Offer Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Offer Booklet is important and should be read in its entirety before deciding to participate in the Entitlement Offer. This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC.

The Company may make additional announcements after the date of this Offer Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration about whether you should participate in the Entitlement Offer.

No party other than the Company has authorised or caused the issue of this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Offer Booklet.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Offer Booklet and you have acted in accordance with and agree to the terms of the Entitlement Offer detailed in this Offer Booklet.

As at the date of this Offer Booklet, the Company has complied with:

- the provisions of chapter 2M of the Corporations Act, as they apply to the Company; and
- section 674 of the Corporations Act.

As at the date of this Offer Booklet, the Company is not aware of any excluded information of the kind which would require disclosure in this Offer Booklet pursuant to subsections 708AA(8) and (9) of the Corporations Act.

### International offering restrictions

This Offer Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. In particular, this Offer Booklet does not constitute an offer to Ineligible Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States.

This Offer Booklet is not to be distributed in, and no offer of New Shares is to be made in countries other than Australia or New Zealand. The distribution of this Offer Booklet (including an electronic copy) in other jurisdictions may be restricted by law and therefore persons who come into possession of this Offer Booklet should seek advice on and observe these restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares, or

otherwise permit the public offering of the New Shares, in any jurisdiction outside Australia or New Zealand.

### New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand). This document has not been registered, filed with or approved by a New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

### Definitions, currency and time

Defined terms used in this Offer Booklet are contained in section 8. All references to currency are to Australian dollars and all references to time are to AEST, unless otherwise indicated.

### No representations

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer which is not contained in this Offer Booklet. Any information or representation in connection with the Entitlement Offer not contained in the Offer Booklet may not be relied upon as having been authorised by the Company or any of its officers.

### Past performance

Investors should note that the Company's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including the Company's future financial position or share price performance.

### Future performance

This Offer Booklet contains certain forward-looking statements with respect to the financial condition, results of operations, projects and business of the Company and certain plans and objectives of the management of the Company. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither the Company, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, those forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of the Company. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Offer Booklet in light of those disclosures.

### Risks

Refer to the 'Risk factors' under the Investor Presentation in section 5 of this Offer Booklet for a summary of general and specific risk factors that may affect the Company.

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### 1 SUMMARY OF THE CAPITAL RAISING AND CAPITAL STRUCTURE

Shares (approx.)	Number of Shares	%
Existing Shares on issue as at the Record Date (including Shares issued under Tranche 1 the Placement on 10 August 2020)	204,104,096	73.68
Entitlement Offer at \$0.075 per New Share	40,820,819	14.74
Tranche 2 of the Placement at \$0.075 per Share (subject to Shareholder approval)	30,601,377	11.05
Shares to be issued to the Director Mr Robert Bromage (subject to Shareholder approval)	1,500,000	0.54
<b>Total</b>	<b>277,026,292</b>	<b>100</b>
Amount raised under Entitlement Offer and the Placement (before costs)	\$5,561,561	N.A

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### 2 KEY DATES

Activity	Date
Record Date of the Entitlement Offer	11 August 2020
Offer Booklet and Entitlement and Acceptance Form despatched	14 August 2020
Entitlement Offer opens	
Closing date for the Entitlement Offer (5.00pm (AEST))	4 September 2020
Announcement of results of the Entitlement Offer	9 September 2020
Issue of New Shares under the Entitlement Offer	10 September 2020
Normal ASX trading for New Shares commences	11 September 2020
Despatch of holding statements for New Shares issued	

This timetable is indicative only and subject to change, subject to the Listing Rules and the Corporations Act.

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### 3 CHAIRMAN'S LETTER

Dear Shareholder,

I am pleased to write to you, as a valued Shareholder of IntelliHR Limited, and offer you the opportunity to participate in the Company's recently announced 1 for 5 non-renounceable entitlement offer of new ordinary Shares (**New Shares**) at an issue price of \$0.075 per New Share (**Entitlement Offer**), a 3% premium to the closing price of Shares on 3 August 2020 of \$0.073 per Share (being the last trading day before announcement of the Entitlement Offer).

On 6 August 2020 the Company announced a \$5.5 million capital raising, consisting of:

- the Entitlement Offer to raise approximately \$3 million; and
- a placement of 33,333,333 Shares to Australian tech entrepreneur Bevan Slattery (via the Slattery Family Trust) to raise \$2.5 million; with 2,731,956 Shares issued and a further 30,601,377 Shares subject to shareholder approval to be sought at a meeting to be held on 10 September 2020) (**Placement**);

(the Placement and Entitlement Offer are together the **Capital Raising**).

Under the Entitlement Offer, Eligible Shareholders will be offered 1 New Share for every 5 Shares held on the record date of 11 August 2020 (**Record Date**) at an issue price of \$0.075 per Share. The Entitlement Offer is open to all Shareholders who have a registered address in Australia or New Zealand, and who hold ordinary shares on the Record Date.

Directors Tony Bellas, Greg Baynton and Jamie Duffield have committed to taking up their Entitlements under the Entitlement Offer (collectively 2,662,803 New Shares). The Entitlement Offer is fully underwritten by the Slattery Family Trust, and entity associated with Bevan Slattery, and Colinton Capital Partners Fund I (A) Pty Limited as trustee for the Colinton Capital Partners Fund I (A) Trust, for 45% and 55% respectively of shortfall. The underwriters will not receive any fee.

Funds raised under the Capital Raising will be used as follows:

- Accelerate global expansion beyond existing 24% of ARR accounted for by offshore activities:
  - Increase marketing investment in the Americas region following the recent launch of the IntelliHR Toronto Canada sales office in June 2020;
  - New sales staff to be brought on-line as required to meet growth opportunities;
- General working capital to enable ongoing execution of global business strategy:
  - Continue to grow domestic and international customer base, aiming to increase subscribers beyond 30,000 users;
  - Continue to execute new 'land and expand' business model whilst maintaining focus on the SME full digital transformation marketplace;
  - Continue focus on building out the international technology partner ecosystem and marketplace;
- Ongoing R&D and product enhancement:
  - Continuing investment in developing prescriptive analytics capabilities, specifically insight generation using machine learning and artificial intelligence (AI);

- Further investment in artificial intelligence (AI) across the full IntelliHR people management platform aimed at further differentiating the Company's product offering; and
- Investing further into localisation (e.g. user language preference customisation) to support expanding the Company's global reach.

The benefits expected to flow from this initiative for the Company and its Shareholders are described in the Company's Investor Presentation announced to ASX on 6 August 2020 (and included in this Offer Booklet in section 5).

The number of New Shares you are entitled to subscribe for under the Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that accompanies this Offer Booklet.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on ASX or otherwise transferable.

This Offer Booklet contains important information, including:

- the Investor Presentation referred to above, which was released to ASX on 6 August 2020, and provides information on the Company, the Entitlement Offer and key risks for you to consider;
- instructions on how to apply, detailing how to participate in the Entitlement Offer if you choose to do so, and a timetable of key dates;
- a personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions on that form; and
- instructions on how to take up all or part of your Entitlements via BPAY®.

**The Entitlement Offer closes at 5.00pm (AEST) on 4 September 2020.**

Please read in full the details on how to submit your application, which are set out in this Offer Booklet. For further information regarding the Entitlement Offer, please call 1300 131 543, or visit our website at <https://intellihr.co/>.

You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

On behalf of the Board of the Company, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely



Tony Bellas  
Chairman

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## **4 DETAILS OF THE OFFER**

### **4.1 Details of the Entitlement Offer**

The Entitlement Offer constitutes an offer to Eligible Shareholders only. The Entitlement Offer will raise approximately \$3 million before costs.

Eligible Shareholders who are on the Company's share register on the Record Date are offered 1 New Share for every 5 Shares held on the Record Date (**Entitlement**) at an issue price of \$0.075 per Share.

Fractional Entitlements will be rounded down to the nearest whole number of New Shares.

The Issue Price of \$0.075 per New Share represents a 3% premium to the closing price of Shares on 3 August 2020 of \$0.073 per Share (being the last trading day before announcement of the Entitlement Offer).

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on ASX, nor can they be transferred or otherwise disposed of.

An Entitlement and Acceptance Form setting out your Entitlement accompanies this Offer Booklet. Eligible Shareholders may subscribe for all or part of their Entitlements.

Eligible Shareholders who do not take up all of their Entitlements will have their percentage shareholding in the Company diluted.

Eligible Shareholders should be aware that an investment in the Company involves risks. The key risks identified by the Company are summarised in the Investor Presentation under section 5 of this Offer Booklet.

### **4.2 Placement**

Tranche 1 of the Placement was completed on 10 August 2020 and 2,731,956 Shares were issued to the Slattery Family Trust. The Slattery Family Trust has committed to take up its Entitlements under the Entitlement Offer.

Tranche 2 of the Placement is subject to Shareholders approval, which is being sought at a Shareholder meeting to be held on 10 September 2020.

### **4.3 Minimum subscription**

There is no minimum subscription under the Offer, as the Offer is fully underwritten.

### **4.4 Acceptances**

This Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer period.

Instructions for accepting your Entitlement are set out in section 6 and on the Entitlement and Acceptance Form which accompanies this Offer Booklet.

### **4.5 Underwriting**

The Entitlement Offer is fully underwritten by the Slattery Family Trust, an entity associated with Bevan Slattery, and Colinton Capital Partners Fund I (A) Pty Limited as trustee for the Colinton Capital Partners Fund I (A) Trust, for 45% and 55% respectively of shortfall.

Either underwriter may terminate the underwriting agreement in the event that:

- (a) (Company information) the entitlement documents include a statement which is or becomes false, misleading or deceptive in a material respect or likely to mislead or deceive in a material respect (including by way of omission);
- (b) (regulatory action) ASIC: (A) makes an application or threatens to make an application for an order under Part 9.5 of the Act in relation to the Placement; (B) commences or conveys its intention to commence any investigation or hearing under Part 3 of the Australian Securities and Investments Commission Act 2001 (Cth) in relation to the Company; or (C) otherwise issues or threatens to issue proceedings in relation to the Company or commences any formal inquiry or investigation into the Company;
- (c) (capital structure or constitution) the Company alters its capital structure (other than as contemplated in the agreement or disclosed to the underwriters before the date of the underwriting agreement) or constitution without the prior written consent of the underwriters;
- (d) (prosecution or investigation) any of the following occurs: (A) a director or senior manager of the Company is charged with an indictable offence; (B) any regulatory body commences any public action against a director of the Company in his or her capacity as such or announces that it intends to take any such action; (C) any director of the Company is disqualified from managing a corporation under the Corporations Act; or (D) any governmental agency issues, or threatens to issue, proceedings or commences any inquiry or investigation into the Company;
- (e) (timetable) any event specified in the timetable described in the entitlement documents is delayed by the Company for more than 1 business day without the prior written consent of the underwriters;
- (f) (adverse change) there is an adverse change, or an event occurs which is likely to give rise to an adverse change, in the assets, liabilities, financial position or performance, results, condition, operations or prospects of the Company other than as disclosed by the Company to the ASX before the date of the agreement; or
- (g) (compliance with laws) a contravention by the Company of the Corporations Act, its constitution, any of the ASX Listing Rules or any other applicable law or regulation (as amended or varied).

Any rights or powers of an underwriter to terminate the agreement may be exercised severally. If an underwriter terminates its obligations under the agreement (the **Terminating Underwriter**): (a) the obligations of the Terminating Underwriter under the agreement immediately end; (b) any entitlements of the Terminating Underwriter accrued under the agreement, including the right to be indemnified, up to the date of termination survive; and (c) the remaining Underwriter (**Remaining Underwriter**) may elect to take up the rights and obligations of the Terminating Underwriter under the agreement by giving notice within two business day after the termination by the Terminating Underwriter. If the Remaining Underwriter fails to give notice by that time, it will be treated as having also terminated its obligations under the agreement. Termination of the agreement will not limit or prevent the exercise of any other rights and remedies which any of the parties may otherwise have under the agreement.

The underwriters will not receive any fee for their underwriting commitments.

#### 4.6 Eligibility of Shareholders

The Entitlement Offer is being offered to all Eligible Shareholders. An Eligible Shareholder is a Shareholder on the Record Date who:

- (a) has a registered address on the the Company share register in Australia or New Zealand;
- (b) is not in the United States and is not a person (including nominee or custodian) acting for the account or benefit of a person in the United States; and
- (c) is eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus to be lodged or registered.

The Entitlement Offer is not being extended to Shareholders with a registered address outside Australia or New Zealand because of the small number of those Shareholders, the number and value of the Shares they hold and the cost of complying with applicable regulations in jurisdictions outside Australia or New Zealand.

#### 4.7 Ranking of New Shares

The New Shares issued under the Entitlement Offer will be fully paid and rank equally with Existing Shares.

#### 4.8 Allotment

The Company will apply for quotation of the New Shares on ASX in accordance with the Listing Rules. It is expected that allotment of the New Shares under the Entitlement Offer will take place on or around 10 September 2020.

Application Monies will be held by the Company on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them before trading the New Shares. The sale by an Applicant of New Shares before receiving their holding statement is at the Applicant's own risk.

#### 4.9 Capital structure

- (a) Shares

The capital structure of the Company after the completion of the Entitlement Offer and the Placement will be as follows:

Shares (approx.)	Number of Shares	%
Existing Shares on issue as at the Record Date (including Shares issued under Tranche 1 the Placement <sup>1</sup> )	204,104,096	73.68
Entitlement Offer at \$0.075 per New Share	40,820,819	14.74



Tranche 2 of the Placement at \$0.075 per Share (subject to Shareholder approval)	30,601,377	11.05
Shares to be issued to the Director Mr Robert Bromage (subject to Shareholder approval)	1,500,000	0.54
<b>Total</b>	<b>277,026,292</b>	<b>100</b>
Amount raised under Entitlement Offer and the Placement (before costs)	\$5,561,561	N.A

<sup>1</sup> Tranche 1 of the Placement was completed on 10 August 2020.

(b) Options

No Options are offered under the Entitlement Offer. The Company has the following Options on issue:

Options details	Number
Unlisted options exercisable at \$0.01 expiring 01/12/2021	288,889
Unlisted options exercisable at \$0.04 expiring 01/12/2021	62,894
Unlisted options exercisable at \$0.20 expiring 01/12/2021	3,895,543
Unlisted options exercisable at \$0.04 expiring 31/03/2022	32,000
Unlisted options exercisable at \$0.02 expiring 11/08/2022	481,000
Unlisted options exercisable at \$0.32 expiring 14/02/2023	200,000
Unlisted options exercisable at \$0.30 expiring 30/06/2023	209,000
Unlisted options exercisable at \$0.30 expiring 30/04/2021	4,166,669
Unlisted options exercisable at \$0.075 expiring 09/08/2021	1,760,001
Performance rights expiring 01/07/22	367,347
Performance rights expiring 01/11/22	250,000

#### 4.10 Recent trading prices

The lowest and highest closing market sale prices of Shares on the ASX during the three months preceding 12 August 2020 were \$0.215 per Share on 11 August 2020 and \$0.045 per Share on 26 June and 29 June 2020 respectively.

The closing market price of Shares on 3 August 2020 (being the last trading day prior to the announcement of the Entitlement Offer) was \$0.073 per Share.

#### 4.11 Effect on control

For information on the effect of the Entitlement Offer on the control of the Company, refer to the cleansing notice issued by the Company under section 708AA(2)(f) of the Corporations Act on 6 August 2020, a copy of which is included in section 5 of this Offer Booklet.

The potential effect that the Entitlement Offer will have on the control of the Company and the consequences of that effect, will depend on a number of factors, including investor demand and the extent to which Eligible Shareholders take up their Entitlements.

Given the structure of the Entitlement Offer as a pro rata offer, if all Eligible Shareholders take up their Entitlements, each Eligible Shareholder's ownership interest (and voting power) in the Company will remain largely unchanged insofar as the Entitlement Offer is concerned. However as set out above, in addition to the Entitlement Offer, the Company will undertake the Placement. The Placement will involve the issue of an additional 33,333,333 fully paid ordinary shares (**Placement Shares**), subject to shareholder approval in respect of the issue of 30,601,377 of those shares, to raise \$2.5 million. The Placement Shares will represent approximately 12.24% of the fully paid ordinary shares on issue in the Company following completion of the Capital Raising. Accordingly, existing Shareholders will be diluted as a result of the Placement.

To the extent that any Eligible Shareholder fails to take up their Entitlements under the Entitlement Offer, that Eligible Shareholder's percentage holding in the Company will be further diluted by those other Eligible Shareholders who take up some or all of their Entitlements, and as a result of the Placement. The voting power of Ineligible Shareholders will be diluted.

Directors Tony Bellas, Greg Baynton and Jamie Duffield have committed to taking up their Entitlements under the Entitlement Offer (collectively 2,662,803 New Shares).

The maximum voting power that the underwriters may acquire under the Capital Raising assuming no Shareholders (other than the above-named directors) take up their Entitlements, an outcome the Directors consider unlikely, and 5,282,426 Shares (consisting 1,500,000 Shares to be issued subject to shareholder approval to Robert Bromage, 2,875,758 performance rights vesting and 2,406,668 Shares being issued on exercise of Options) in addition to the Capital Raising are issued, is as follows:

	Shares	% of total shares on issue
Jodie Ann Slattery as trustee for the Slattery Family Trust	47,018,628	17.06%
Colinton Capital Partners Fund I (A) Pty Limited as trustee for the Colinton Capital Partners Fund I (A) Trust	62,004,116	22.49%

Colinton Capital Partners Fund I (A) Pty Limited as trustee for the Colinton Capital Partners Fund I (A) Trust will rely upon item 9 of section 611 of the Corporations Act (3% creep exception) to increase its voting power in the Company to 20% or more.

#### 4.12 Risks

Any investment in Shares carries certain risks. In addition to the general risks applicable to all investments in listed securities, the Company is subject to a number of specific risk factors which may affect or have an adverse impact on the Company.

A summary of such general and specific risk factors have been set out in the 'Risk Factors' in the Investor Presentation section in section 5 of this Offer Booklet.

The Directors recommend that all Shareholders review these risk factors and consult their own stockbroker, solicitor, accountant or other professional adviser to evaluate the potential impact of such risks and whether or not to participate in the Entitlement Offer.

#### **4.13 New Zealand Shareholders**

The Offer contained in this Offer Booklet to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares. This Offer Booklet has not been registered, filed or approved by any New Zealand regulatory authority. This Offer Booklet is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

#### **4.14 Treatment of Ineligible Shareholders**

Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations outside Australia and New Zealand, the Company has decided that it would be unreasonable to extend the Offer to Ineligible Shareholders. The Offer Booklet will not be sent to those Shareholders.

This Offer Booklet does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Offer Booklet or make the Offer. No action has been taken to register or qualify the New Shares or the Offer or otherwise to permit an offering of the New Shares in any jurisdiction other than as set out in this section.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Recipients may not send or otherwise distribute this Offer Booklet or the Entitlement and Acceptance Form to any person outside Australia or New Zealand (other than to Eligible Shareholders).

#### **4.15 Quotation**

The Company has applied for quotation of the New Shares offered by this Offer Booklet on ASX in accordance with the Listing Rules. A decision by ASX to grant official quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Shares.

Quotation, if granted, of the New Shares offered will commence as soon as practicable after statements of holdings of the New Shares are dispatched.

#### **4.16 Section 708AA Corporations Act**

The Company is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the Corporations Act. Under those obligations, the Company is obliged to

comply with all applicable continuous disclosure and reporting requirements in the Listing Rules.

This Entitlement Offer is being undertaken pursuant to section 708AA of the Corporations Act. This section enables disclosing entities to undertake a rights issue in relation to securities in a class of securities which has been quoted by ASX at all times during the 12 months before the date of the Offer. Apart from formal matters a notice under section 708AA(2)(f) need only to:

- (a) contain information that is excluded information as at the date of the offer document pursuant to section 708AA(8) and (9); and
- (b) state:
  - (i) the potential effect the issue of the New Shares will have on the control of the Company; and
  - (ii) the consequences of that effect.

A notice under section 708AA(2)(f) was lodged with the ASX on 6 August 2020.

#### **4.17 Taxation**

There will be tax implications associated with participating in the Entitlement Offer and receiving New Shares. The Company considers that it is not appropriate to give advice regarding the tax consequences of subscribing for New Shares under this Offer Booklet or the subsequent disposal of any New Shares. The Company recommends that you consult your professional tax adviser in connection with the Entitlement Offer.

#### **4.18 Privacy**

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in the Company.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or through the Share Registry). The Company collects, holds and will use that information to assess your Application. The Company collects your personal information to process and administer your shareholding in the Company and to provide related services to you. The Company may disclose your personal information for purposes related to your shareholding in the Company, including to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that the Company holds about you. To make a request for access to your personal information held by (or on behalf of) the Company, please contact the Company through the Share Registry.

#### **4.19 Notice to nominees and custodians**

Nominees and custodians may not distribute any part of this Offer Booklet or any Entitlement and Acceptance Form in any country outside Australia, except to beneficial holders of Shares to the extent it is lawful to do so.

#### **4.20 CHESS**

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). CHESS is operated by ASX Settlement Pty Ltd (**ASPL**), a wholly owned subsidiary of ASX.

Under CHESS, the Company does not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company, including New Shares issued under the Offer. If an investor is broker sponsored, ASPL will send a CHESS statement.

The CHESS statement will set out the number of New Shares issued under the Offer, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares issued to you under the Offer and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

#### **4.21 Enquiries**

If you are in doubt as to the course you should follow, you should consult your stockbroker, accountant, solicitor or other independent professional adviser. If you:

- (a) have questions on how to complete the Entitlement and Acceptance Form or take up your Entitlement; or
- (b) you have lost your Entitlement and Acceptance Form and would like a replacement form,

please call the Offer Information Line on 1300 131 543 (in Australia) at any time from 8.30am to 5.30pm (AEST) Monday to Friday during the Entitlement Offer period.



6 August 2020

## \$5.5M Capital Raising via Strategic Investment and Rights Issue

### Highlights

- Australian Tech Entrepreneur Bevan Slattery invests in intelliHR via Slattery Family Trust
- \$5.5 million capital raising, consisting of a \$2.5 million placement and an underwritten non-renounceable \$3.0 million rights issue
- Issue price of \$0.075, being a 3% premium to the last close of \$0.073 on the ASX
- Funds raised will be used primarily for global expansion acceleration beyond the existing 24% of ARR accounted for by offshore activities

**intelliHR Limited (ASX:IHR)** is pleased to announce a \$5.5 million capital raising, consisting of a \$2.5 million placement to the Slattery Family Trust, an early stage investment vehicle of Australian tech entrepreneur, Bevan Slattery, and the Slattery Family, and a fully underwritten non-renounceable \$3.0 million entitlement offer at an issue price of \$0.075 per share (the placement and entitlement offer are together the **Capital Raising**).

Under the placement the Company has agreed to issue 33,333,333 fully paid ordinary shares to the Slattery Family Trust, with 2,731,956 shares (**Tranche 1**) to be issued immediately (without shareholder approval and relying on the Company's capacity under Listing Rules 7.1) and 30,601,377 shares (**Tranche 2**) to be issued subject to shareholder approval, which will be sought at a shareholder meeting intended to be held on 10 September 2020.

Under the entitlement offer, eligible shareholders will be offered 1 new fully paid ordinary share for every 5 shares held on the record date of 11 August 2020 (**Record Date**) at an issue price of \$0.075 per share. The entitlement offer is open to all eligible shareholders who have a registered address within Australia or New Zealand, and who hold ordinary shares on the Record Date.

Directors Tony Bellas, Greg Baynton and Jamie Duffield have committed to taking up their entitlements (collectively approximately \$200,000). The entitlement offer is fully underwritten by the Slattery Family Trust, and Colinton Capital Partners Fund I (A) Pty Limited as trustee for the Colinton Capital Partners Fund I (A) Trust, for 45% and 55% respectively of the shortfall, subject to terminating events set out in the annexure to this announcement. The underwriters will not receive any fee.

Senior Partner at Colinton Capital Partners, Simon Moore, said: "We are very pleased to continue our support of intelliHR and welcome the involvement of one of Australia's leading technology entrepreneurs, Bevan Slattery, as a major shareholder in the Company. The intelliHR business has demonstrated robust growth through the period of COVID-19, with strong growth in subscriber numbers, positive net revenue retention and the rapid launch of the COVID-19 Essentials platform. "



“We believe the platform is well placed to benefit from the structural shift to remote working and the heightened awareness of and need for human resource management software tools which can be used to, among other things, address employee engagement and performance.”

“This equity raising will allow IntelliHR to accelerate its global growth and further invest in its highly differentiated people analytics capability. We look forward to continuing to work with Robert Bromage and his team to help them execute on their growth plans,” Mr Moore said.

Bevan Slattery said that he was excited by the global opportunity for IntelliHR in distributed workforce management. “The workplace has suddenly shifted forever and as an investor in numerous companies, one of the key challenges we are facing now that we have moved to a totally distributed workforce is how do we improve the way in which we engage with and understand our teams around the world. The importance of HR platforms designed to assist organisations in managing the engagement and effectiveness of a distributed workforce is not only becoming more relevant, but I believe will become a critical tool in managing the most important resource we have in every organisation – our people.”

“I believe IntelliHR has a pivotal role to play in this space and the significant investment over the past five years has positioned the company well for the global transformation that is happening before our eyes. Our investment is designed to assist the organisation leverage the potential of their platform globally,” Mr Slattery said.

Funds raised under the Capital Raising will be used to:

**Accelerate global expansion beyond existing 24% of ARR accounted for by offshore activities**

- Increase marketing investment in the Americas region following the recent launch of the IntelliHR Toronto Canada sales office in June 2020
- New sales staff to be brought on-line as required to meet growth opportunities

**General working capital to enable ongoing execution of global business strategy**

- Continue to grow domestic and international customer base, aiming to increase subscribers beyond 30,000 users
- Continue to execute new 'land and expand' business model whilst maintaining focus on the SME full digital transformation marketplace
- Continue focus on building out the international technology partner ecosystem and marketplace

**Ongoing R&D and product enhancement**

- Continuing investment in developing prescriptive analytics capabilities, specifically insight generation using machine learning and artificial intelligence (AI)
- Further investment in artificial intelligence (AI) across the full IntelliHR people management platform aimed at further differentiating IntelliHR's product offering
- Investing further into localisation (e.g. user language preference customisation) to support expanding IntelliHR's global reach





The anticipated timetable for the Capital Raising is as follows –

Ex date	10 August 2020
Issue of Tranche 1 shares	
Record Date	11 August 2020
Offer booklet sent to eligible shareholders and entitlement offer opens	14 August 2020
Entitlement offer closes	4 September 2020
Announce results of entitlement offer	9 September 2020
Shareholder meeting to approve Tranche 2	10 September 2020
Issue new shares offered under the entitlement offer and Tranche 2	11 September 2020

The above timetable is subject to change, in accordance with the Listing Rules and *Corporations Act 2001* (Cth).

The Company has also agreed, subject to shareholder approval, to issue Robert Bromage, the Company's founder and CEO, 1,500,000 shares as part of Mr Bromage's remuneration package. Approval will be sort at the forthcoming shareholder meeting.

All new shares issued will rank equally with existing shares on issue.

An investor presentation, cleansing notice in accordance with section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84), and an Appendix 3B for the shares to be issued under the Capital Raising accompany this announcement.

This announcement is authorised by the Board of intelliHR Limited.

## Further Information

intelliHR Investor Relations  
investor.relations@intellihr.co

## 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](http://www.intellihr.com.au)



## ANNEXURE - UNDERWRITING TERMS

Either Underwriter may terminate the underwriting agreement in the event that:

- (a) (Company information) the entitlement documents include a statement which is or becomes false, misleading or deceptive in a material respect or likely to mislead or deceive in a material respect (including by way of omission);
- (b) (regulatory action) ASIC: (A) makes an application or threatens to make an application for an order under Part 9.5 of the Act in relation to the Placement; (B) commences or conveys its intention to commence any investigation or hearing under Part 3 of the Australian Securities and Investments Commission Act 2001 (Cth) in relation to the Company; or (C) otherwise issues or threatens to issue proceedings in relation to the Company or commences any formal inquiry or investigation into the Company;
- (c) (capital structure or constitution) the Company alters its capital structure (other than as contemplated in the agreement or disclosed to the Underwriters before the date of this letter) or constitution without the prior written consent of the Underwriters;
- (d) (prosecution or investigation) any of the following occurs: (A) a director or senior manager of the Company is charged with an indictable offence; (B) any regulatory body commences any public action against a director of the Company in his or her capacity as such or announces that it intends to take any such action; (C) any director of the Company is disqualified from managing a corporation under the Act; or (D) any governmental agency issues, or threatens to issue, proceedings or commences any inquiry or investigation into the Company;
- (e) (timetable) any event specified in the timetable described in the entitlement documents is delayed by the Company for more than 1 Business Day without the prior written consent of the Underwriters;
- (f) (adverse change) there is an adverse change, or an event occurs which is likely to give rise to an adverse change, in the assets, liabilities, financial position or performance, results, condition, operations or prospects of the Company other than as disclosed by the Company to the ASX before the date of the agreement; or
- (g) (compliance with laws) a contravention by the Company of the Corporations Act, its constitution, any of the ASX Listing Rules or any other applicable law or regulation (as amended or varied).

Any rights or powers of an Underwriter to terminate the agreement may be exercised severally. If an Underwriter terminates its obligations under the agreement (the "Terminating Underwriter"): (a) the obligations of the Terminating Underwriter under the agreement immediately end; (b) any entitlements of the Terminating Underwriter accrued under the agreement, including the right to be indemnified, up to the date of termination survive; and (c) the remaining Underwriter ("Remaining Underwriter") may elect to take up the rights and obligations of the Terminating Underwriter under the agreement by giving notice within two Business Day after the termination by the Terminating Underwriter. If the Remaining Underwriter fails to give notice by that time, it will be treated as having also terminated its obligations under the agreement. Termination of the agreement will not limit or prevent the exercise of any other rights and remedies which any of the parties may otherwise have under the agreement.





# IntelliHR

From Start-Up to Global Business

6 August 2020

ROBERT BROMAGE, Founder & CEO  
ASX:IHR

[www.intellihr.com.au](http://www.intellihr.com.au)

# Disclaimer

The information in this presentation does not constitute personal investment advice. The presentation is not intended to be comprehensive or provide all information required by investors to make an informed decision on any investment in intelliHR Limited ACN 600 548 516 (Company). In preparing this presentation, the Company did not take into account the investment objectives, financial situation and particular needs of any particular investor.

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This has been authorised for release by the Board.

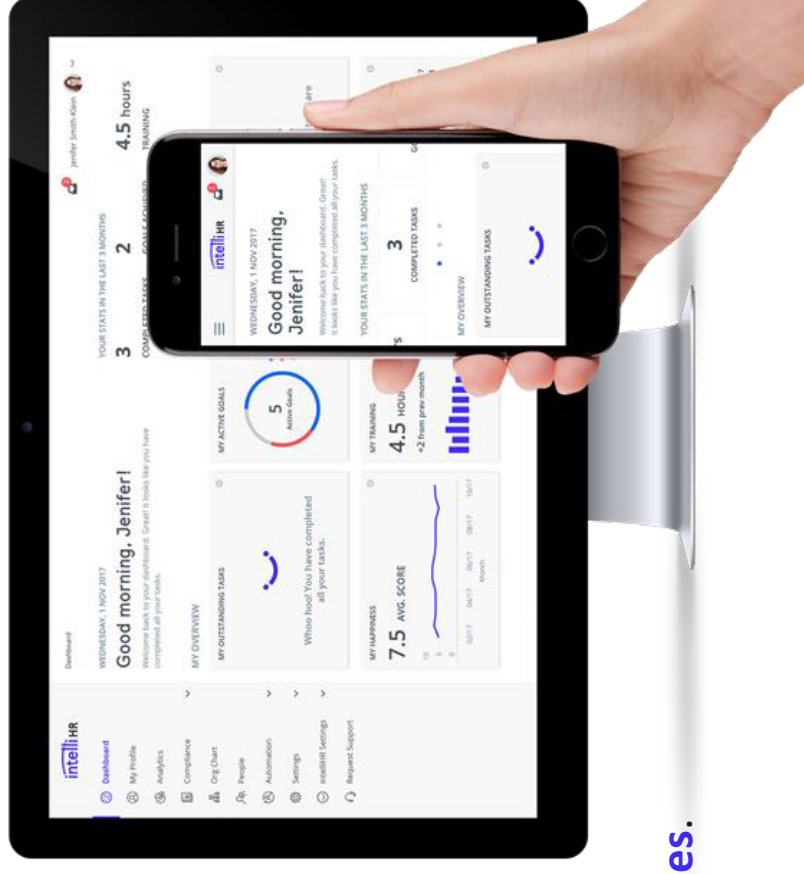


# The intelliHR solution

intelliHR is a SAAS HR cloud based system which delivers ....

- People Data Visualisation and Analytics
- Performance Management Tools
- Feedback and Wellness Tools
- HR Process Automation (Paperless processes)
- Full HR Digitisation (Paperless Records)
- People Compliance Management
- Realtime People Sentiment and Insights

..... we Lower **Cost**, Increase **Productivity**, Improved **Revenues**.



# The intelliHR solution

## SINGLE SOURCE OF HR TRUTH

✓ Analytics and predictive insights	✓ People and performance management tools	✓ Core HRIS / workflow and compliance
<ul style="list-style-type: none"><li>• Culture and community</li><li>• Performance and productivity</li><li>• Artificial Intelligence (AI)</li><li>• Risk and compliance</li><li>• Planning and financial drivers</li><li>• Predictive sentiment</li></ul>	<ul style="list-style-type: none"><li>• Personalised performance systems</li><li>• Continuous feedback</li><li>• Multifunctional goals</li><li>• Performance monitoring</li><li>• Automated performance reports</li><li>• Training and development plans</li></ul>	<ul style="list-style-type: none"><li>• Employee lifecycle automation</li><li>• Self-service record keeping and access</li><li>• Policy management automation</li><li>• Automated organisational charting</li><li>• Employee qualification compliance</li><li>• Centralised HR data</li></ul>

*“intelliHR gives us the power to easily see our people information and data in a way and with speed that we've never previously had, it provides insights and tools to connect, for all of our people.”*

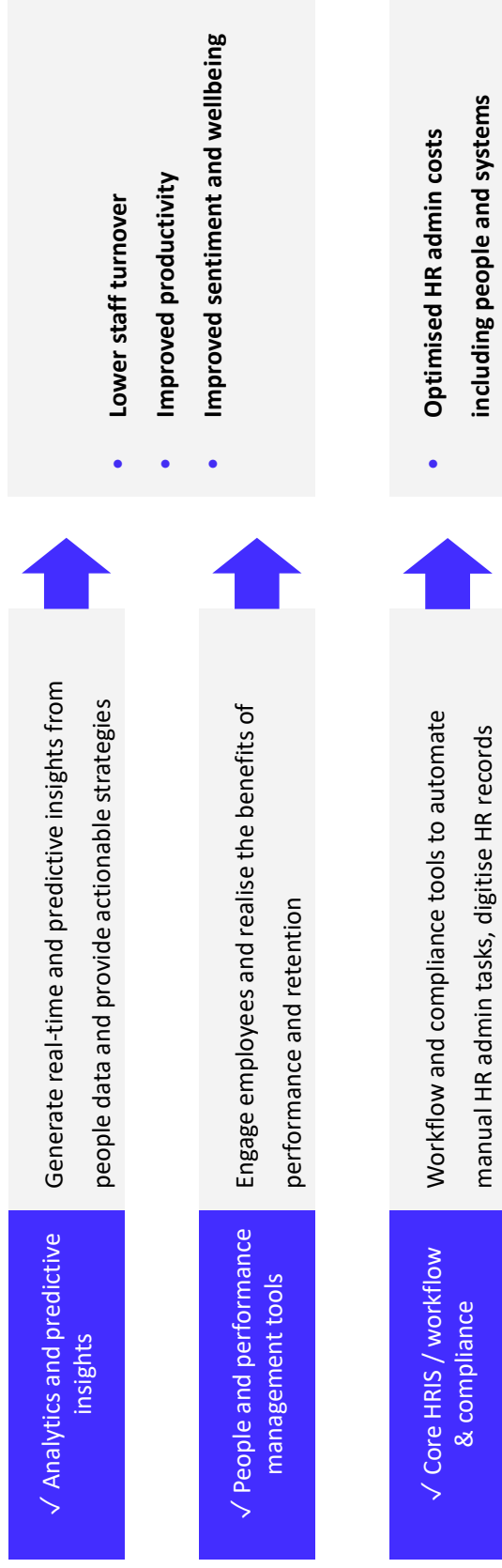


Angela Cila Penske Australia and New Zealand  
General Manager Human Resources

# intelliHR delivers compelling ROI

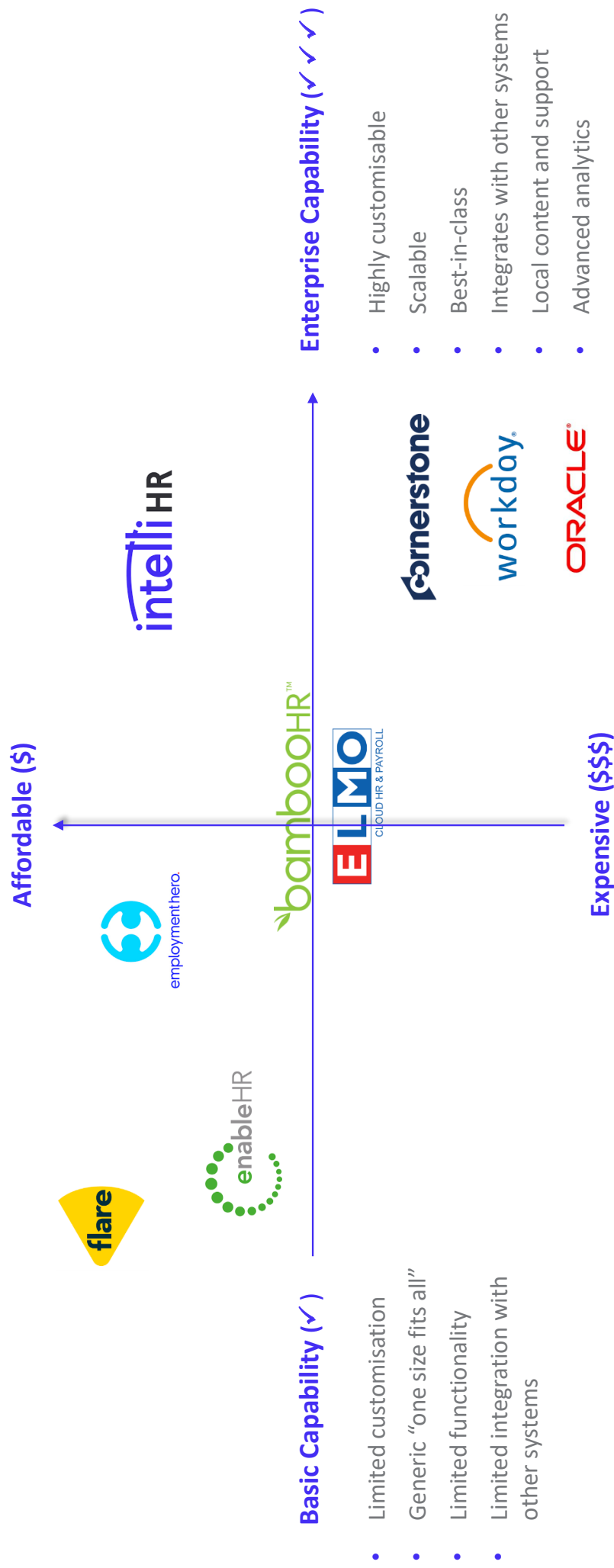
.... through reduced HR admin costs (including people and systems), lower staff turnover and improved productivity

## ROI



# Competitor Mapping

...highlights the intelliHR point of difference with a platform that provides sophisticated enterprise capability at a speed of implementation and price point appropriate to the needs of a dynamic business.





# intelliHR Track Record

.....leads the competition with independently compiled ratings that are consistently ahead in every category.

"Where have you been all my life!"

BEN W.  
COMPANY SIZE: 13-50 EMPLOYEES

"Great Product. Amazing service."

HELENE G.  
NATIONAL OPERATIONS & HR MANAGER

"Fantastic HR Support."

JAYDE K.  
SMALL-BUSINESS(11-50 EMPLOYEES)

"Perfect for our business needs."

OLGA D.  
COMPANY SIZE: 201-500 EMPLOYEES

"Can't live without it!"

ADMINISTRATOR  
SMALL-BUSINESS(11-50 EMPLOYEES)

"Game changing software."

RENAE L.  
MANAGING DIRECTOR

**GetApp**

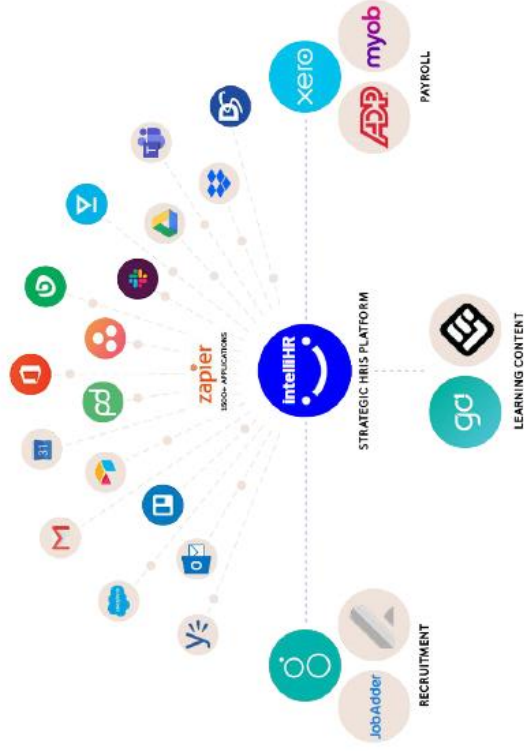
[BROWSE](#)
[SIGN IN](#)
[JOIN](#)

Software	Ratings	Overall	Ease of Use	Customer Service	Features & Functionality	Value for Money
<b>intelliHR</b> All-in-One People Management Software ★★★★★ 13 ★ <a href="#">LEARN MORE</a>	<b>intelliHR</b> ★★★★★ 4.9 / 5 <a href="#">Visit Website</a>	<b>ELMO</b> Cloud HR, payroll & rostering... ★★★★☆ 13 ★ <a href="#">VISIT WEBSITE</a>	<b>Culture Amp</b> Complete solution for employee engagement... ★★★★★ 62 ★ <a href="#">LEARN MORE</a>	<b>EMPLOYMENT HERO</b> Australia's No.1 Integrated HR System ★★★★★ 108 ★ <a href="#">VISIT WEBSITE</a>	<b>intelliHR</b> ★★★★★ 4.9 / 5 <a href="#">Visit Website</a>	<b>Employment Hero</b> ★★★★★ 4.6 / 5 <a href="#">Visit Website</a>
<b>intelliHR</b> Reviews Overall rating ★★★★★ 13 ★ Ease of use ★★★★★ Value for money ★★★★★ Customer support ★★★★★ Last review 17th of September	<b>ELMO</b> Reviews Overall rating ★★★★★ 13 ★ Ease of use ★★★★★ Value for money ★★★★★ Customer support ★★★★★ Last review 19th of September	<b>CULTURE AMP</b> Reviews Overall rating ★★★★★ 62 ★ Ease of use ★★★★★ Value for money ★★★★★ Customer support ★★★★★ Last review 30th of August	<b>EMPLOYMENT HERO</b> Reviews Overall rating ★★★★★ 108 ★ Ease of use ★★★★★ Value for money ★★★★★ Customer support ★★★★★ Last review 4th of December	<b>intelliHR</b> ★★★★★ 4.9 / 5 <a href="#">Visit Website</a>	<b>Employment Hero</b> ★★★★★ 4.6 / 5 <a href="#">Visit Website</a>	

# Partnerships

...was launched in March 2018 and has grown to a bank of 40 technology and referrer partners who generate new customer leads and enhance market relevance.

## IntelliHR Best of Breed Ecosystem



intelliHR actively pursues integrations with other apps that can generate new customer leads and that position the intelliHR SaaS platform at the centre of a best-of-breed people management technology ecosystem.

- Key integration partners during 2H20 with Zapier, Lever, GO1.com, Keypay, Job Adder and Xero
- Integrations put intelliHR in these SaaS app marketplaces, which are a preferred distribution strategy due to their low cost
- Integrations enhance the value proposition for intelliHR's existing customer base as well as attracting new customers

[Recruitment Agency Software](#) • 
 [In-House Recruitment Software](#) • 
 [Resources](#) • 
 [Login](#) • 
 [Free Demo](#)

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# JobAdder + IntelliHR

IntelliHR is a People Management Platform.

**Sign up to IntelliHR**

Category:

- HRIS

4 Browse Integrations













IntelliHR helps operations automate and streamline HR processes from pre-onboarding all the way through the employee experience to offboarding with a high focus on compliance, flexible performance, configurable automation and extensive workforce analytics.

The platform and data is accessible securely anywhere, anytime, on any device.

\*The integration utilizes Zipcar to send data from JobAdder to IntelliHR.

# The Calibre of intelliHR Customers

...is a reflection of the efficacy of the enterprise grade platform and its scope from managing administrative processes to driving team and business strategy.

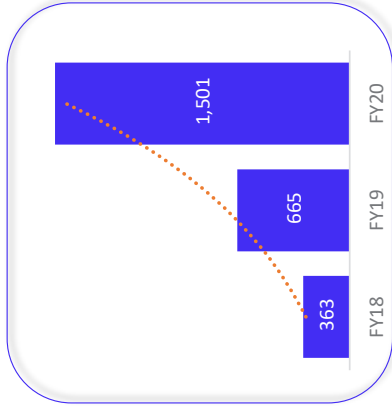
Professional Services		Health Care	
Financial Services		Aged Care	
Technology		Property Services	
Public Utility		Education	
Engineering		Distribution	
Mining		General Industry	



# Financial Performance Highlights FY20

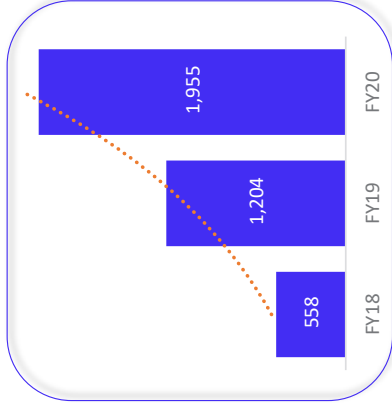
... robust ARR growth as a result of the acquisition of new customers – weathering COVID-19 well – intelliHR positioned to support increased levels of Working from Home.

**Customer Cash Receipts**  
(\$'000)



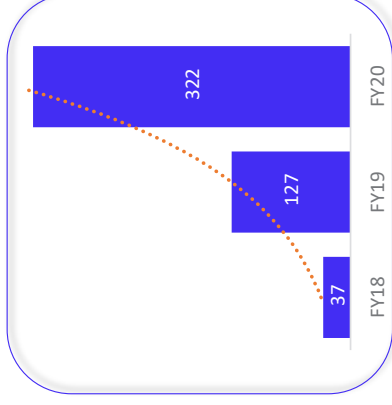
▲ 126%  
YOY

**ARR**  
Contracted (\$'000)



▲ 62%  
YOY

**Professional Services**  
Revenue (\$'000)



▲ 153%  
YOY

**Rolling 12 month  
Revenue Retention**



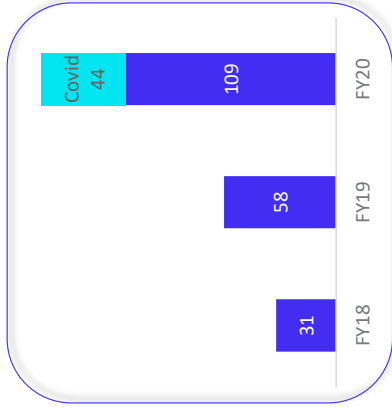
\*Financials shown for FY20 are provisional and subject to audit



# Platform Highlights FY20

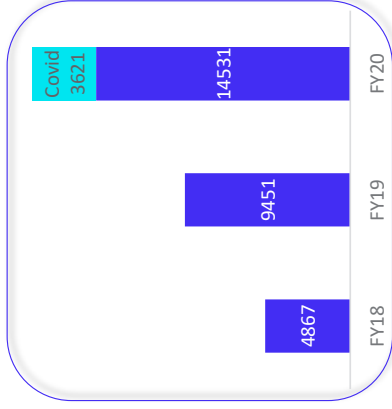
... New Business Growth has driven increases in Customers and Subscribers on Platform, acceleration in Sentiments thanks to higher customer engagement – World Class NPS from our loyal customer base.

Customers on Platform



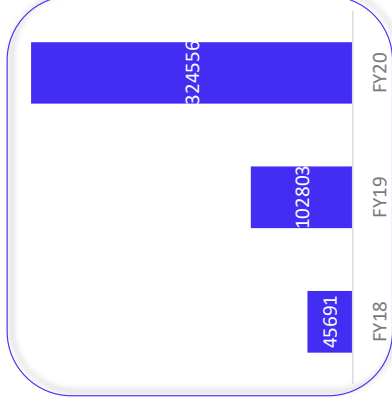
▲ 162%  
YOY

Subscribers on Platform - \*



▲ 91%  
YOY

Customer Sentiments Collected



▲ 215%  
YOY

Customer NPS



\* Note by 30<sup>th</sup> of June 2020 – over 1200 Covid Platform Subscribers had upgraded to paying accounts



# intelliHR Growth

...is the result of its clearly articulated plan to offer a sophisticated and versatile system to a global addressable market in excess of \$30 billion.

Customers/Subscribers



Partnerships



Satisfaction



ARR Growth

AT TIME OF LISTING – JAN '18

10

Customers

500

Subscribers

0

Freemium

0

Partners

n/a

Satisfaction  
(not measured)

\$0.22M

AAR

+ 2.5 years

AS AT 30 JUNE '20

109

Customers

14,513

Subscribers

3,514

Freemium

37

Partners

74

Satisfaction  
Net Promoter Score (NPS)

\$1.96M

ARR

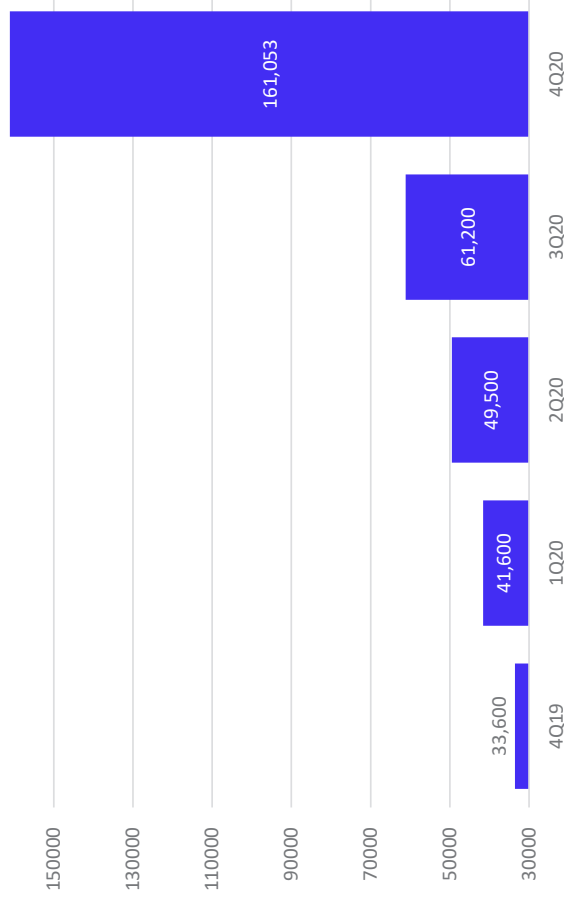


# Platform Utilisation

...across both the paying and freemium offerings is growing rapidly as subscribers rely on it to optimise their performance, embedding the system into the business's core operations.

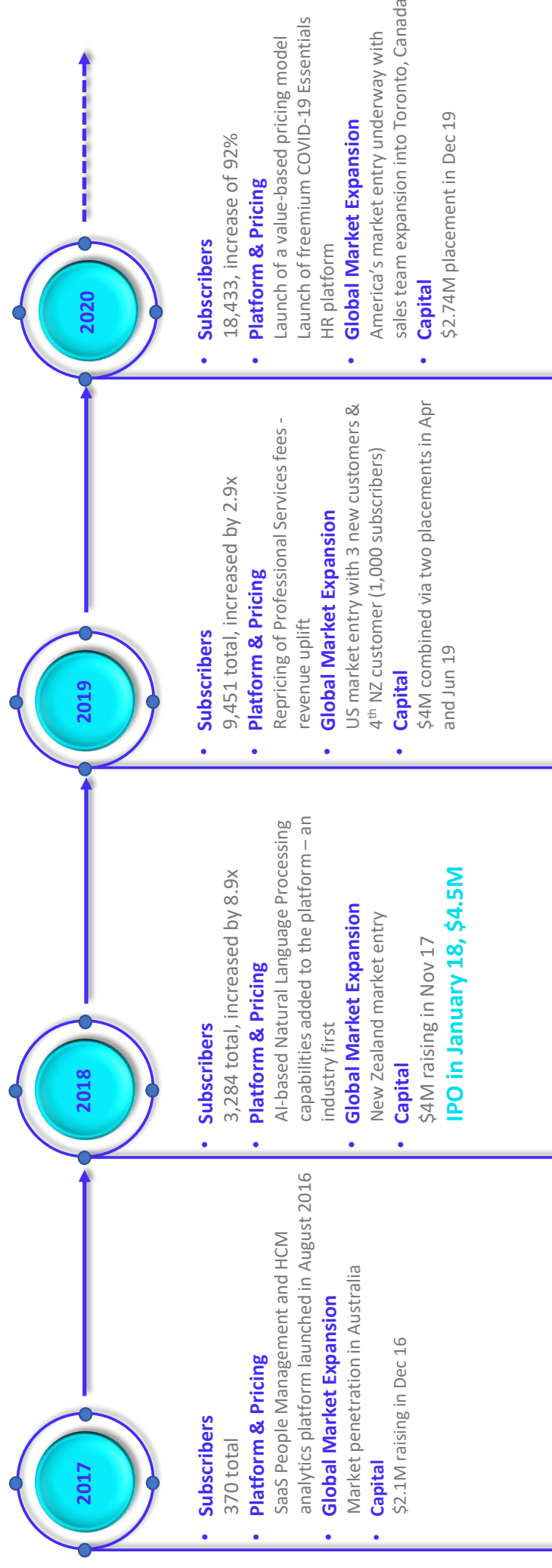
- Measures the number of sentiments predicted in real time by the system for customers
- Has increased as a result of greater numbers on the system as well as higher usage by individuals
- Grew from 49,500 in 2Q20, to 61,200 in 3Q20 and 161,053 in 4Q20
- Increased data points collected resulting in a more refined AI analytics engine and therefore more nuanced insights

Customer Sentiment Collection Growth



# Milestones to Today

...illustrate a business that is dynamic and relevant, can plan and execute a strategy to build a global customer base with a market-leading product, and has been supported by investors in its endeavours to secure new capital.



Financial years





# intelliHR's Growing Global Presence

... 24% of subscribers are located outside of Australia.

- Head office in Brisbane Australia, in June 2020 we established a base in Toronto Canada delivering continuous coverage to our largest growth markets.



# Value Based Pricing Model

...offers customers flexibility with a tiered pricing structure, reflecting the strategic change in the business model as it begins to execute the next growth cycle.

FOR HR

STRATEGIC HR

AUD **16** /user/month

"I want to take HR from admin to strategy."

TOP FEATURES

- Mandatory Qualification Compliance
- Track/report skills + training
- On/offboarding + mobility
- Full suite analytics + insights

+ Performance + Feedback

FOR TEAMS

PERFORMANCE ENABLEMENT

AUD **10** /user/month

"I want to empower employee performance."

TOP FEATURES

- Set/track goals
- Automate performance reviews
- Self-generate progress reports
- Performance analytics

+ Feedback Essentials

FOR MANAGERS

FEEDBACK ESSENTIALS

AUD **6** /user/month

"I want to inspire meaningful conversations."

TOP FEATURES

- Real-time continuous feedback
- 1:1 check-ins
- People directory + org chart
- Sentiment, happiness + ENPS analytics

+ More



# intelliHR's COVID-19 Freemium Platform

...a fourth tier in the service model, was designed and built in three days after intelliHR offered to help customers and is a shining example of the business's ability to respond to changed circumstances quickly and effectively.

## Features:

- Continuous check-in feedback tool and keyword analytics
- Well-being check-in pulses and self-service capabilities
- Self-service tiles pre-configured to help with accessing up-to-date information on health practices, health and safety concerns and approval needs
- Working from home, flexible work and employee safety policy advice templates specifically tailored to the current challenges your workplace may be facing
- Work from home approval processes to support employees
- A select range of our human capital management analytics, including our real-time sentiment analysis pulse on all feedback captured in the system

## Timeframe:



# Capital Raising Event

...August 2020 capital raising highlights

- Australian Tech Entrepreneur Bevan Slattery is making a cornerstone investment in IntelliHR
- \$5.5 million capital raising, consisting of a \$2.5 million placement and an underwritten non-renounceable \$3.0 million rights issue
- Our largest shareholder, Colinton Capital Partners, will jointly underwrite the entitlement offer with Bevan Slattery and intends to take up its full entitlement under the offer.
- Issue price of \$0.075, a 3% premium to the last close of \$0.073 on the ASX
- Under the placement the Company has agreed to issue 33,333,333 fully paid ordinary shares to Bevan Slattery, with 2,731,956 shares to be issued immediately (Tranche 1) and 30,601,377 shares (Tranche 2) to be issued subject to shareholder approval, which will be sought at a shareholder meeting intended to be held on 10 September 2020.
- Under the entitlement offer, eligible shareholders will be offered 1 new fully paid ordinary share for every 5 shares held on the record date of 11 August 2020 (Record Date) at an issue price of \$0.075 per share.
- The entitlement offer is open to all eligible shareholders who have a registered address within Australia or New Zealand, and who hold ordinary shares on the Record Date.

# Funds raised under the Capital Raising will be used to...

...focus upon maintaining market leading position with continued R&D investment while scaling up the operations to augment subscribers in both existing markets and new offshore markets.

## Grow Channels and Territories

- ✓ Accelerate global expansion beyond existing 24% of ARR accounted for by offshore activities
- ✓ Increase marketing investment in Americas following the recent launch of the IntelliHR Toronto Canada sales office in June 2020
- ✓ New sales staff to be brought on-line as required to meet growth opportunities

## Execute Business Strategy

- ✓ Continue to grow domestic and international customer base, aiming to increase subscribers beyond 30,000 users
- ✓ Continue to execute new 'land and expand' business model, maintaining focus on the SME full digital transformation marketplace
- ✓ Continue focus on building out the international technology partner ecosystem and marketplace
- ✓ Continue to leverage the global shift to 'Work from Home' which complements IntelliHR continuous feedback and wellness capabilities

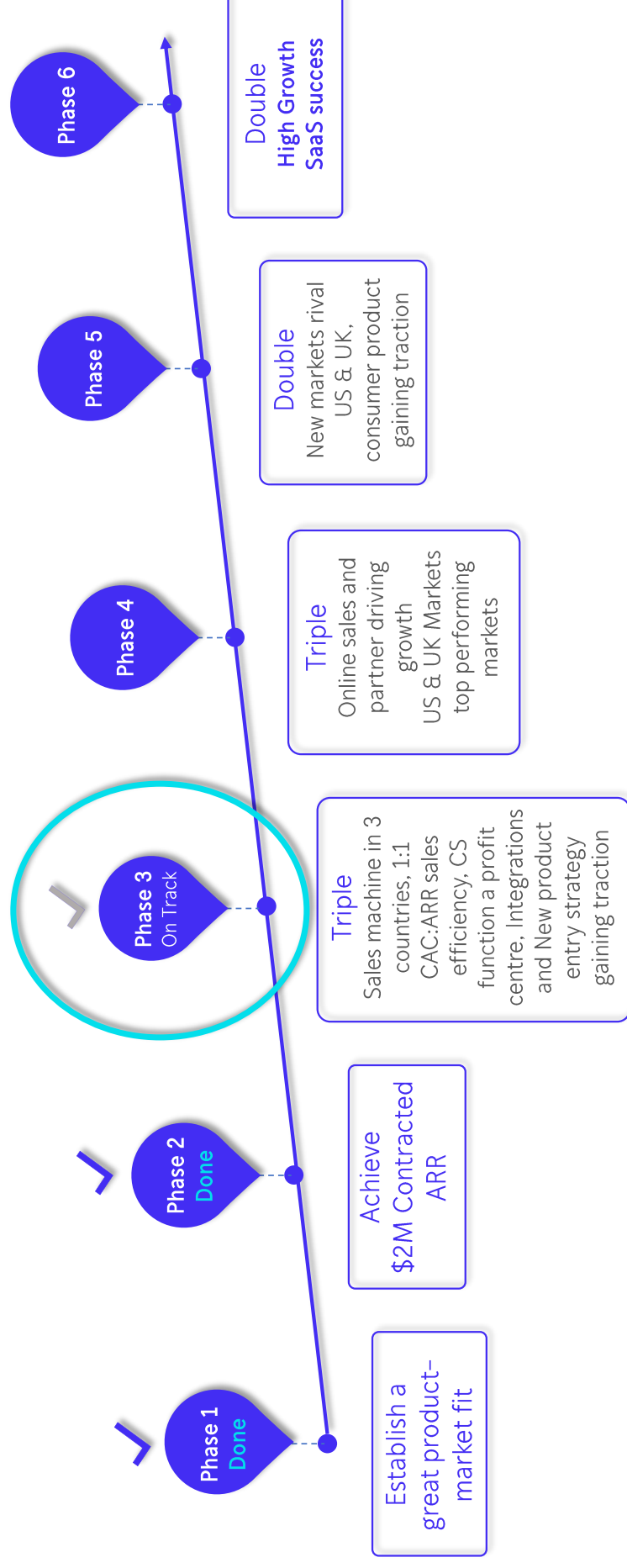
## Maintain Product Leadership

- ✓ Continuing investment in developing prescriptive analytics capabilities, specifically insight generation using machine learning and artificial intelligence (AI)
- ✓ Further investment in artificial intelligence (AI) across the full IntelliHR people management platform aimed at further differentiating IntelliHR's product offering
- ✓ Investing further into localisation (e.g. user language preference customisation) to support expanding IntelliHR's global reach



# The Next Growth Cycle

...as set out 12 months ago, will see continued revenue growth in new and existing markets with further investment in both R&D and sales and marketing resources to capitalise on a large and fast-growing global market.



# Risk Factors

This section identifies the major risks the Board has identified regarding an investment in IntelliHR. The IntelliHR business is subject to risk factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of IntelliHR and the value of an investment in IntelliHR. There can be no guarantee that IntelliHR will achieve its stated objectives or that any forward looking statements will be achieved. An investment in IntelliHR should be considered in light of relevant risks, both general and specific. Each of the risks set out below could, if it eventuates, have a material adverse impact on IntelliHR's prospectus, and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

## Risk specific to the Offer

### Dilution

Shareholders who do not take up their Entitlement will have their holding in the Company diluted.

### Control

The Directors have taken reasonable steps to help ensure a reasonable distribution of voting power under the Offer. However, assuming some shareholders take up their Entitlement and others do not, there is a risk that voting power may be consolidated among fewer shareholders and the interests of these Shareholders may not align with other Shareholders' interests.

## Specific Investment Risks

### Financing risks

The funds raised under the Offer will be applied primarily to sales and marketing endeavours. There is no certainty that those expenditures will deliver sufficient sales growth to obviate the need for further equity capital. For example, even if IntelliHR becomes cash flow positive, the Directors may consider it appropriate to increase expenditure on sales and marketing. As a result, it is likely that IntelliHR will require further equity funding in the short to medium term. That funding may be highly dilutionary to Shareholders, depending on the price at which IntelliHR seeks to issue new Shares. While debt funding may be available to IntelliHR in the future, the availability of such funding, which be dependent on IntelliHR's financial performance. In addition to dilution, if IntelliHR is unsuccessful in obtaining funds when required, it may need to delay planned business activities, and potentially forgo growth opportunities.

## Dependence Upon Key Personnel

IntelliHR depends on the talent and experience of its Personnel, and as such any departure of key Personnel may be materially adverse to IntelliHR's prospects. It may be difficult to replace key Personnel or to do so in a timely manner or at a comparable expense. Additionally, if any key Personnel were to leave to work for or establish a competitor, this could further impact IntelliHR's prospects. IntelliHR has sought to mitigate this risk with equity incentives, but these incentives cannot remove the risk altogether.

## Competition

The technology industry is intensely competitive and subject to rapid change. IntelliHR may face competitors that are better resourced or develop superior products, particularly those based on new or disruptive technology. IntelliHR may also be slower to adopt new technology than potential competitors, each of which would likely be materially adverse to IntelliHR's prospects. In particular, the SaaS model is intensely competitive and, given the short timeframes with which products can be brought to market under a SaaS model, service providers' offerings are evolving quickly. Internet and SaaS businesses have generally low barriers to entry. Current or new competitors may adopt certain aspects of IntelliHR's business model without great financial expense, thereby reducing IntelliHR's ability to differentiate its services. Competition may arise from a number of sources, both in Australia and abroad. It may include companies that have greater capital resources and closer customer relationships than IntelliHR. Competition may also arise from companies with developed processes, systems, and technology or customer's may seek to develop their own equivalent analytical platforms. Any significant competition or failure to keep pace with technological change may adversely affect IntelliHR's ability to attract customers or meet its business objectives.

## Intellectual property

The intellectual property in the IntelliHR platform is critical to its commercialisation. There may be circumstances where IntelliHR's intellectual property cannot be protected or is subject to unauthorized infringement. Notwithstanding that IntelliHR may have legal rights in respect of any infringement, those rights may be costly and time consuming to enforce. IntelliHR has trade secrets and other intellectual property which are important assets. It is therefore reliant on a combination of confidentiality agreements with its consultants and third parties with whom it operates, in addition to domain name intellectual property right protections in order to protect the IntelliHR brand. Given the nature of the product, IntelliHR does not have any patent protection of its intellectual property. If IntelliHR fails to protect its intellectual property, competitors may gain access to its technology which may adversely impact the business. In addition, third parties may make claims against IntelliHR for infringement of their intellectual property rights. Defending such actions may be costly to IntelliHR and divert the time and resources of Board and key management personnel, resulting in detriment to IntelliHR. The intellectual property rights of a third party may also prevent IntelliHR from utilising its own intellectual property rights, requiring IntelliHR to rebrand at significant cost to IntelliHR.





# Risk Factors Continued

## **Reliance on third party providers**

As the IntelliHR platform is cloud-based, IntelliHR relies upon data centres and other third-party service providers for the ongoing availability of its platform. IntelliHR's influence over these third-parties is limited. Any system failure that causes an interruption to the platform could materially affect IntelliHR's business. System failures, if prolonged, could reduce the attractiveness of the platform to existing and potential customers and could damage IntelliHR's business reputation and brand name. The IntelliHR platform may contain defects and bugs when first introduced to a particular customer or as new versions are released. These defects or bugs could interrupt or delay the provision of services to customers and could ultimately damage IntelliHR's business reputation. IntelliHR's platform is also subject to risks associated with computer viruses, physical or electronic breaks, loss of data from physical damage or from failures by third party service providers or operating systems and similar disruptions, as well as to damage from the inadvertent introduction onto its systems of incorrect programming language by its employees.

## **Reliance on Continual Platform Development**

IntelliHR's ability to grow its customer base and generate revenue will depend on its ability to continually develop and innovate the IntelliHR platform to ensure it is a market leader in the industry. This may involve introducing significant changes to the existing IntelliHR platform, including technologies with which there is little or no prior development or operating experience. If the modified platform does not attract customers, IntelliHR may fail to generate sufficient revenue or operating profit to justify the investment.

## **Hacking and security breaches**

IntelliHR may be adversely affected by malicious third party actions that seek to breach security of the platform. Any such 'hacking' of the platform could, among other things, jeopardise the security of customer information stored on the IntelliHR platform. If IntelliHR's efforts to combat such malicious actions are unsuccessful, or if the platform has actual or perceived vulnerabilities, IntelliHR's business reputation and brand name may be harmed, which may result in a loss of customers from the platform (and reduced prospects of securing new customers). IntelliHR hosts infrastructure on Amazon Web Services (AWS) in Sydney, Australia. IT security and protection of customer data is critical to IntelliHR's success. IntelliHR employs a rigorous approach to security management and implements security controls which include: (a) industry-standard encrypted connection via HTTPS/SSL to protect data in transit; (b) defense-in-depth information assurance strategy using security groups to segment network; (c) staff access to production infrastructure protected by multi-factor authentication (MFA) and strict separation of responsibilities; and (d) staff access to customer data only granted on an as-needed basis in order to provide services to customers.

## **Growth Management**

There is a risk that IntelliHR may not be able to manage rapid growth of its business. Commercial sales may not fund sufficient revenue for growth and, potentially, continued operations. IntelliHR's capacity to properly implement and management business growth may affect its financial performance.

## **Speculative Nature of Investment**

Any potential investor should be aware that subscribing for Shares involves various risks. The Shares to be issued pursuant to the Offer carry no guarantees with respect to the payment of dividends, return of capital or market value. The success of IntelliHR is dependent on the commercialisation of its products and market adoption of those products. An investment in IntelliHR should therefore be considered speculative in nature.

## **General Investment Risks**

**Share Market Investments**  
It is important to recognise that the price of shares issued under the offer might rise or fall including to below or above the Offer Price. There can also be no assurance that an active trading market will develop for the Shares. Factors affecting the price at which the Shares are traded on ASX could include domestic and international economic conditions. In addition, the prices of many listed entities' securities are affected by factors that might be unrelated to the operating performance of the relevant company. Those fluctuations might adversely affect the price of the Shares.

## **General Economic Conditions**

IntelliHR's operating and financial performance is influenced by a variety of general economic and business conditions including the level of inflation, interest rates and government fiscal, monetary and regulatory policies. Prolonged deterioration in general economic conditions, including an increase in interest rates, could be expected to have a corresponding adverse impact on IntelliHR's operating and financial performance.

## **Accounting Standards**

Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside the Directors' and IntelliHR's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in IntelliHR's financial statements.

## **Taxation Risks**

Changes to the rate of taxes imposed on IntelliHR (including in overseas jurisdictions in which IntelliHR operates now or in the future) or tax legislation generally may affect IntelliHR and its Shareholders. In addition, an interpretation of Australian taxation laws by the Australian Taxation Office that differs to IntelliHR's interpretation may lead to an increase in IntelliHR's taxation liabilities and a reduction in Shareholder returns. Personal tax liabilities are the responsibility of each individual investor. IntelliHR is not responsible either for taxation or penalties incurred by investors.







## Rob Bromage

Managing Director & CEO

 [robert@intellihr.co](mailto:robert@intellihr.co)

 +61 7 2102 5750

**LinkedIn** ™ /rob-bromage

6 August 2020

## Entitlement Offer cleansing notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

intelliHR Limited ACN 600 548 516 (ASX: IHR) (**intelliHR**) announced today that it will undertake a:

1. placement of 33,333,333 shares (with the issue of 30,601,377 of these shares subject to shareholder approval) (**Placement**); and
2. 1 for 5 non-renounceable entitlement offer (**Entitlement Offer**),

(together the **Capital Raising**) at an issue price of \$0.075 per new fully paid ordinary share (the shares issued under the Entitlement Offer being the **New Shares** for the purposes of this notice).

The Entitlement Offer is fully underwritten by Jodie Ann Slattery as trustee for the Slattery Family Trust (for 45% of shortfall) and Colinton Capital Partners Fund I (A) Pty Limited as trustee for the Colinton Capital Partners Fund I (A) Trust (for 55% of shortfall).

This notice is given by intelliHR under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**Instrument 2016/84**).

## Information required under section 708AA(7) of the Corporations Act

For the purposes of section 708AA(7) of the Corporations Act, intelliHR advises that:

1. the New Shares will be issued without disclosure under part 6D.2 of the Corporations Act as notionally modified by Instrument 2016/84;
2. this notice is given under section 708AA(2)(f) of the Corporations Act as notionally modified by Instrument 2016/84;
3. as at the date of this notice, intelliHR has complied with:
  - (a) the provisions of chapter 2M of the Corporations Act as they apply to intelliHR; and
  - (b) section 674 of the Corporations Act;
4. as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act as notionally modified by Instrument 2016/84; and
5. information regarding the potential effect of the issue of New Shares on the control of intelliHR, and the consequences of that effect, is set out below.



## Effect of the Equity Raising on control

Given the structure of the Entitlement Offer as a pro rata offer, if all eligible shareholders take up their entitlement, each eligible shareholder's ownership interest (and voting power) in intelliHR will remain largely unchanged insofar as the Entitlement Offer is concerned. However as set out above, in addition to the Entitlement Offer, intelliHR will undertake the Placement. The Placement will involve the issue of an additional 33,333,333 fully paid ordinary shares (**Placement Shares**), subject to shareholder approval in respect of the issue of 30,601,377 of those shares, to raise \$2.5 million. The Placement Shares will represent approximately 12.24% of the fully paid ordinary shares on issue in intelliHR following completion of the Capital Raising. Accordingly, existing intelliHR shareholders will be diluted as a result of the Placement.

To the extent that any eligible shareholder fails to take up their entitlement under the Entitlement Offer, that eligible shareholder's percentage holding in intelliHR will be further diluted by those other eligible shareholders who take up some or all of their entitlement, and as a result of the Placement. The voting power of ineligible foreign shareholders will be diluted.

intelliHR directors Tony Bellas, Greg Baynton and Jamie Duffield have committed to taking up their entitlements under the Entitlement Offer (collectively 2,662,803 New Shares following the exercise of 4,161,888 options).

The maximum voting power that the underwriters may acquire under the Capital Raising assuming no shareholders (other than the above-named directors) take up their entitlement - an outcome the directors consider unlikely - and 2,875,758 shares (consisting 1,500,000 shares to be issued subject to shareholder approval to Robert Bromage, and the balance from performance rights vesting) in addition to the Capital Raising are issued, is as follows:

	Shares	% of total shares on issue
Jodie Ann Slattery as trustee for the Slattery Family Trust	47,018,628	17.17%
Colinton Capital Partners Fund I (A) Pty Limited as trustee for the Colinton Capital Partners Fund I (A) Trust	62,004,116	22.64%

Colinton Capital Partners Fund I (A) Pty Limited as trustee for the Colinton Capital Partners Fund I (A) Trust will rely upon item 9 of section 611 of the Corporations Act (3% creep exception) to increase its voting power in the Company to 20% or more.

This notice is authorised by the board of intelliHR Limited.



**Tony Ballas**

**Chairman**

**intelliHR Limited**



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## 6 HOW TO APPLY

### 6.1 Shareholder's choices

The number of New Shares to which Eligible Shareholders are entitled under the Entitlement Offer (i.e. their Entitlement) is shown on the accompanying Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) take up their Entitlements in full;
- (b) take up part of their Entitlements, in which case the balance of the Entitlements lapses (refer to section 6.3); or
- (c) allow their Entitlements to lapse (refer to section 6.4).

Ineligible Shareholders may not take up any of their Entitlements.

Eligible Shareholders are not obliged to take any action in respect of the Offer, and if they do not do so, their Entitlement will be issued to the underwriters (or their nominees).

The Closing Date for acceptance of the Entitlement Offer is 5.00pm (AEST) on 4 September 2020 (however, that date may be varied by the Company in accordance with the Listing Rules). The Company reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date.

### 6.2 Taking up all of your Entitlement

If you wish to take up your Entitlement in full, follow the instructions set out in the Entitlement and Acceptance Form.

Please return your completed Entitlement and Acceptance Form together with your Application Monies in accordance with section 6.5 for the amount shown on the Entitlement and Acceptance Form to the Share Registry so that it is received no later than 5.00pm (AEST) on 4 September 2020 at the address set out below:

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**By Post To:**

intelliHR Limited  
c/- Link Market Service Limited  
GPO Box 3560  
Sydney NSW 2001

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You may also take up all of your Entitlement by payment of the Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. If payment is being made through BPAY®, you do not need to return the Entitlement and Acceptance Form. Your payment must be received by no later than 5.00pm (AEST) on 4 September 2020.

Amounts received by the Company in excess of the Issue Price multiplied by your Entitlement (**Excess Amount**) will be returned to you without interest.

Refund amounts (greater than \$2.00), if any, will be paid in Australian dollars. You will be paid either by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders), or by direct credit to the nominated bank account as noted on the share register as at the closing date of the

Entitlement Offer. If you wish to advise or change your banking instructions with the Share Registry you may do so by going to [investorcentre.linkmarketservices.com.au](http://investorcentre.linkmarketservices.com.au) and following the instructions.

### **6.3 Taking up part of your Entitlement and allowing the balance to lapse**

If you wish to take up part of your Entitlement, complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the other steps required under section 6.2.

You may arrange for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. If payment is made through BPAY® and the Company receives an amount that is less than the Issue Price multiplied by your Entitlement (**Reduced Amount**), your payment will be treated as an application for as many New Shares as your Reduced Amount will pay for in full.

### **6.4 Allow your Entitlement to lapse**

If you do not wish to accept all or any part of your Entitlement, do not take any further action. That part of your Entitlement will lapse and be issued to the underwriters (or their nominees), and your holding in the Company will be diluted accordingly.

### **6.5 Payment**

The consideration for the New Shares is payable in full on application by a payment of \$0.075 per New Share. The Entitlement and Acceptance Form must be accompanied by a cheque for the Application Monies. Cheques must be drawn in Australian currency on an Australian bank and made payable to 'IntelliHR Limited' and crossed 'Not Negotiable'.

Alternatively, you may arrange for payment of the Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.

Eligible Shareholders must not forward cash by mail. Receipts for payment will not be issued.

### **6.6 Entitlement and Acceptance Form is binding**

A completed and lodged Entitlement and Acceptance Form, or a payment made through BPAY®, constitutes a binding offer to acquire New Shares on the terms of this Offer Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid Application for New Shares. The Directors' (or their delegates') decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY®, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you are an Eligible Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Entitlement Offer;

- (b) you acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act, or under the laws of any other jurisdiction outside Australia or New Zealand;
- (c) you have not and will not send any materials relating to the Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (d) you acknowledge that the New Shares may only be offered, sold and resold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S;
- (e) if you are a natural person, you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under your personalised Entitlement and Acceptance Form;
- (f) you have read and understand this Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety, and you acknowledge that an investment in the Company is subject to risk;
- (g) all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- (h) the law of any place does not prohibit you from being given this Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Entitlement Offer;
- (i) if you decide to sell or otherwise transfer any New Shares, you will only do so in regular way transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre arranged with, or that the purchaser is, a person in the United States;
- (j) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is not in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person in the United States; and
- (k) acknowledge that the information contained in this Offer Booklet and the Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs, and is not a prospectus or product disclosure statement, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX.

## **6.7 Brokerage and stamp duty**

No brokerage fee is payable by Eligible Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Entitlement Offer.

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## 7 RIGHTS AND LIABILITIES ATTACHING TO SHARES

Full details of the rights and liabilities attaching to the Shares are:

- detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

(b) Dividends

Except as otherwise required by the Corporations Act and to the terms on which shares are on issue and the rights and restrictions attaching to shares, the Directors may from time to time:

- declare dividends (whether final or interim) to be paid to members on such terms, including the amount and the time for and the method of payment, as the Directors think fit; or
- determine that a dividend is payable, fix the amount and time for payment.

(c) Future issues of securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

(d) Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

(e) Meetings and notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.

(f) Liquidation rights

The Company has one class of shares on issue, ordinary shares. Each ordinary Share ranks equally in the event of liquidation.

(g) Variation of rights

Subject to the Corporations Act and Listing Rules, the rights attached to the Shares may be varied in accordance with the Corporations Act

(h) Election of directors

At every annual general meeting one third of the Directors (rounded down to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the managing director.

(i) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

(j) Winding up

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

(k) Shareholder liability

As the Shares offered under the Offer Booklet are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(l) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(m) Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.



## 8 GLOSSARY

Term	Definition
\$ or A\$	means Australian dollars.
Applicant	means an Eligible Shareholder who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form or has arranged for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.
Application	means the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.
Application Monies	means the aggregate amount of money payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPAY®.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Closing Date	means 5pm (AEST) on 4 September 2020, the day the Entitlement Offer closes, or any other date that the Directors in their absolute discretion determine, subject to the Listing Rules.
Colinton Capital	means Colinton Capital Partners Fund I (A) Pty Limited as trustee for the Colinton Capital Partners Fund I (A) Trust.
Company	means IntelliHR Limited ACN 600 548 516.
Constitution	means the Company's constitution.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Directors or Board	means the Company's directors.
Eligible Shareholder	has the meaning set out in section 4.6.
Entitlement	means the right to subscribe for New Shares under the Entitlement Offer.
Entitlement and Acceptance Form	and means the Entitlement and Acceptance Form accompanying this Offer Booklet.

Entitlement Offer or Offer	means the 1 for 5 pro rata non-renounceable entitlement offer at \$0.075 per New Share to raise up to approximately \$3 million as announced by the Company on 6 August 2020.
Existing Shares	means the Shares on issue as at the Record Date.
Ineligible Shareholder	means a Shareholder on the Record Date with a registered address outside Australia or New Zealand.
Investor Presentation	means the investor presentation announced to the ASX on 6 August 2020 (and included in this Booklet in section 5).
Offer Booklet or Booklet	means this document.
Issue Price	means \$0.075 per New Share.
Listing Rules	means the official listing rules of ASX.
New Shares	means Shares offered under the Entitlement Offer.
Option	means an option to be issued a Share.
Placement	means the placement of 33,333,333 Shares announced to ASX on 6 August 2020.
Record Date	means 7.00pm (AEST) on 11 August 2020.
Shareholders	mean holders of Shares.
Shares	means fully paid ordinary shares in the capital of the Company.
Share Registry	means Link Market Services Limited.
US Securities Act	means the US Securities Act of 1933, as amended.

## Corporate Directory

### Directors

Mr Tony Bellas	Non Exec. Chairman
Robert Bromage	Managing Director
Jamie Duffield	Non Exec. Director
Greg Baynton	Non Exec. Director
Alan Bignell	Non Exec. Director
Nicole Cook	Non Exec. Director
David Slocomb	Non Exec. Director

### Company Secretary

Suzanne Yeates

### Website

<https://intellihr.co/>.

### Registered Office

Level 28, 345 Queen Street  
Brisbane QLD 4000

Tel: 1300 993 803

Email: [investor.relations@intelliHR.co](mailto:investor.relations@intelliHR.co)

### Share Registry\*

Link Market Services Limited  
Level 21  
10 Eagle Street  
Brisbane QLD 4000

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### Auditor\*

BDO Audit Pty Limited

### Solicitor to the Offer

Atkinson Corporate Lawyers

\*This party is named for informational purposes only and was not involved in the preparation of this Offer Booklet.

**SRN/HIN:**
**Entitlement Number:**
**Number of Eligible Shares held as  
 at the Record Date, 7:00pm (AEST)  
 on 11 August 2020:**
**Entitlement to New Shares  
 (on a 1 New Share for 5 basis):**
**Amount payable on full acceptance  
 at A\$0.075 per Share:**

<b>Offer Closes 5.00pm (AEST):</b>	<b>4 September 2020</b>
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## ENTITLEMENT AND ACCEPTANCE FORM

As an Eligible Shareholder you are entitled to acquire 1 New Share for every 5 Existing Shares that you hold on the Record Date, at an Offer Price of A\$0.075 per New Share. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

**IMPORTANT:** The Offer is being made under the Offer Booklet dated 14 August 2020. The Offer Booklet contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Offer Booklet. This Entitlement and Acceptance Form should be read in conjunction with the Offer Booklet.

### PAYMENT OPTIONS

If you wish to take up all or part of your entitlement, you have two payment options detailed below.

#### OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5.00pm (AEST) on 4 September 2020. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Application Form for the number of Shares subject of your application payment.



**Biller Code:** 328427  
**Ref:**

#### OPTION 2: PAYING BY CHEQUE

If paying by cheque, complete and return the acceptance slip below with your Application Monies. No signature is required on the acceptance slip. The acceptance slip with your Application Monies must be received by the Share Registry before 5.00pm (AEST) on 4 September 2020.

#### Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au

® Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form.

**THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.**



ABN 38 600 548 516

*Please detach and enclose with payment*

**SRN/HIN:**
**Entitlement Number:**


**A** Number of New Shares accepted (being not more than your Entitlement shown above)

**B** Application Monies  
 (Multiply the number in section A by A\$0.075)

**A\$**


**C PLEASE INSERT CHEQUE DETAILS** – Cheques must be drawn on an Australian branch of a financial institution in Australian currency, made payable to “intelliHR Limited” and crossed “Not Negotiable”.

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>A\$</b> <input type="text"/>

**D CONTACT DETAILS** – Telephone number

Telephone number – after hours

Contact name

The Entitlement Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia and New Zealand. In particular the Entitlement Offer is not being made to any person in the U.S. or to a U.S. person. The Offer Booklet and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

## ACCEPTANCE OF ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant that you have read and understood the Offer Booklet and that you acknowledge the matters, and make the warranties and representations;
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of intelliHR Limited.

## HOW TO APPLY FOR NEW SHARES

### 1. IF PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: [www.bpay.com.au](http://www.bpay.com.au)

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.075.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

## 2. IF PAYING BY CHEQUE

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

### A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

### B. Application Monies

Enter into section B the total amount payable by you. To calculate the total amount multiply the number in Section A by A\$0.075.

### C. Cheque details

Enter your cheque details in section C. Cheques must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "intelliHR Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque for the incorrect amount, intelliHR Limited may treat you as applying for as many New Shares as your cheque will pay for.

### D. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

## 3. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Offer Booklet electronically, your completed Entitlement and Acceptance Form with your Application Monies for New Shares may be mailed to the postal address, set out below. **If paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

### Mailing Address

intelliHR Limited  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

Make sure you send your Acceptance Slip and Application Monies allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5.00pm (AEST) on 4 September 2020. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. intelliHR Limited reserves the right not to process any Acceptance Slips and cheques received after the Closing Date.

**If you require further information on how to complete this Entitlement and Acceptance Form, please contact the Offer Information Line on 1300 131 543 (within Australia) or +61 1300 131 543 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.**