

## ASX Release

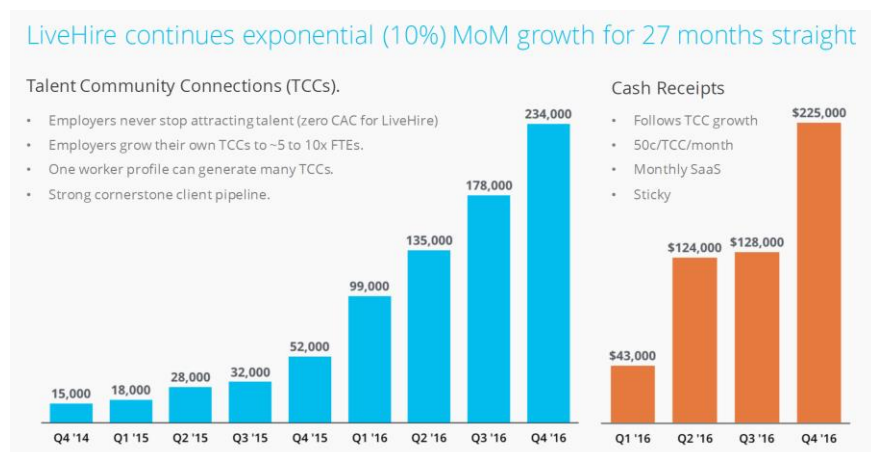
27 February 2017

### LiveHire Half Yearly summary

**Melbourne, 27 February 2017:** LiveHire Limited (ASX: LVH), the Talent Community platform empowering the flow of talent through organisations, shifting recruitment from reactive to 100% proactive, is pleased to report activity highlights for the Half Year ended 31 December 2016, along with its Appendix 4D.

#### 2016 Half Year Highlights

- **Talent Community Connections (TCCs) grew by 443%** - compared to previous year period - with 234,000 connections among existing clients and new significant cornerstone clients at 31 December 2016 compared to 52,000 at 31 December 2015.
- **Revenue for the half year increased 129% to \$309,983\*** with no material increase in resource allocation required (cost increased by 15%), compared to the second half of previous financial year.
- Strong financial position at end of period, **debt free with \$7.3m cash at bank**, and material R&D Tax incentives expected in CY17.
- **Established RPO channel partnership** with leading recruitment process outsourcer (RPO) Randstad Sourceright, the leading global RPO provider, which manages end-to-end hiring for more than 180 corporate clients globally.
- Launched Cornerstone clients including **Telstra Health** and General Pants Co., as well as the launch of talent communities for Japara Healthcare and Amana Living.
- First customer-led technology integration commenced with leading global Human Capital Management Suite SAP SuccessFactors, which services more than 6,000 clients.
- Continued to sign clients in Health Care, Aged Care, Media and Communications, Technology, Retail and Professional Services industry verticals.
- Launched a partnership with key customer Australian Human Resources Institute (AHRI), the peak national body for HR professionals, endorsing and marketing the Live Talent Community platform to more than 14,000 members nationally.



- Released Live Talent Analytics and Live Talent Pooling to help clients shift from reactive to 100% proactive sourcing and recruitment.
- Integrated the FlareHR candidate on-boarding technology into the LiveHire ecosystem, Australia's first all-in-one employee onboarding and benefits platform, backed by the Westpac Reinventure fund.
- Integrated the Sonru video interviewing technology into the LiveHire ecosystem, the global leader in automated video interviewing technology, with more than 5,000 video interviews completed in the first month of implementation.

(\*) As detailed in Note 2 of the Financial Statement, the Income Statement has been prepared on an accruals basis, and will therefore vary from the ASX 4C report. The variance is \$43,000 and is attributed to a net decrease in trade debtors and increase in deferred revenue.

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## About LiveHire

LiveHire is a productivity and collaboration platform for talent management that delivers a proactive sourcing and internal mobility solution called Live Talent Communities. The platform makes managing the flow of talent into and through businesses seamless, delivering value through perfect visibility of existing employees, and shifting recruitment of new talent from reactive to proactive, 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, Brisbane and Perth.

[www.livehire.com](http://www.livehire.com)

[www.livehire.com/investor](http://www.livehire.com/investor)

## Disclaimer

This announcement contains "forward-looking statements." These can be identified by words such as "may", "should", "anticipate", "believe", "intend", "estimate", and "expect". Statements which are not based on historic or current facts may be forward-looking statements. Forward-looking statements are based on:

- assumptions regarding the Company's financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and
- current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained within the presentations are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by forward-looking statements. For example, the factors that are likely to affect the results of the Company include general economic conditions in Australia and globally; exchange rates; competition in the markets in which the Company does and will operate; weather and climate conditions; and the inherent regulatory risks in the businesses of the Company. The forward-looking statements contained in this announcement should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive. The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The Company disclaims any responsibility to update or revise any forward-looking to reflect any change in the Company's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law. The projections or forecasts included in this presentation have not been audited, examined or otherwise reviewed by the independent auditors of the Company. You must not place undue reliance on these forward-looking statements.



## Appendix 4D

### For the half year ended 31 December 2016

#### LiveHire Limited

ABN 59 153 266 605

#### RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the half year ended 31 December 2016 ("current reporting period")

|   | 31-Dec-16   | 31-Dec-15   | % Change<br>from 6 months<br>ended<br>31 Dec 2015 |      |
|---|-------------|-------------|---|------|
|   | A\$         | A\$         |   |      |
| <b>Revenue</b> from ordinary activities   | 309,983     | 135,570     | Up  | 129% |
| <b>Profit/(Loss)</b> from ordinary activities after tax attributable to members | (2,442,979) | (2,116,881) | Up  | 15%  |
| <b>Net Profit/(Loss)</b> for the period attributable to members                 | (2,442,979) | (2,116,881) | Up  | 15%  |

#### Dividend information

|                  | Amount per<br>security | Franked amount<br>per security |
|------------------|------------------------|--------------------------------|
| Interim Dividend | N/A                    | N/A                            |
| Final Dividend   | N/A                    | N/A                            |
| Payment Date     | N/A                    | N/A                            |

|                                  | 31-Dec-16<br>Cents | 30-Jun-16<br>Cents |
|----------------------------------|--------------------|--------------------|
| Net tangible assets per security | 0.0344             | 0.0484             |

Other information requiring disclosure to comply with Listing Rule 4.2A.3 is contained in, and should be read in conjunction with, the notes to the Interim Financial Report and the Director's Report for the half-year ended 31 December 2016. Information should be read in conjunction with LiveHire Limited's 2016 Annual Report and the attached Interim Financial Report.

The Interim Financial Report has been reviewed by BDO, with the Independent Auditor's Review Report included in the Interim Financial Report.

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# **LIVEHIRE LIMITED**

**(ASX:LVH)**

**ABN: 59 153 266 605**

## **Interim Financial Report**

**For the half-year ended 31 December 2016**

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## Corporate Directory

### **Directors and Officers**

|                    |                                       |
|--------------------|---------------------------------------|
| Geoffrey Morgan AM | - Non-Executive Director and Chairman |
| Antonluigi Gozzi   | - Managing Director                   |
| Michael Haywood    | - Executive Director                  |
| Grant Galvin       | - Executive Director                  |
| Adam Zorzi         | - Independent Non-Executive Director  |
| Ben Malone         | - Chief Financial Officer             |
| Charly Duffy       | - Company Secretary                   |

### **Principal Registered Office**

Level 13, 114 William Street  
Melbourne VIC 3000

T: +61 (03) 9078 4485

Website: [www.livehire.me](http://www.livehire.me)

### **Domicile and Country of Incorporation**

Australia

### **Australian Business Number**

ABN 59 153 266 605

### **Auditors**

BDO Audit (WA) Pty Ltd  
38 Station Street  
Subiaco WA 6008  
Website: [www.bdo.com.au](http://www.bdo.com.au)

### **Share Registry**

Boardroom Limited  
Level 12, 7225 George Street  
Sydney NSW 2000  
Website: [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

### **Securities Exchange**

Australian Securities Exchange Limited (ASX)  
ASX Code - LVH (Ordinary Shares)



## Directors' Report

The Directors submit their half year report of LiveHire Limited ('LiveHire' or 'Company') for the half year ended 31 December 2016 ('Period').

### 1. BOARD OF DIRECTORS

The Directors of the Company at any time during or since the end of the Period are as follows.

| Directors          | Position                           |
|--------------------|------------------------------------|
| Geoffrey Morgan AM | Non-Executive Director & Chairman  |
| Antonluigi Gozzi   | Managing Director                  |
| Michael Haywood    | Executive Director                 |
| Grant Galvin       | Executive Director                 |
| Adam Zorzi         | Independent Non-Executive Director |

### 2. PRINCIPAL ACTIVITIES

During the period the principal continuing activities of the company consisted of:

- Expansion of the Company's sales and marketing capabilities in Australia;
- Support Cornerstone Client's implementations and successful adoption of the LiveHire technology;
- Establish and growth of the Talent Community product distribution channel through Recruitment Process Outsourcing (RPO) global companies;
- Ongoing development of Talent Community product, an innovative cloud-based online human resources productivity platform for sourcing and recruitment teams that delivers talent-on-demand for companies of all sizes;
- Expand and develop the Company's technology integrations with upstream and downstream technology software;
- Development of advanced algorithms for human capital analytics, reporting and automation.

### 3. REVIEW OF OPERATIONS

#### (a) COMPANY OVERVIEW

LiveHire's purpose is to empower the flow of the world's talent into organisations globally, to create a more agile, open and awesome working world.

LiveHire is a productivity and collaboration platform that makes managing the flow of talent, into and through a business, seamless. The platform delivers a proactive sourcing and internal mobility solution called Live Talent Communities; providing ongoing connection to live quality talent-on-demand, reducing time and cost to hire new talent, or mobilise existing talent across whole of organisation with an unrivalled candidate experience.

To potential candidates, LiveHire is their private career profile in the world's largest Talent Ecosystem, connecting them directly with the hiring managers of Live Talent Communities of the best brands, helping them to live the career they love.

#### (b) HIGHLIGHTS & SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The highlights and significant changes in state of affairs during the half year include:

#### LiveHire Talent Community

**General Pants Co.:** On 1 September 2016, General Pants Co. launched its national Talent Community with LiveHire technology as the single destination point for its future hires to engage with the Company. General Pants Co. has approximately 1,500 employees across its 50+ national stores and hires approximately 500+ employees (including casuals) annually.

## Directors' Report

**Telstra Health:** On 5 September 2016, Telstra Health signed an agreement with the Company to launch the Talent Community solution for one of Australia's largest eHealth businesses. Telstra Health now uses LiveHire and its Talent Community platform as the centralized and single destination of talent through one unified profile that allows proactive recruitment, and the formation of real and sustained relationships with past, current and future employees.

**Australian Human Resources Institute (AHRI):** On 27 October 2016, AHRI partnered with LiveHire and launched the AHRI Live Talent Community. AHRI is the national peak industry association representing human resource and people management professionals for both corporate and individual members. Under the partnership agreement, AHRI aims to promote and adopt the Talent Community technology across its entire member and corporate network representing 20,000 HR professionals and a further 30,000 AHRI subscribers. AHRI and LiveHire's plan is to commence formal courses and accreditations for the skillset needed to build, implement and run Talent Communities to realise the return on investment and quality of talent that can be achieved exclusively with LiveHire Communities.

**Japara Healthcare (Japara):** On 8 December 2016 LiveHire signed and launched Talent Communities for Japara, one of Australia's largest private sector aged care and retirement enterprises, which has a growing workforce of more than 5,000 employees. Japara will commence its Talent Community platform roll out for a new facility in Tasmania, initially hiring 220 people. The Talent Community will then look to expand to all other facilities nationally.

**Amana:** On 8 December 2016 LiveHire signed and launched Talent Communities for Amana, one of West Australia's largest not-for-profit aged care service providers, with more than 1,500 employees. Amana will launch their private Talent Community across their entire organisation, covering all facilities and role types.

### Partnership with Randstad

**Randstad Sourceright:** On 7 July, LiveHire announced it had entered a partnership with Randstad Sourceright, the recruitment process outsourcer (RPO) division of the world's second largest human resources service provider, Randstad.

The partnership with Randstad Sourceright will deliver LiveHire's Talent Community platform to Randstad Sourceright's RPO clients looking to engage current, past and future employees with increased productivity, reduced costs and increased quality of hire. Partnering with RPOs such as Randstad Sourceright is a key global distribution channel and driver of Talent Community Connections at scale, LiveHire's lead indicator of growth and revenue.

In Australia, RPO's such as Randstad Sourceright manage the recruitment needs for approximately 40 per cent of large corporates. Large corporations utilise RPO's for a number of reasons, including cost savings, access to talent, enhanced quality of hires, process efficiencies, and workforce management support. As a result of the broad client base RPO's service, LiveHire can greatly benefit from partnerships with RPO's to scale globally at a much faster rate and reduced overhead.

Subsequent to establishment of the partnership, Randstad Sourceright successfully implemented the LiveHire platform for a global consulting, technology and outsourcing client based in Asia Pacific, representing LiveHire's first installation outside of Australia and significantly expanding its addressable market.

Randstad are now actively investigating their next client LiveHire implementation both locally and internationally.

### Major Technology Integrations

**SAP SuccessFactors (SuccessFactors):** During the period the Company signed an agreement with an existing major client (8,500+ employees) to complete a full integration with their SuccessFactors Human Capital Management Suite (HCMS). This represents a major milestone towards the consistent adoption of LiveHire Talent Community technology by large enterprise clients, supporting LiveHire's local and global growth strategy. SAP Success Factors have over 6,000 clients and are the leading (HCMS) globally.

## Directors' Report

### **Major Technology Platform Developments**

**Live Talent Pooling:** During the period the company launched Live Talent Pooling, completing the cycle of proactive sourcing tools. Companies can now fully automate the process of organizing entire Talent Communities into qualified Talent Pools for every role in their organisation, further reducing time and cost to hire, and improving quality of hire.

**Live Talent Analytics:** During the period the company launched Live Talent Analytics for all its clients, a major real-time reporting and contextual analytics feature across the entire Live Talent Ecosystem. The product includes significant innovations in the areas of artificial intelligence (AI), real time embedded analytics and predictive talent recommendations.

### **3<sup>rd</sup> Party Integrations into the LiveHire's Talent Ecosystem**

**FlareHR:** During the period the Company integrated with FlareHR, backed by Westpac Reinventure fund. FlareHR are the leader in Australia for all-in-one human resources and employee benefits technology, providing superior candidate experience during the employee onboarding process into an organization, and simple and transparent setup, management and selection of their employee benefits.

The integration and partnership provides a new channel for LiveHire to market increasing sales and adoption of its Talent Community Platform. Current and new prospect clients of both FlareHR and LiveHire can now benefit from an integrated platform and seamless candidate experience from sourcing and recruitment (LiveHire) to onboarding, payroll and employee benefits management (FlareHR).

**Sonru:** During the period the Company integrated with Sonru, a trusted global leader and pioneer of automated online video interviewing for screening candidates. Video interviewing from Sonru enables recruiters to replicate a live interview by replacing early stage phone, Skype or face-to-face interviews.

The relationship with Sonru opens up a new and global sales channel for LiveHire among medium-to-large organisations who need to manage high volume and project-based recruitment.

**Calendly:** LiveHire is a cloud SaaS software which integrates with all types of calendar software (Google, Outlook, etc), and is used by recruitment teams to complete interview scheduling and calendar management. Clients use Calendly to manage complex processes of booking and arranging group interviews at multiple locations with hundreds of candidates. The integration of Calendly provides significant time and productivity savings for clients, as well helped clients increase significantly the attendance rate at group interviews.

**Job Posting (Indeed, Adzuna):** LiveHire integrated the talent community platform for each client to post open vacancies directly to Indeed and Adzuna, making it seamless for the recruiters to publish jobs to popular job boards, and giving candidates a seamless experience when applying for each position, with unique abilities to do 'one click applications'. Indeed is the world's #1 job site with over 200 million unique visitors every month from over 60 different countries.

### **Key Team Appointments**

**Head of Recruitment Solutions:** On 5 July 2016 the Company appointed Paul Bridgewater to its senior leadership team as Head of Recruitment Solutions.

Prior to joining LiveHire, Paul was General Manager of ManpowerGroup's recruitment business in Australia, where he managed a budget in excess of A\$240m, delivering year-on-year gross profit margin growth and increased employee engagement ratings.

In 2015 Paul was recognised as one of ManpowerGroup's 35 global emerging leaders out of 34,000 employees worldwide.

For nearly four years Paul was also the Global Account Manager for one of ManpowerGroup's globally strategic clients, a leading diversified mining organisation. In this capacity, he led a team across nine countries and multiple brands delivering RPO, MSP, recruitment and career management solutions.

Paul's experience working with global, regional and local brands across a multitude of industries such as FMCG, financial services, State and Federal Government, IT, telecommunications and mining is ideally suited

## Directors' Report

to his leadership role at LiveHire, driving Talent Community technology adoption across leading RPO organisations and large enterprises nationally and internationally.

### 4. FINANCIAL PERFORMANCE

The financial results of the Company for the half year ended 31 December 2016 are:

|   | 31-Dec-16   | 31-Dec-15   | % Change |
|---|-------------|-------------|----------|
| Revenue from continuing operations (\$) | 309,983     | 135,570     | 129%     |
| Net loss after tax (\$)                 | (2,442,979) | (2,116,881) | 15%      |
| Loss per share (\$)                     | (0.012)     | (0.033)     | (63%)    |

In the six months to December 2016 the company has increased the revenue from continuing operations by 129%, while costs have increased by 15%. This is the result of an acceleration of commercialisation results and client adoption of the Talent Community product, without requiring significant increase in resource allocation.

As detailed in Note 2 to the Financial Statements, the Income Statement has been prepared on an accruals basis, and will therefore vary from the ASX Quarterly Cash Flow Reports (Appendix 4C). Financial year to date cash receipts reported in the 31 December Appendix 4C of \$353,000 is higher than the \$310,000 reported revenue from continuing operations in the Income Statement by \$43,000. This variance is attributed to the following:

|  |                   |
|--|-------------------|
| Net reduction in trade debtors (i.e. prior period revenue received in current period)  | (\$15,000)        |
| Increase in Deferred Revenue (i.e. future period revenue received in current period)   | (\$22,000)        |
| Interest recorded in Appendix 4C as receipts from customers, not treated as revenue from continuing operations for accounting purposes | (\$9,000)*        |
| Other working capital movements  | \$3,000           |
|  | <b>(\$43,000)</b> |

\* Note: In addition to \$9,000 interest received, a further \$84,000 interest has been recognised within Finance Income in the Income Statement, in relation to accrued interest on a 6 month term deposit which was received in January 2017.

### 5. LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

From a financial perspective, the company plans to maintain costs at the current levels, in line with budget, as the revenues continue to grow in line with TCC growth.

The company is also planning to lodge the R&D tax incentive in April 2017 (for FY16,) which is expected to generate a material cash benefit reflective of the significant investment made in R&D activities.

LiveHire will continue to focus on driving significant TCC growth and market share via:

- Launch of Live Talent Communities with increasingly larger clients nationally to drive significant new talent profile registrations.
- Continue to launch Talent Communities to clusters of companies in the same industry to drive further TCC growth and network effect.
- Implement with RPO partners globally to drive international scale.
- Continue to build out the Technology Partner Ecosystem to increase the functionality and offering to clients globally.
- Integrate with major global Human Capital Management System vendors to service the largest enterprises.
- Continually develop and evolve the Live Talent Community product to maintain first mover advantage and client advocacy.
- Investing in Client Success to help Talent Community customers implement and grow their Talent Communities fast to realise productivity gains and ROI.

## Directors' Report

### 6. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Independence Declaration by the lead auditor under Section 307C is included on page 8 to these half year financial statements.

Signed in accordance with a resolution of the Board of Directors.



Antonluigi Gozzi  
Director  
Melbourne, 24 February 2017

## Auditor's Independence Declaration



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Subiaco, WA 6008  
PO Box 700 West Perth WA 6872  
Australia

### DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF LIVEHIRE LIMITED

As lead auditor for the review of LiveHire Limited for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the half year review.

A handwritten signature in black ink, appearing to read 'P Murdoch', written over a horizontal line.

Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth, 24 February 2017

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.

## Income Statement

|   | Notes | 31-Dec-16          | 31-Dec-15          |
|---|-------|--------------------|--------------------|
|   |       | \$                 | \$                 |
| <b>Revenue</b>  |       |                    |                    |
| Revenue from continuing operations                            |       | 309,983            | 135,570            |
| <b>Expenses</b>   |       |                    |                    |
| Employee benefits expense                                     |       | (618,363)          | (543,147)          |
| IPO related expenses  |       | (32,446)           | (145,112)          |
| Operating expenses  |       | (987,066)          | (500,551)          |
| Share based payment expense                                   | 9     | (1,060,830)        | (1,054,256)        |
| Depreciation and amortisation expense                         |       | (147,043)          | (14,555)           |
| <b>Operating loss</b>   |       | <b>(2,535,765)</b> | <b>(2,122,051)</b> |
| Finance income  |       | 92,786             | 5,170              |
| <b>Loss from continuing operations before income tax</b>      |       | <b>(2,442,979)</b> | <b>(2,116,881)</b> |
| Income tax expense  |       | -                  | -                  |
| <b>Loss from continuing operations after income tax</b>       |       | <b>(2,442,979)</b> | <b>(2,116,881)</b> |
| <b>Other comprehensive income for the period, net of tax</b>  |       | <b>-</b>           | <b>-</b>           |
| <b>Total comprehensive loss for the period</b>                |       | <b>(2,442,979)</b> | <b>(2,116,881)</b> |
| <b>Loss per share attributable to ordinary equity holders</b> |       |                    |                    |
| - Basic loss per share  |       | (0.012)            | (0.033)            |

*The Income Statement is to be read in conjunction with the accompanying notes.*

## Balance Sheet

|                                  | Notes | 31-Dec-16<br>\$   | 30-Jun-16<br>\$   |
|----------------------------------|-------|-------------------|-------------------|
| <b>ASSETS</b>                    |       |                   |                   |
| <b>Current assets</b>            |       |                   |                   |
| Cash and cash equivalents        |       | 7,297,271         | 10,442,619        |
| Trade and other receivables      | 4     | 190,540           | 123,832           |
| <b>Total current assets</b>      |       | <b>7,487,811</b>  | <b>10,566,451</b> |
| <b>Non-current assets</b>        |       |                   |                   |
| Property, plant and equipment    |       | 13,051            | 18,635            |
| Intangible assets                | 5     | 2,559,778         | 1,231,711         |
| <b>Total non-current assets</b>  |       | <b>2,572,829</b>  | <b>1,250,346</b>  |
| <b>Total assets</b>              |       | <b>10,060,640</b> | <b>11,816,797</b> |
| <b>LIABILITIES</b>               |       |                   |                   |
| <b>Current liabilities</b>       |       |                   |                   |
| Trade and other payables         | 6     | 326,063           | 596,069           |
| Provisions                       |       | 141,310           | 267,339           |
| Other financial liabilities      |       | 56,478            | 34,451            |
| <b>Total current liabilities</b> |       | <b>523,851</b>    | <b>897,859</b>    |
| <b>Total liabilities</b>         |       | <b>523,851</b>    | <b>897,859</b>    |
| <b>Net assets</b>                |       | <b>9,536,789</b>  | <b>10,918,938</b> |
| <b>EQUITY</b>                    |       |                   |                   |
| Issued capital                   | 7     | 15,148,940        | 15,148,940        |
| Reserves                         | 8     | 3,472,994         | 2,412,164         |
| Accumulated losses               |       | (9,085,145)       | (6,642,166)       |
| <b>Total equity</b>              |       | <b>9,536,789</b>  | <b>10,918,938</b> |

*The Balance Sheet is to be read in conjunction with the accompanying notes.*



## Statement of Changes in Equity

|  | Issued<br>Capital<br>\$ | Share-based<br>Payment<br>Reserve<br>\$ | Accumulated<br>Losses<br>\$ | Total<br>Equity<br>\$ |
|--|-------------------------|---|-----------------------------|-----------------------|
| <b>At 1 July 2016</b>  | <b>15,148,940</b>       | <b>2,412,164</b>                        | <b>(6,642,166)</b>          | <b>10,918,938</b>     |
| <b>Comprehensive income:</b>                                 |                         |   |                             |                       |
| Loss for the period  | -                       | -                                       | (2,442,979)                 | (2,442,979)           |
| Other comprehensive income                                   | -                       | -                                       | -                           | -                     |
| <b>Total comprehensive loss for the period</b>               | <b>-</b>                | <b>-</b>                                | <b>(2,442,979)</b>          | <b>(2,442,979)</b>    |
| <b>Transactions with owners in their capacity as owners:</b> |                         |   |                             |                       |
| Contributions of equity, net of transaction costs            | -                       | -                                       | -                           | -                     |
| Share option expense   | -                       | 1,060,830                               | -                           | 1,060,830             |
| <b>At 31 December 2016</b>                                   | <b>15,148,940</b>       | <b>3,472,994</b>                        | <b>(9,085,145)</b>          | <b>9,536,789</b>      |
|  |                         |   |                             |                       |
|  | Issued<br>Capital<br>\$ | Share-based<br>Payment<br>Reserve<br>\$ | Accumulated<br>Losses<br>\$ | Total<br>Equity<br>\$ |
| <b>At 1 July 2015</b>  | <b>3,101,702</b>        | <b>573,567</b>                          | <b>(2,973,107)</b>          | <b>702,162</b>        |
| <b>Comprehensive income:</b>                                 |                         |   |                             |                       |
| Loss for the period  | -                       | -                                       | (2,116,881)                 | (2,116,881)           |
| Other comprehensive income                                   | -                       | -                                       | -                           | -                     |
| <b>Total comprehensive loss for the period</b>               | <b>-</b>                | <b>-</b>                                | <b>(2,116,881)</b>          | <b>(2,116,881)</b>    |
| <b>Transactions with owners in their capacity as owners:</b> |                         |   |                             |                       |
| Contributions of equity, net of transaction costs            | 3,220,000               | -                                       | -                           | 3,220,000             |
| Share option expense   | -                       | 1,054,256                               | -                           | 1,054,256             |
| <b>At 31 December 2015</b>                                   | <b>6,321,702</b>        | <b>1,627,823</b>                        | <b>(5,089,988)</b>          | <b>2,859,537</b>      |

*The statement of changes in equity is to be read in conjunction with the accompanying notes.*

## Statement of Cash Flows

|   | Notes | 31-Dec-16          | 31-Dec-15          |
|---|-------|--------------------|--------------------|
|   |       | \$                 | \$                 |
| <b>Cash flows from operating activities</b>                     |       |                    |                    |
| Receipts from customers   |       | 347,673            | 232,663            |
| Payment to suppliers and employees                              |       | (1,763,439)        | (1,340,134)        |
| Interest received   |       | 8,911              | 4,184              |
| <b>Net cash outflow from operating activities</b>               |       | <b>(1,406,856)</b> | <b>(1,103,287)</b> |
| <b>Cash flows from investing activities</b>                     |       |                    |                    |
| Software development costs                                      |       | (1,511,641)        | -                  |
| Payment for property, plant and equipment                       |       | (3,051)            | (10,625)           |
| <b>Net cash outflow from investing activities</b>               |       | <b>(1,514,692)</b> | <b>(10,625)</b>    |
| <b>Cash flows from financing activities</b>                     |       |                    |                    |
| Proceeds from the issue of shares                               |       | -                  | 3,220,000          |
| Related transaction costs                                       |       | (223,800)          | -                  |
| <b>Net cash (outflow) / inflow from financing activities</b>    |       | <b>(223,800)</b>   | <b>3,220,000</b>   |
| <b>Net (decrease) / increase in cash and cash equivalents</b>   |       | <b>(3,145,348)</b> | <b>2,106,088</b>   |
| <b>Cash and cash equivalents at the beginning of the period</b> |       | <b>10,442,619</b>  | <b>766,432</b>     |
| <b>Cash and cash equivalents at the end of the period</b>       |       | <b>7,297,271</b>   | <b>2,872,520</b>   |

*The statement of cash flows is to be read in conjunction with the accompanying notes.*

## Notes to the Financial Statements

### 1. CORPORATE INFORMATION

The financial statements of LiveHire Limited (referred to as '**LiveHire**' or the '**Company**') for the half year ended 31 December 2016 (the '**Period**') were authorised for issue in accordance with a resolution of the directors on 24 February 2017 and covers LiveHire as an entity as required by the Corporations Act 2001. LiveHire is a for-profit entity for the purpose of preparing these financial statements.

The financial statements are presented in Australian dollars.

LiveHire is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (listed on ASX on 8 June 2016).

The address of the registered office and principal place of business is Level 13, 114 William Street, Melbourne VIC 3000.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

#### Basis of Preparation

These interim financial statements for the half-year reporting period ended 31 December 2016 have been prepared in accordance with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Act 2001.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2016 and any public announcements made by LiveHire Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The accounts have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

#### Accounting Policies

The accounting policies and methods of computation adopted in the preparation of this financial report for the Period under review are consistent with those adopted in the annual financial statements for the year ended 30 June 2016.

## Notes to the Financial Statements

### 3. SEGMENT INFORMATION

Activities in the operating segments are identified by management based on the way resources are allocated, the nature of the resources provided and the identity of service line manager and area of income and expenditure. Discrete financial information about each of these areas is reported to the executive management team monthly.

Management has determined that the entity has one operating segment being the business intelligence and data services segment. This segment meets aggregating criteria and are aggregated into one reporting sector. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the company and its ongoing activities.

### 4. TRADE AND OTHER RECEIVABLES

|  | 31-Dec-16      | 30-Jun-16      |
|--|----------------|----------------|
|  | \$             | \$             |
| Trade receivables                        | 64,276         | 50,939         |
| GST receivable                           | 37,243         | 72,893         |
| Accrued interest                         | 83,875         | -              |
| Other receivables                        | 5,146          | -              |
| <b>Total trade and other receivables</b> | <b>190,540</b> | <b>123,832</b> |

### 5. INTANGIBLE ASSETS

|                                    | 31-Dec-16        | 30-Jun-16        |
|------------------------------------|------------------|------------------|
|                                    | \$               | \$               |
| <b><u>Software development</u></b> |                  |                  |
| Cost                               | 2,763,013        | 1,296,538        |
| Accumulated amortisation           | (203,235)        | (64,827)         |
| Net carrying amount                | 2,559,778        | 1,231,711        |
| <b>Total intangibles</b>           | <b>2,559,778</b> | <b>1,231,711</b> |

Software consists of capitalised developments costs being an internally generated intangible asset, refer to the 30 June 2016 financial report for additional detail.

### 6. TRADE AND OTHER PAYABLES

|                                      | 31-Dec-16      | 30-Jun-16      |
|--------------------------------------|----------------|----------------|
|                                      | \$             | \$             |
| <b>CURRENT</b>                       |                |                |
| <b><u>Unsecured liabilities</u></b>  |                |                |
| Trade payables                       | 95,795         | 124,540        |
| Trade payables - IPO related         | -              | 213,407        |
| Sundry payables and accrued expenses | -              | 46,577         |
| Payroll tax payable                  | 55,032         | 70,555         |
| PAYG payable                         | 87,640         | 69,519         |
| Superannuation payable               | 87,596         | 71,471         |
|                                      | <b>326,063</b> | <b>596,069</b> |

## Notes to the Financial Statements

### 7. ISSUED CAPITAL

|  | 31-Dec-16   |                    | 30-Jun-16          |                   |
|--|-------------|--------------------|--------------------|-------------------|
|  | \$          | No.                | \$                 | No.               |
| Ordinary shares  | 15,148,940  | 202,992,077        | 15,148,940         | 200,000,000       |
|  | 15,148,940  | 202,992,077        | 15,148,940         | 200,000,000       |
| <b>ORDINARY SHARES</b>   | <b>Date</b> | <b>Quantity</b>    | <b>Issue price</b> | <b>\$</b>         |
| Balance 30 June 2016   |             | 200,000,000        |                    | 15,148,940        |
| - Issue of shares to employees under loan purchases (Note 9(ii)) | 14/10/2016  | 2,992,077          | -                  | -                 |
| - Transaction costs  | -           | -                  | -                  | -                 |
| <b>Balance 31 December 2016</b>                                  |             | <b>202,992,077</b> |                    | <b>15,148,940</b> |

### 8. RESERVES

The option reserve is used to accumulate amounts received on the issue of options and records items recognised as expenses on valuation of incentive based share.

|   | 31-Dec-16        | 30-Jun-16        |
|---|------------------|------------------|
|   | \$               | \$               |
| <b><u>Movement reconciliation</u></b>   |                  |                  |
| <b>Share-based payment reserve</b>      |                  |                  |
| Balance at the beginning of the period  | 2,412,164        | 573,567          |
| Options issued (Note 9)                 | 1,060,830        | 1,838,597        |
| <b>Balance at the end of the period</b> | <b>3,472,994</b> | <b>2,412,164</b> |

### 9. SHARE-BASED PAYMENTS

|  | 31-Dec-16        | 31-Dec-15        |
|--|------------------|------------------|
|  | \$               | \$               |
| <b><u>Share-based payment expense recognised during the period</u></b> |                  |                  |
| Options issued to employees and consultants (i)                        | 615,463          | 196,630          |
| Shares issued under employee share scheme (ii)                         | 365,033          | 810,149          |
|  | <b>980,496</b>   | <b>1,006,779</b> |
| Performance rights issued to employees (iii)                           | 80,334           | 47,477           |
|  | <b>1,060,830</b> | <b>1,054,256</b> |

#### (i) Options granted to employees during the current period are as follows:

(a) On 20 July 2016 the Company appointed Scott Horton as Head of Commercial Operations - Queensland and Northern Territory. Scott's remuneration is aligned to the Company's long term goals, and as a result he has subscribed to an incentive package weighed significantly towards delivery of LiveHire's key performance metric, Talent community Connections. Under Scott's remuneration package, he was compensated with 2,500,000 options with a strike price of \$0.15/share. The options vest as follows:

- 500,000 on 19 July 2016;
- 250,000 on the date that the aggregate number of Qualifying TCC's exceeds 50,000;
- 250,000 on the date that the aggregate number of Qualifying TCC's exceeds 100,000;
- 500,000 on the date that the aggregate number of Qualifying TCC's exceeds 200,000;
- 500,000 on the date that the aggregate number of Qualifying TCC's exceeds 300,000; and
- 500,000 on the date that the aggregate number of Qualifying TCC's exceeds 400,000.

The fair at grant date for these options were determined by an independent valuation using Black-Scholes option pricing model using inputs in the table below.

(b) On 14 October 2016 the Company issued 3,000,000 unlisted options to senior sales and technology executives as a long term incentive component of the remuneration packages of the senior executives to align their interests with those of shareholders. The strict milestones and vesting conditions have

## Notes to the Financial Statements

been aligned to the Company objectives of delivering Talent Community connections and Technology Adoption milestones, as follows:

- 1,000,000 Unlisted Options exercisable at \$0.19 and 4 years expiry for the Chief Technology Officer, of which 500,000 vest at 30 June 2017 and the remaining 500,000 vest at 30 June 2018;
- 1,000,000 Unlisted Options exercisable at \$0.19 and 4 years expiry for the Head of Talent Solutions Sales; of which 500,000 vest if Qualifying Talent community connections exceed 100,000 and the remaining 500,000 vest if Qualifying Talent community connections exceed 200,000;
- 1,000,000 Unlisted Options exercisable at \$0.19 and 4 years expiry for the Head of RPO Solutions, of which 500,000 vest if Qualifying Talent community connections exceed 100,000 and the remaining 500,000 vest if Qualifying Talent community connections exceed 200,000.

The fair at grant date for these options were determined by an independent valuation using Black-Scholes option pricing model using inputs in the table below.

| <b>Fair Value of Options</b>                    | <b>(a)</b>       | <b>(b)</b>       |                    |                    |
|---|------------------|------------------|--------------------|--------------------|
| Date of Grant                                   | 19-Jul-16        | 14-Oct-16        | 8-Apr-16           |                    |
| Number of Options                               | 2,500,000        | 3,000,000        | 12,600,000         |                    |
| Date of Expiry                                  | 19-Jul-20        | 14-Oct-20        | 8-Apr-20           |                    |
| Exercise Price                                  | \$0.15           | \$0.188446       | \$0.25             |                    |
| Share Price at Grant Date                       | \$0.15           | \$0.195          | \$0.20             |                    |
| Volatility                                      | 85%              | 85%              | 80%                |                    |
| Expected dividend yield rate                    | 0%               | 0%               | 0%                 |                    |
| Risk free rate                                  | 1.60%            | 1.87%            | 1.99%              |                    |
| <b>Total Fair Value as at 31 December 2016:</b> | <b>\$232,500</b> | <b>\$366,000</b> | <b>\$1,375,348</b> | <b>Total</b>       |
| Value recognised during the current period:     | \$56,437         | \$39,031         | \$519,995          | <b>\$615,463</b>   |
| Value to be recognised in future periods:       | \$176,063        | \$326,969        | \$617,533          | <b>\$1,120,565</b> |

Details of options outstanding during the period are as follows:

| <b>Grant Date</b> | <b>Expiry Date</b> | <b>Exercise Price</b> | <b>Balance at beginning</b> | <b>Granted during</b> | <b>Exercised during</b> | <b>Expired during</b> | <b>Balance at end</b> | <b>Exercisable at end</b> |
|-------------------|--------------------|-----------------------|-----------------------------|-----------------------|-------------------------|-----------------------|-----------------------|---------------------------|
| 8-Apr-16          | 8-Apr-20           | 0.25                  | 6,300,000                   | -                     | -                       | -                     | 6,300,000             | -                         |
| 8-Apr-16          | 8-Apr-20           | 0.25                  | 6,300,000                   | -                     | -                       | -                     | 6,300,000             | -                         |
| 8-Apr-16          | 8-Apr-20           | 0.25                  | 4,000,000                   | -                     | -                       | -                     | 4,000,000             | 4,000,000                 |
| 19-Jul-16         | 19-Jul-20          | 0.25                  | -                           | 2,500,000             | -                       | -                     | 2,500,000             | 500,000                   |
| 14-Oct-16         | 14-Oct-20          | 0.188446              | -                           | 3,000,000             | -                       | -                     | 3,000,000             | -                         |
| <b>Total:</b>     |                    |                       | <b>16,600,000</b>           | <b>5,500,000</b>      | <b>-</b>                | <b>-</b>              | <b>22,100,000</b>     | <b>4,500,000</b>          |

## Notes to the Financial Statements

### (ii) Shares issued under employee share scheme:

On 14 October 2016 the company issued 2,992,077 Loan Back Shares, which are ordinary shares subject to loan arrangements under the Employee Incentive Plan, with a strike price of \$0.188446 (5-day VWAP). The loans relating to the Loan Back Shares must be repaid in accordance with the terms of the Employee Incentive Plan and in any event, within 4 years of the date of issue. The table below represents the total fair value for the Loan Back Shares issued during the period.

Summary of key loan terms:

Loan amount: \$0.188446

Interest rate: 0%

Term of loan: 4 years

The loans are non-recourse except against the Shares held by the participant to which the loan relates. The fair value at grant date was determined by an independent valuation using Black-Scholes option pricing model using the following inputs:

#### Fair Value of Employee Share Scheme

|   |                  |
|---|------------------|
| Date of Grant                                   | 14-Oct-16        |
| Number of Loan Back Shares                      | 2,992,077        |
| Date of Expiry                                  | 14-Oct-20        |
| Exercise Price                                  | \$0.188446       |
| Share Price at Grant Date                       | \$0.195          |
| Volatility                                      | 85%              |
| Expected dividend yield rate                    | 0%               |
| Risk free rate                                  | 1.87%            |
| <b>Total Fair Value as at 31 December 2016:</b> | <b>\$365,033</b> |

Value recognised during the current period: \$365,033

Value to be recognised in future periods: -

### (iii) Performance rights issued to employees:

On 14 October 2016 the company issued 808,649 Performance Rights to employees. Each right will be convertible into one ordinary share on the satisfaction of certain time based criteria, ranging from 1 to 6 months between individuals. The fair value at grant date was determined by an independent valuation using Black-Scholes option pricing model using the following inputs:

#### Fair Value of Performance Rights

|   |                  |
|---|------------------|
| Date of Grant                                   | 14-Oct-16        |
| Number of Rights                                | 808,649          |
| Date of Expiry                                  | 14-Oct-20        |
| Exercise Price                                  | -                |
| Share Price at Grant Date                       | \$0.195          |
| Volatility                                      | 85%              |
| Expected dividend yield rate                    | 0%               |
| Risk free rate                                  | 1.87%            |
| <b>Total Fair Value as at 31 December 2016:</b> | <b>\$157,687</b> |

Value recognised during the current period: \$80,334

Value to be recognised in future periods: \$77,353

## Notes to the Financial Statements

### 10. DIVIDENDS

No dividends have been paid or declared since the start of the financial period, and none are recommended.

### 11. COMMITMENTS

There have been no material changes in commitments since the last annual reporting date.

### 12. CONTINGENCIES

There have been no material changes in contingent liabilities or contingent assets since the last annual reporting date.

### 13. SUBSEQUENT EVENTS

There have not been any significant events that have arisen since 31 December 2016 and up to the date of this report that has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.



## Directors' Declaration

The Directors of the company declare that:

- (a) The financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, and:
  - (i) give a true and fair view of the Company's financial position as at 31 December 2016 and its performance for the half year ended on that date.
  - (ii) comply with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.
- (b) In the Director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



Antonluigi Gozzi  
Director  
Melbourne, 24 February 2017

## Independent Auditor's Report



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### INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of LiveHire Limited

#### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of LiveHire Limited, which comprises the balance sheet as at 31 December 2016, the income statement, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement of significant accounting policies and other explanatory information, and the directors' declaration.

#### Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of LiveHire Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of LiveHire Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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## Independent Auditor's Report



### Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of LiveHire Limited is not in accordance with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

**BDO Audit (WA) Pty Ltd**

BDO

A handwritten signature in black ink, appearing to read 'P Murdoch', written over a horizontal line.

**Phillip Murdoch**

**Director**

Perth, 24 February 2017