

ASX: LVH MARKET RELEASE

Updated 2022 H1 Results Presentation

28 February 2022 | Melbourne, Victoria

LiveHire Limited (ASX: LVH) ("LiveHire" or the "Company") advises that due to an administrative error, on slide 4 of the 2022 H1 Results Presentation lodged with ASX today, the descriptors in the Financial Performance rows in the table should read **Total Cashburn** not Operating Cash Burn, and **Total Cash Balance** not Total Cashburn.

Total Cashburn for the 6 month period for H1 22 was (\$3.1m) compared to the 6 month period H1 21 which was (\$3.6m).

Total Cash balance for period ending H1 22 was \$11.3m compared to \$17.4m for period ending H1 21.

Please see updated Presentation attached.

For more information:

Christy Forest – CEO and Executive Director

investors@livehire.com

Subscribe to LiveHire's newsletter at: <http://eepurl.com/b2EMFL>

www.livehire.com/investor

Ben Brooks, LiveHire's CFO, authorised the release of this announcement to the ASX.

About LiveHire

LiveHire is an award-winning¹, market-leading recruitment, talent mobility and direct sourcing platform. It revolutionises the candidate experience and enables businesses and curation partners to thrive with talent on demand. The platform makes managing the flow of talent into and through businesses seamless, delivering value through detailed visibility of talent, shifting both permanent and contingent recruitment from reactive to proactive, improving fit, reducing time and cost to hire, with an unrivalled candidate experience.

Founded in 2011, LiveHire is an Australian company headquartered in Melbourne, with offices also in Sydney, Perth and Miami.

www.livehire.com

¹ https://drivenxdesign.com/SYD17/winners_list.asp

LiveHire (ASX:LVH) 2022 H1 Results Presentation:

28 February 2022

livehire

Empowering the flow of the world's talent

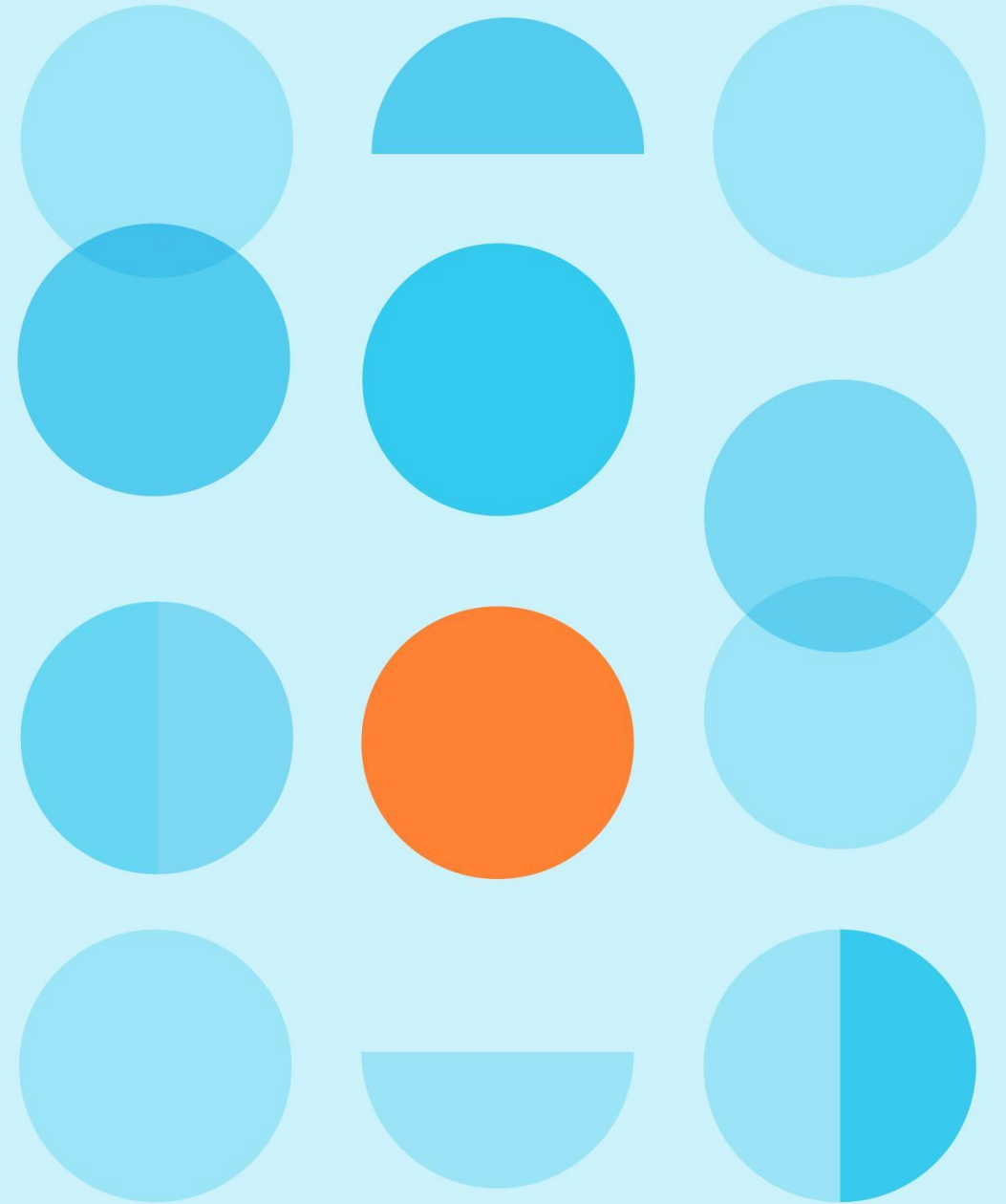


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High Level Overview



Strong Performance across all Key Business Drivers

Key Performance Metrics	H1 21	H1 22	YOY % Var
SaaS Business			
Opening ARR	\$3.496	\$4.322	24%
New Business ARR	\$0.633	\$0.572	(10)%
Net upgrade/(downgrade) ARR	\$0.121	\$0.153	26%
Churn ARR	(\$0.334)	(\$0.125)	63%
Closing ARR (\$m)	\$3.917	\$4.922	26%
NRR rate % (12mth rolling)	82%	99%	17%
Closing clients	120	155	29%
Direct Sourcing Business			
Closing Partners	11	20	82%
Closing Clients (Logos)	8	24	200%
Total Revenue (\$m)	\$0.314	\$1.076	242%
Talent Community Connections (m)			
Total	3.208	5.130	60%
ANZ	2.337	3.335	43%
North America	0.871	1.795	106%
Financial Performance			
Total Cashburn (\$m)	(\$3.609)	(\$3.123)	13%
Total Cash balance (\$m)	\$17.372	\$11.293	35%

Strong performance across key SaaS business drivers:

- ✓ Closing ARR of \$4.9m up 26% on PCP.
- ✓ NRR rate % (12 mth rolling) for the period is 99% up from 82% PCP.
- ✓ Net upsell for the period continues to be strong up \$30k+ on PCP.
- ✓ Closing clients of 155 for the period, up 29% from 120 PCP.

Direct Sourcing – performance exceeded expectations :

- ✓ Closing partners 20, up from 11 on PCP.
- ✓ Closing clients 24, up from 8 on PCP.
- ✓ Revenue \$1.1m, up from \$0.3m on PCP, increase of 242%.

Talent Community Connections:

- ✓ Total TCC's of 5.1m up from 3.2m on PCP, increase of 60%.
- ✓ ANZ TCC's of 3.3m up from 2.3m on PCP, increase of 43%.
- ✓ North American TCC's of 1.8m (35% of total) up from 0.9m, increase of 106%.

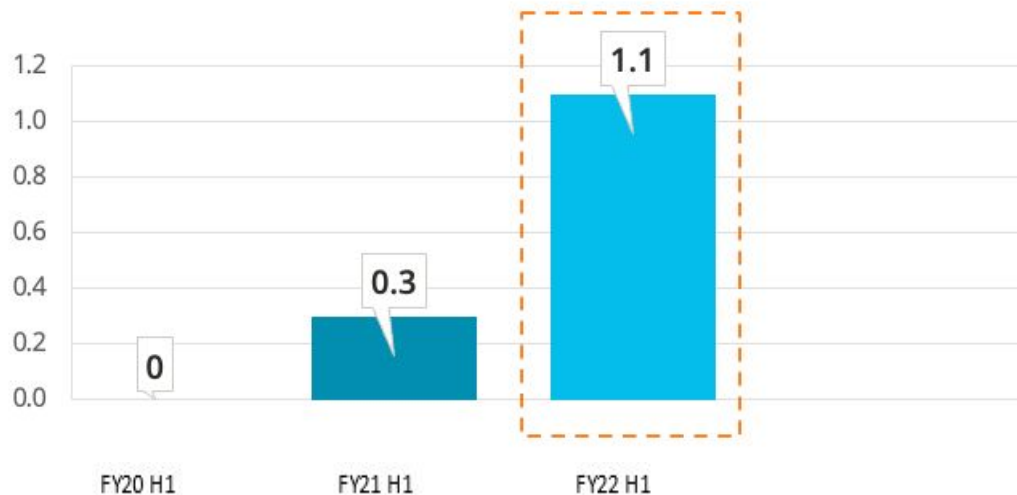
Financial Performance:

- ✓ Cash receipts from customers of \$3.5m for the 6mths was up from \$2.4m on PCP, increase of 46%.
- ✓ Investment in North America growth & GDPR compliance offset by increase in receipts and R&D refund \$0.9m.

Direct Sourcing continues to deliver strong growth in clients

Direct Sourcing Performance	H1 20	H1 21	H1 22	YOY
Closing Partners	0	11	20	82%
Closing Clients (Logos)	0	8	24	200%
Revenue (\$m)	\$0.000	\$0.314	\$1.076	242%
EACV (\$m) ¹	\$0.000	\$2.400	\$7.200	200%

Direct Sourcing Revenue \$m



¹ EACV - Estimated Annual Contract Value based on average of management's estimate of \$300k (refer to glossary for calculation) per client at full ramp, LiveHire expects to take 12-24mths to ramp to this rate of use. Note ramping may vary due to forex rates.

² Expected growth to end of FY22 (30 June 2022) based on approx 6 net gain per quarter at EACV \$300k.

Direct Sourcing revenues for the 6mth period ended H1 22 grew 242% compared to same period in H1 21:

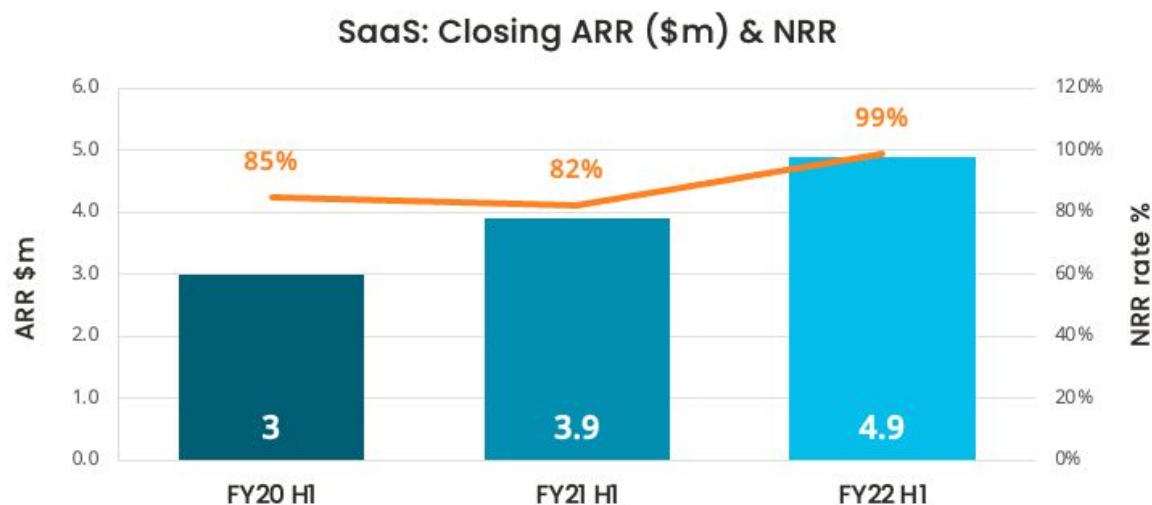
- ✓ 6 new partners were added in the 6mth period taking total partners to 20 for the period ended H1 22 and tracking to plan.
- ✓ 10 new clients were added in the 6mth period taking total clients to 24 for the period ended H1 22, representing EACV of \$7.2 million. This is expected to grow to 36 by the end of FY22².
- ✓ Underlying direct sourcing revenues continue to ramp according to plan and the one off COVID hires are coming off as expected.
- ✓ Partner enablement continues to mature with currently - 137 client opportunities live; 11 at proposal stage.

SaaS business posts record half off strong sales lift and impressive retention rates

SaaS Performance	H1 20	H1 21	H1 22	YOY
Closing Clients (Logos)	99	120	155	29%
Closing ARR Revenue (\$m)	\$3.013	\$3.917	\$4.922	26%
NRR rate % (12mth rolling)	85%	82%	99%	17%
Recurring revenue % of Total SaaS	83%	90%	90%	0%

SaaS retention exceeds plan as sales pipeline grows as confidence returns:

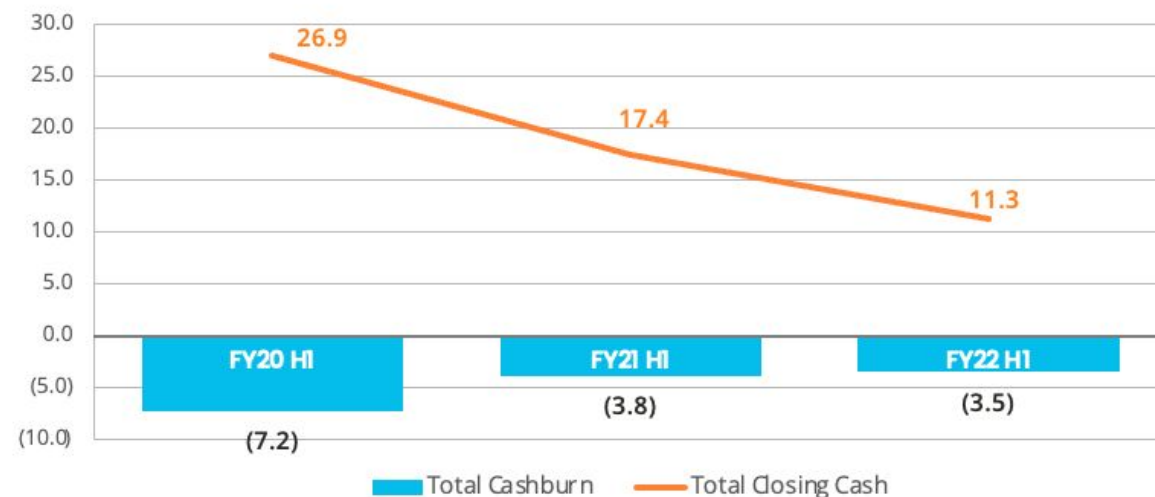
- ✓ Record client revenue retention exceeding plan with NRR rate % (rolling 12mths) of 99% for period ended H1 22 up from 82% for period ended H1 21.
- ✓ Net gain for the 6mth period ended H1 22 was 17 (added 24 new clients, 7 losses) taking total to 154 clients. Strong ARR upgrade activity exceeded the ARR losses for the quarter.
- ✓ Closing ARR of \$4.9m for the period ended H1 22 \$4.9m up from \$3.9m for the same period in H1 21 was an increase of 26%.
- ✓ Current pipeline - 87 client opportunities live; 22 at proposal stage.



Strong cash position enables investment into North American market to accelerate

Cash Performance	H1 20	H1 21	H1 22	YOY
Total Revenue (\$m)	\$1.624	\$2.293	\$3.725	62%
EBITDA Statutory (\$m)	(\$8.473)	(\$3.771)	(\$5.001)	(33)%
Operating Cashburn (\$m) ¹	(\$5.987)	(\$2.772)	(\$2.701)	3%
Total Cashburn (\$m)	(\$7.132)	(\$3.609)	(\$3.123)	13%
Closing Cash (\$m)	\$26.882	\$17.372	\$11.293	(35)%

Cashburn & Closing Cash (\$m)



Financial indicators are tracking to plan and enabling investment into North America:

- ✓ Customer revenues of \$3.5m for the 6mths ended H1 22 was up from \$2.3m for same period ended H1 21 an increase of 57%, with 12mth rolling customer receipts at \$6.9m an increase of 56% on same period ended H1 21.
- ✓ Operating cashburn was in line with expectations at (\$2.7m) for 6mth period ended H1 22 which was slightly lower than same period in H1 21 of (\$2.7m) down 3%; increase in revenues predominately offsetting increased investment in growth in North America and GDPR.
- ✓ TCC's of 5.1m for the period ended H1 22 up from 3.2m in for same period ended in H1 21:
 - ANZ up 43% to 3.3m and
 - North America up 106% to 1.8m

Direct Sourcing & Growth of Contingent Workforce



Direct Sourcing synonymous with the continued evolution of Talent

“In 2021, Direct Sourcing reached its tipping point; in 2022, it will achieve near-universal acceptance.....businesses will act as their own recruitment firms, saving time and money on talent management” ¹

Christopher J Dwyer

82%

Of all businesses feel the challenging times of the last 18 months has increased the demand for extended and non-employee talent. ¹

47%

Of the average organisation's workforce is considered “contingent” (continued growth of approximately 10% YOY), as of December 2021. ¹

41%

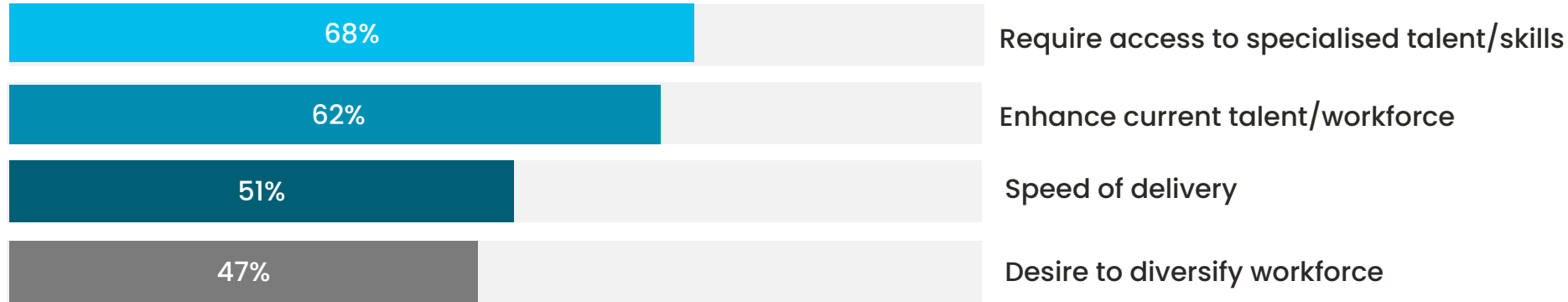
Of all hiring managers have stated their intention to launch a direct sourcing program within the next year. ¹

What is the strategic value of the Contingent Workforce?

“The contingent workforce has become a dynamic, flexible means of tapping into a new generation of skills as well as an agile source of talent that can spark productivity, innovation, and deep organisational value. ”¹

- Ardent Partners Ltd 2020

Figure 1: The Top Reasons Business Use Contingent Labor¹



¹ https://agile-one.com/media/4jfp3rx/2021_workforce_solutions_market_overview.pdf

Business Overview



Recently introduced partners are launching new Direct Sourcing businesses with LiveHire



The partnership myBasePay has with LiveHire is a representation two companies aligned for the future trajectory of workforce management. It is critical for us to partner with organizations that have foundational proposition that improves the overall candidate experience.

With myBasePay being at the forefront of the Employer of Record space, we are thrilled to partner with LiveHire who has been a pioneer in the Direct Sourcing movement. Together, our companies can create a complimented candidate lifecycle solution for enterprises everywhere.

Cesar A. Jimenez
CEO, myBasePay



Broadleaf is excited to partner with LiveHire to grow our Managed Service Program (MSP) 2.0 offerings and further enhance our program success. LiveHire's cutting-edge platform broadens our capabilities and streamlines our sourcing process— enabling us to attract top candidates from all labor categories and employment classifications

LiveHire's AI-powered technology was adopted by our talent acquisition team for use in our internal hiring process and demonstrates proof of concept for our clients implementing an MSP. Given our initial results, we are confident that our partnership with LiveHire will enhance our next-generation of MSP service offerings and help our clients keep pace with the ever-changing talent market.

Dave Savarise
Executive Vice President at Broadleaf Results, Inc.



We introduced 24 new SaaS clients in the quarter including



Financials



Balance Sheet set to support future growth

Cash Performance	H1 21	H1 22	YOY % Var
Closing Cash	\$17.372	\$11.293	(35)%
Receipts Rolling 12mths	\$4.427	\$6.913	56%
Cashburn	(\$3.609)	(\$3.123)	13%
Cash Inflows	\$2.595	\$4.721	82%
Cash Outflows	(\$6.204)	(\$7.844)	(26)%

Balance Sheet (\$m):	30 Jun 21	31 - Dec 21	YOY % Var
Current Assets	\$17.260	\$14.513	(16)%
Non Current Assets	\$4.580	\$4.623	1%
Total Assets	\$21.840	\$19.135	(12)%
Current Liabilities	\$3.889	\$4.754	(22)%
Non Current Liabilities	\$0.507	\$0.433	15%
Total Liabilities	\$4.395	\$5.187	(18)%
Net Assets	\$17.445	\$13.948	(20)%
Issued Capital	\$62.322	\$62.720	(1)%
Reserves	\$13.154	\$15.046	(14)%
Accumulated Losses	(\$58.031)	(\$63.817)	(10)%
Total Equity	\$17.445	\$13.948	(20)%

Note:

Balance Sheet comparatives is Jun-21 v Dec-21 as per Interim Financial Report for the half-year ended 31 December 2021.

Delivering Solid Operational Financial Performance

Profit & Loss Statement	H1 21	H1 22	YOY % Var
SaaS Recurring Revenue	\$1.756	\$2.230	27%
SaaS Non Recurring Revenue	\$0.195	\$0.237	22%
Total SaaS Revenue	\$1.951	\$2.467	26%
% Recurring Revenue	90%	90%	
Total Direct Sourcing Revenue	\$0.304	\$1.076	254%
Other Revenue ⁶	\$0.038	\$0.183	387%
Total Other Revenue	\$0.038	\$0.183	387%
Operating Revenue ¹	\$2.293	\$3.725	56%
Operating Expenses ²	(\$6.029)	(\$9.612)	(59)%
EBITDA - Management ³	(\$3.737)	(\$5.887)	(58)%
Share based payments expense ⁴	(\$0.895)	(\$1.897)	(112)%
Software development capitalisation ⁵	\$0.929	\$1.012	(9)%
EBITDA - Statutory	(\$3.771)	(\$5.001)	(33)%
Interest & Other	(\$0.010)	(\$0.031)	(221)%
Depreciation & Amortisation	(\$0.919)	(\$0.754)	18%
Exchange differences	\$0.009	(\$0.006)	166%
Net (Loss) - Statutory	(\$4.700)	(\$5.786)	(23)%

1. Operating Revenue

Revenue excluding R&D rebate income and interest income.

2. Operating Expenditure

Expenditure excluding non-cash share-based payments expense and depreciation & amortisation, and including software development expenditure (both expensed and capitalised).

3. EBITDA

Earnings before interest, tax, depreciation and amortisation.

4. Share-based payments expense

Share-based payments is a non-cash cost relating to the value attributed to equity based employee benefits.

5. Capitalisation of software development

Software development costs attributed to the Statutory Profit & Loss are impacted by the amount capitalised to the value of Intangible Assets under the relevant accounting standards.

6. R&D rebate / government grant income

R&D rebates and government grants / subsidy are considered to be outside of operating revenue for management reporting purposes. This number includes the P&L portion of R&D rebates received and cashflow assistance.

Strategy



LiveHire's Addressable Market & Current Progress

	Direct Sourcing market	SaaS market	
	Contingent hiring sold to procurement/finance	Permanent hiring sold to HR	+ Internal mobility sold to HR
Competitive value proposition	- Disintermediate the ~20%⁵ mark-ups paid on temporary employees - Reducing mark-ups to realise savings - Plus faster, better hires	By creating a pre-existing talent community clients can*: - Reduce time to hire from 25 days to 7 days - Increase recruiter efficiency with AI from 50 to 3 candidates - Reduce per hire cost from \$5,800 to \$2,500 (*Vodafone client example)	- Know all skills & use AI to search and move talent into internal roles - Communicate seamlessly by SMS - Avoid turnover through poor internal job markets
Market Focus	North America	Australia	New Zealand
Estimated size of market	\$US80b+¹ spend in the US on MSPs - LiveHire's fee @ 1-2% could indicate an \$US800m+ TAM	4,000 companies² \$100m potential tech spend - Large, medium, small	1,000+ companies³ \$10m potential tech spend - Large, medium
Go to market	Via partners who have a strong financial incentive to introduce to sell the solution to their clients	Direct sales force	
Current position	20 partners (as at 31 December 2021) 24 clients Examples of clients: Ontario Ministry of Health, Global Professional Services Firm, Enbridge ⁴	154 clients (as at 31 December 2021) Example of clients: Vodafone, University of Newcastle, BabyBunting	4 clients Examples of clients: Large state governments

Appendices



Statutory Balance Sheet

Balance Sheet – Statutory	30-Jun-21	31-Dec-21	YOY % Var
ASSETS			
Current Assets			
Cash & cash equivalents	14.416	11.293	(22)%
Trade & other receivables	2.844	3.220	13%
Total Current Assets	17.260	14.513	(16)%
Non-Current Assets			
Plant & equipment	0.281	0.242	(14)%
Intangible assets	3.516	3.861	10%
Held to Maturity Investments	0.000	0.000	0%
Right- of-use Assets	0.553	0.383	(31)%
Contract Acquisition Costs	0.151	0.137	(9)%
Other non-current financial assets	0.080	0.000	(100)%
Total Non-Current Assets	4.580	4.623	1%
TOTAL ASSETS	21.840	19.135	(12)%
LIABILITIES			
Current Liabilities			
Trade & other payables	1.027	1.182	(15)%
Provisions	0.793	0.939	(18)%
Deferred revenue	1.788	2.434	(36)%
Lease Liabilities - Current	0.280	0.199	29%
Total Current Liabilities	3.889	4.754	(22)%
Non-Current Liabilities			
Provisions	0.138	0.161	(17)%
Lease Liabilities - Non-Current	0.369	0.272	26%
Other non-current liabilities	0.000	0.000	0%
Total Non-Current Liabilities	0.507	0.433	15%
TOTAL LIABILITIES	4.395	5.187	(18)%
NET ASSETS	17.445	13.948	(20)%
EQUITY			
Issued capital	62.322	62.720	1%
Reserves	13.154	15.046	14%
Accumulated losses	(58.031)	(63.817)	10%
Total Equity	17.445	13.948	(20)%

1. Cash and cash equivalents

Refer to Cash Flow.

2. Held to Maturity Investments

Term Deposits in relation to and bank guarantees on property leases.

3. Right-of-use assets and Lease Liabilities

As a result of the adoption of AASB16, the company has recognised new assets and liabilities for its operating leases. The nature of expenses related to those leases has now changed because the company is recognising a depreciation charge for right-of-use assets (“ROU”) and interest expense on lease liabilities. Previously, the company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

Note:

Balance Sheet comparatives is Jun-21 v Dec-21 as per Interim Financial Report for the half-year ended 31 December 2021.

Statutory Cashflow:

Cashflow Statement – Statutory	HI 21	HI 22	Var	YOY % Var
Cashflows from Operating Activities				
Receipts from customers	\$2.383	\$3.538	1.155	48%
Payments to suppliers and employees	(\$5.166)	(\$6.683)	(1.516)	29%
Interest received	\$0.071	\$0.012	(0.058)	(82)%
Interest expense	(\$0.059)	(\$0.037)	0.022	(38)%
R&D Refund	\$0.000	\$0.468	0.468	100%
Total Cash Flows from Operating Activities	(\$2.772)	(\$2.701)	0.071	(3)%
Cashflows from Investing Activities				
Payment for intangible assets	(\$0.929)	(\$1.012)	(0.083)	9%
Payment for PPE	(\$0.000)	(\$0.028)	(0.028)	8978%
Payment for other non-current financial asset	\$0.000	(\$0.006)	(0.006)	(2241)%
R&D Refund	\$0.000	\$0.383	0.383	100%
Government Grants	\$0.038	\$0.000	(0.038)	(100)%
Total Cash Flows from Investing Activities	(\$0.892)	(\$0.663)	0.229	(26)%
Cashflows from Financing Activities				
Proceeds from the issue of shares	\$0.212	\$0.398	0.186	88%
Payment of principal portion of lease liabilities	(\$0.148)	(\$0.178)	(0.030)	21%
Total Cashflows from Financing Activities	\$0.065	\$0.220	0.155	241%
Net Cashflows	(\$3.599)	(\$3.143)	0.455	(13)%
Cash Balances				
Cash and cash equivalents at beginning of period	\$20.981	\$14.416	(6.565)	(31)%
Effect of exchange rate changes on cash	(\$0.010)	\$0.021	0.031	(305)%
Cash and cash equivalents at end of period	\$17.372	\$11.293	(6.079)	(35)%

1. Payment for intangible assets

In the statutory cash flow statement payments for intangible assets are separately identified. However, in the Appendix 4C these costs are included as payments to suppliers and employees. The reason for this difference in treatment is due to the fact that capitalised salaries are processed bi-annually as a statutory adjustment, and are subject to detailed documentation and audit review, which does not occur on a quarterly basis.

2. Receipts from other non-current financial assets

Term Deposits in relation to corporate credit card facility and bank guarantees on property leases.

LiveHire's Performance Metrics – Glossary

Below we explain a handful of the headline performance metrics, and inputs into key metrics, that we use every day to manage and drive LiveHire's performance.

Monthly Recurring Revenue

Monthly recurring revenue is a point in time monthly view of LiveHire's recurring revenue components. This is a combination of fixed monthly recurring revenue streams, variable monthly recurring revenue streams, and monthly recognised recurring revenue streams for upfront paying clients.

Annualised Recurring Revenue (ARR)

ARR represents contracted recurring revenue components of term subscriptions normalised to a one-year period.

Opening ARR

Opening ARR represents the ARR at the beginning of the period.

New Business ARR

New Business ARR represents the ARR derived from new clients secured in that period.

ARR Churn – Customer Losses

ARR Churn represents the value of ARR which was not renewed by clients lost in that period.

Net Revenue Retention (NRR) rate %

Calculated as $(\text{Opening ARR} + \text{upsell ARR} - \text{downsell ARR} - \text{churn / lost ARR}) / \text{Opening ARR}$. NRR is an indicator that measures how well a business can not only renew but generate additional revenue from its clients post initial sale.

ARR Churn

$\text{ARR Churn} = \text{Customer Losses} + \text{Net Upsell ARR}$

Closing ARR

Closing ARR represents the ARR at the end of the period and is calculated as:
 $\text{Opening ARR} + \text{New Business ARR} + \text{Net Upsell ARR} - \text{Churn ARR} - \text{Customer Losses}$.

Churn %

ARR Churn as a percentage of Opening ARR.

Annualised Recurring Revenue Per Client (ARRPC)

ARRPC is calculated as: $\text{Closing ARR} / \text{number of clients}$

ARRPC is a key metric and can be grown by securing higher value clients, and by adding new products and functionality to provide more value to clients.

Client

A client is defined as being an entity from which ARR is generated at a point in time.

Talent Community Connection (TCC)

A talent community connection (TCC) represents a connection between a company and an employment candidate on the LiveHire platform. An individual candidate may join multiple talent communities resulting in multiple TCCs per candidate. TCCs include unclaimed candidate profiles created by a company or its service providers or by the candidate through a job application process. TCCs may also include claimed candidate profiles that remain on the platform available to be connected with live talent communities after being archived by their only active company connection.

LiveHire's Financial Metrics – Glossary

Below we explain a handful of the headline performance metrics, and inputs into key metrics, that we use every day to manage and drive LiveHire's performance.

Recurring Revenue

Recurring revenue is the component of statutory reported operating revenue that relates to recurring revenue streams earned during the period being reported on. Recurring revenue streams include hosting fees, user licence fees and ongoing support and maintenance fees.

Non-Recurring Revenue

Non-recurring revenue is the component of statutory reported operating revenue that relates to one-off revenue streams earned during the period being reported on. This predominantly consists of upfront implementation and integrations fees as well as professional services fees.

Management EBITDA

EBITDA excluding Share Based Payments and R&D rebate income, and prior to the transfer of certain costs to the software development asset. It provides a normalised view that excludes significant non-cash expenses, income not considered part of core operations, and includes all salary costs (including those able to be capitalised under the applicable accounting standards).

Statutory EBITDA

EBITDA including Share Based Payments and R&D rebate income, and after the transfer of certain costs to the software development asset.

Annual Cash Burn excluding financing activities

Cash Burn excluding financing activities is calculated as operating and investing cash flows as reported in the statutory cash flow statement.

It does not include net cashflows from financing activities (e.g. capital raise).

Estimated Annual Contract Value (EACV) – Direct Sourcing

EACV refers to the expected annual contract value that a direct sourcing client will pay LiveHire when the client is at full ramp. LiveHire expects the client to take 12-18mths to ramp to this rate of use.

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

Opportunities Live

Organisations that have had a discovery meeting and / or demonstration of the product and are in active consideration of the LiveHire solution.

Get In Touch



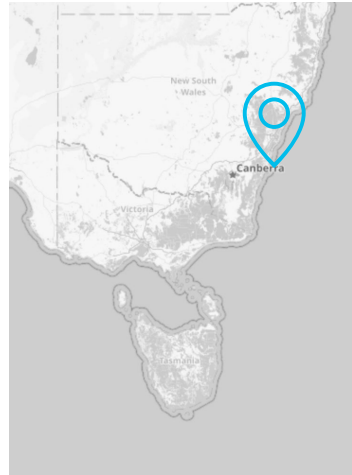
www.livehire.com



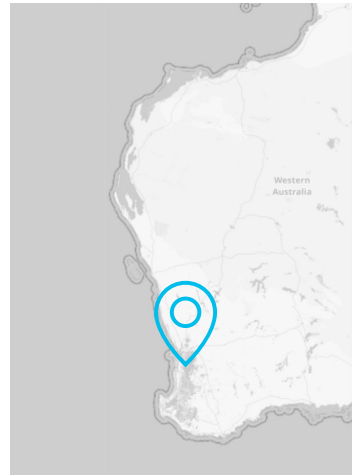
investors@livehire.com



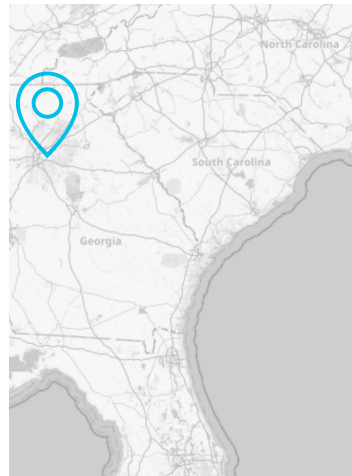
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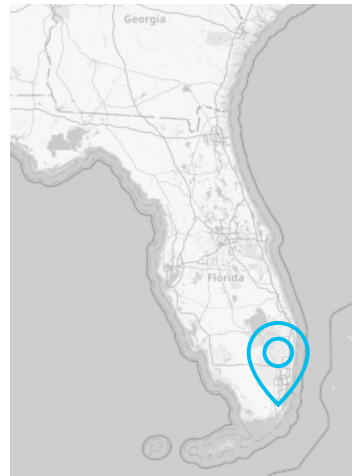
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