



ASX:IHR Release

6th Oct, 2022

intelliHR appoints Executive Chair Matt Donovan as CEO, and announces departure of Founder Rob Bromage

Key Highlights

- Executive Chair Matt Donovan to take on the additional position of CEO from 15 December 2022
- Matt joined as a Non-Executive Director in November 2021 and was appointed Executive Chair in March 2022. He brings 30 years experience in global senior executive strategy, having held marketing and technology roles at Microsoft (Windows, Office 365, Microsoft 365), McCann, and Havas
- intelliHR Founder Rob Bromage has resigned to pursue new opportunities

intelliHR Limited (ASX: IHR) announced today the appointment of Executive Chair Matt Donovan to the additional position of CEO. Matt has been Executive Chair of intelliHR since March 2022, and has brought strategic, product and management global best practice perspectives to the business. In the past two quarters the business has demonstrated execution of the new strategic vision under Matt's leadership, with a pivot to partner channel led growth, prioritisation of near-term pathway to operating cash flow breakeven, organic lead generation focused marketing and continued to win new 'ideal' mid-market and enterprise customers in ANZ, UK and North America. intelliHR is focused on its near-term goals of surpassing \$10m Contracted ARR and reaching operating cash flow breakeven. It now has over 320 customers in 20 countries, with 40% of headcount on the platform outside its home market of ANZ.

"I believe in the empowering experience intelliHR brings to our customers. I want to thank all of them, and our investors, for their support and belief in our team, product and growth plan. We have a clear mission to empower people to create their best work life together and are winning today in the market against the world's best," said Executive Chair & newly appointed CEO Matt Donovan.

Matt and intelliHR Founder Rob Bromage first met in July 2021 and bonded over their tech experiences. Matt spent 8 years at Microsoft's HQ in Redmond, looking after the global Windows and Office 365 brand and product portfolios, including Office 365's direct business. Most recently he was Global GM and Partner, Microsoft 365.

"Being founded by an HR industry insider gives us unique DNA in a market dominated by process and productivity technology businesses. Because of Rob, HR beats deeply in our heart. We will remain an HR-centric business. I want to personally thank him for his founding leadership. He steered the business from concept to an IPO and established our key strategic partnership with Cintra in the UK, all leading to 97% year on year ARR growth in FY22. He has built a strong team of leaders ready to step up and do the work to scale this business to further global success. I've appreciated and enjoyed Rob's partnership since we met in July 2021 and share his vision for the size and impact intelliHR can have in the world. We wish him the very best as he pursues his next exciting opportunity", said Mr Donovan.

"Founding intelliHR is my most proud professional achievement to date. I wish the Board, Matt, and the team every success as they lead the business to even greater heights. I will remain a keen shareholder and look forward to supporting the business going forward. I want to thank each member of the team at intelliHR for their support of me, and all their hard work over the years to get the business to this point. I am leaving to take an extended break, before diving into my next big challenge", Mr Bromage said.

A background in HR consulting gave Rob the insight that HR leaders were not being provided with the type of intelligence and analytical tools they needed to be impactful leaders at the highest levels of their organisations. intelliHR is the intelligent, human, and secure people platform empowering progressive HR leaders to build their organisation's best work life together.

“On behalf of the non-executive directors, I would also like to add our thanks to Rob for his passion, energy, and drive over the years. intelliHR is a successful product globally today, and is set up for its next phase of growth, thanks to Rob’s passion and work ethic. He leaves with our best wishes for his next success”, said former Chair and current non-executive director Tony Bellas.

A summary of key terms for the revised senior executive arrangements is provided in Appendix I.

Authorised for release by the Board of intelliHR

Further Information

intelliHR Investor Relations

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About ASX:IHR

intelliHR is the intelligent people platform that empowers global HR leaders to create an inclusive, engaging, performing, and aligned working culture. The intelliHR platform is the cloud-based way to drive employee engagement, performance and retention, in today’s hybrid working world. Easily implemented, employing best-of-breed integrations, with powerful data at its core, intelliHR is the HR software choice for 300+ progressive organisations and over 70,000 users across 20 countries. For more information, visit www.intellihr.com

Appendix I – Key Terms for Chief Executive Officer Arrangements

Matt Donovan

- Role: Chief Executive Officer
- Commencement Date: Thursday 15th December 2022
- Remuneration:
 - Cash: \$325,000 p.a + super
 - Incentive arrangements:
 - Short term incentive plan – Maximum opportunity of 75% of base salary payable in either cash or performance rights in accordance with the terms of the existing IHR performance rights plan (at the Board’s election).

The number of performance rights determined by the following formula:

$$P = \frac{75\% \text{ of base salary}}{\text{Deemed Issue Price}}$$

Where:

P is the number of performance rights

Deemed Issue Price is the 30 trading day VWAP of IHR shares 15 trading days after commencement date.

- The short-term incentive is subject to achieving the following performance hurdles (with vesting to occur after 30 June 2023):
 - (a) \$6.25 million new contracted annual recurring revenue; and
 - (b) key performance measures linked to earnings-based performance hurdles over the 2023 financial year. The performance hurdles will be set by the Board. Specific targets have not been disclosed due to their commercial sensitivity, however the hurdles will consist of four components as follows:
 - (i) financial performance (50% weighted):
 - (ii) customer and brand advocacy (15% weighted):
 - (iii) people (15% weighted):
 - (iv) individual goals (20% weighted).
- Long term incentive Upfront Award – award of 7,000,000 performance rights (Rights), vesting as follows:

Vesting date	Vesting conditions	Number	Expiry
31 December 2023	Continued employment	350,000	30 June 2026
31 December 2024	Continued employment	350,000	30 June 2026
31 December 2025	Continued employment	350,000	30 June 2026
31 December 2025	IHR share price at 31 December 2025 (based on a 30 day VWAP) being: <ul style="list-style-type: none"> a) in respect of 1,050,000 of the Rights, 2x; b) in respect of 1,400,000 of the Rights, 3x; c) in respect of 1,750,000 of the Rights, 4x; and d) in respect of 1,050,000 of the Rights, 5x, the IHR share price at the date of execution of CEO contract (based on a 30 day VWAP).	5,950,000	30 June 2026

- Long term incentive – Annual
 - Maximum opportunity: 100% of base salary
 - KPI based on relative total shareholder return measured at or above the 3-year average of the S&P ASX small ordinaries Ex A-REIT Franking Credit Adjusted Annual Total Return Index Cap Index.
 - Paid in performance rights in accordance with the terms of the existing IHR performance rights plan
 - Subject to shareholder approval at the 2022 AGM.
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- Termination: 6 months notice (mutual).