

27 August 2020

## Business update and key management changes

### Highlights:

- Key management changes and cost reductions
- Significant operational efficiencies implemented
- Steve Butler to lead new product development and go to market strategy

Nvoi Limited (ASX:NVO) (**Nvoi**) announced today completion of a business review and key management changes following the acquisition and restructure of the Workconex and JXT businesses earlier this year.

As part of the restructure, Raife Watson has stood down as Nvoi Group CEO as the company progresses its advancement as a pure play HR technology business.

Nvoi Chairman Philip Crutchfield said, “We’ve been fortunate to have Raife’s experience in the business and we thank him for his efforts. The operational efficiencies put in place will stand the group’s operations in good stead as our agile, tech savvy team drives the business forward.”

Raife will stay involved in the business as a strategic advisor to the Board, allowing the business to continue to leverage his global industry experience and market knowledge.

Nvoi has appointed Steve Butler as new CEO, effective immediately. Prior to his appointment, Steve was Nvoi’s Chief Product Officer.

Over the past few months, Steve has strategically positioned the JXT acquisition, Nvoi’s existing products and CareerOne’s technology into a product roadmap and growth strategy that consolidates the products and unlocks unique positioning in large segments of recruitment technology.

Prior to and during his time at Nvoi, Steve has built and contributed to technology products spanning HR tech, marketplace, and ecommerce – at both early-stage start-ups and high profile venture-backed tech companies in the UK and APAC regions.

He brings a unique combination of technical, design, strategic, business and leadership skills, a strong interest in product management, and a comprehensive understanding of HR products in Australia and globally.

As an immediate first step, Steve has implemented further costs reductions and will focus on new products and growth.

He said, “We are putting in place key product verticals, infrastructure and support pieces, which will set the business up for growth and expansion.

“I look forward to proactively engaging with all stakeholders, including our customers, our investors and the broader industry on the opportunities that lie ahead for the business.”

Cost reductions as part of this restructure have largely come through staff and salary reductions, reducing overheads by approximately \$1.25 million per annum. Additional hires have been frozen, saving the business a further \$500,000 in near term cost increases.

The key terms and conditions of Steve Butler's appointment are set out below.

**Base Annual Salary:** \$250,000 (plus statutory superannuation)

**Equity Incentives:** Annual equity bonus of up to \$250,000 worth of Nvoi shares subject to the following:

1. Equity bonus of \$50,000 worth of Nvoi shares on the anniversary his appointment as CEO
2. Equity bonus of \$50,000 worth of Nvoi shares subject to the successful onboarding of the first 10 material clients on the new product before 31 December 2020
3. Equity bonus of \$50,000 worth of Nvoi shares upon 1,000 new customers across all Nvoi group products coming on board within 12 months of his appointment
4. Equity bonus of \$100,000 worth of Nvoi shares subject to achieving monthly recurring revenue on an annualised basis of \$4 million

The issue price of the shares will be equal to the 20-day VWAP prior to the date on which the milestone is achieved. KPIs for subsequent years to be negotiated annually.

As the issue price of the shares is variable dependent on the date of achievement of the relevant milestone, it is not possible to determine the actual number of shares that may be issued. However, based on a 1 cent per share issue price (which was the 25 August 2020 ASX closing price of Nvoi shares), the maximum number of shares (assuming all milestones are achieved) that may be issued will be 25,000,000.

Also, 10,000,000 Nvoi share options, exercisable at \$0.0206 expiring 30 November 2024, all of which vest on the first anniversary of his appointment as CEO.

The shares and options will be issued under Nvoi's Employee Incentive Securities Plan approved by shareholders at Nvoi's Annual General Meeting held on 29 November 2019. No further shareholder approval will be required for their issue in accordance with ASX listing rule 7.2, exception 13.

An Appendix 3B in respect of the proposed securities issues will follow this announcement.

The agreement for Steve's appointment is otherwise on terms customary for an executive service agreement.

This announcement was approved for release to ASX by Nvoi's Board of Directors.

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## About Nvoi

Nvoi is on a mission to make the recruitment experience better for everyone by giving recruiters an easy to use yet powerful tech solution to manage their entire business flow. A fresh take on what the recruitment process should be and the tools your team needs to make it a reality.