

intelliHR



# IntelliHR

From Start-Up to Global Business

6 August 2020

ROBERT BROMAGE, Founder & CEO  
ASX:IHR

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

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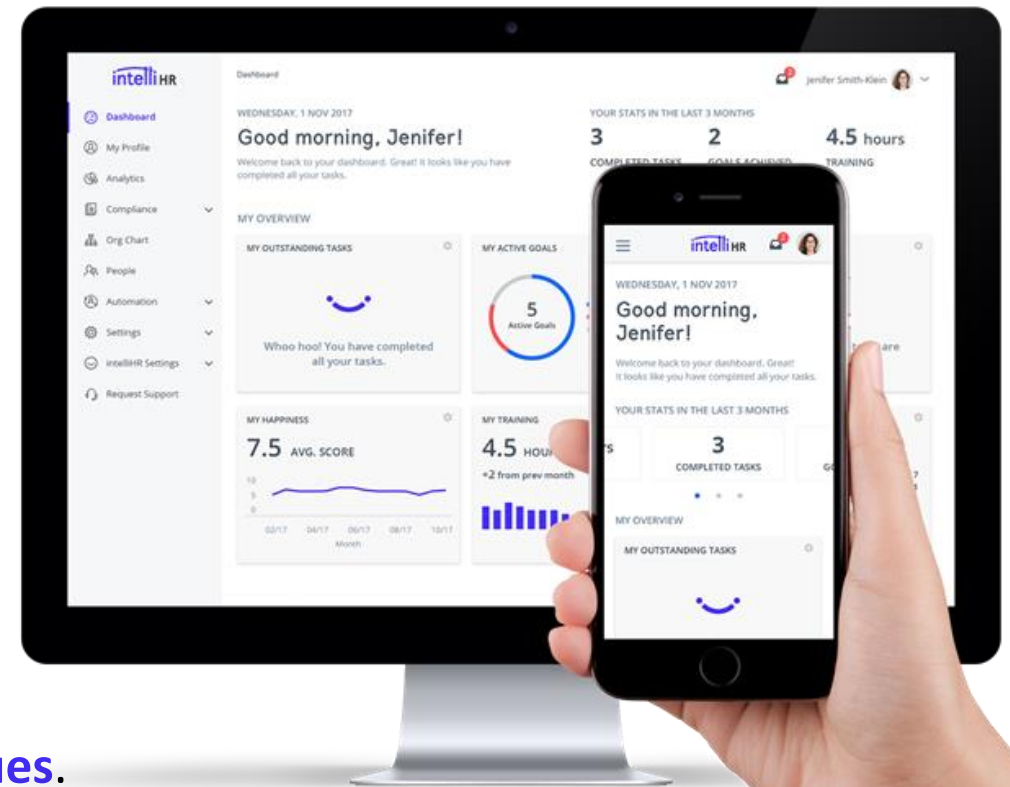
This has been authorised for release by the Board.



# The intelliHR solution

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

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



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

# The intelliHR solution

## SINGLE SOURCE OF HR TRUTH

### ✓ Analytics and predictive insights

- Culture and community
- Performance and productivity
- Artificial Intelligence (AI)
- Risk and compliance
- Planning and financial drivers
- Predictive sentiment

### ✓ People and performance management tools

- Personalised performance systems
- Continuous feedback
- Multifunctional goals
- Performance monitoring
- Automated performance reports
- Training and development plans

### ✓ Core HRIS / workflow and compliance

- Employee lifecycle automation
- Self-service record keeping and access
- Policy management automation
- Automated organisational charting
- Employee qualification compliance
- Centralised HR data

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



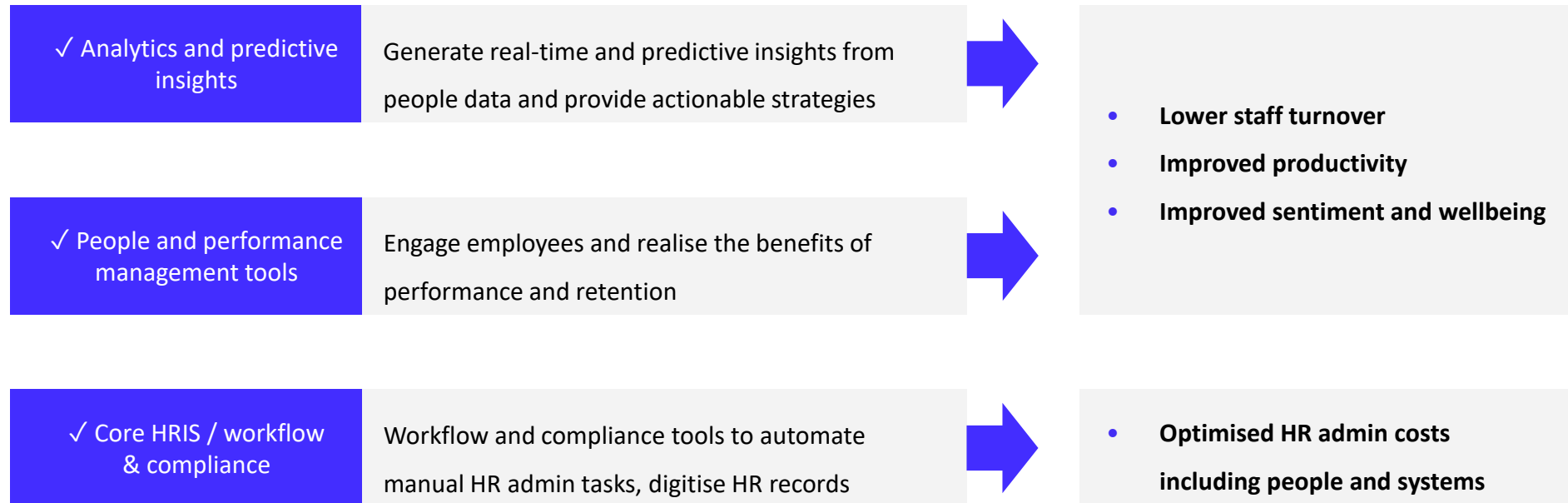
Angela Cila Penske Australia and New Zealand

General Manager Human Resources

# intelliHR delivers compelling ROI

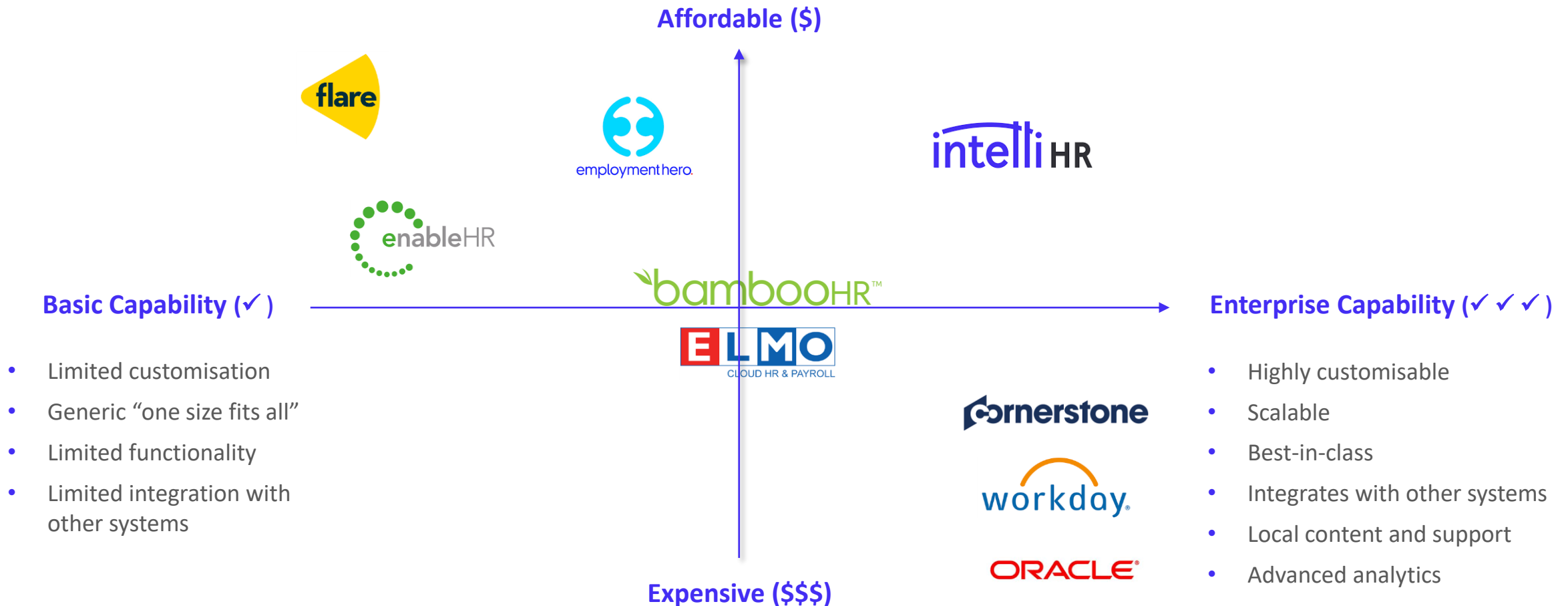
.... through reduced HR admin costs (including people and systems), lower staff turnover and improved productivity

## ROI



# Competitor Mapping

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



# intelliHR Track Record

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

"Where have you been all my life!"

BEN W.  
COMPANY SIZE: 13-50 EMPLOYEES

★★★★★

GetApp

"Great Product. Amazing service."

HELENE G.  
NATIONAL OPERATIONS & HR MANAGER

★★★★★

Capterra

"Fantastic HR Support."

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

★★★★★

G2

"Perfect for our business needs."

OLGA D.  
COMPANY SIZE: 201-500 EMPLOYEES

★★★★★

GetApp

"Can't live without it!"

ADMINISTRATOR  
SMALL-BUSINESS(11-50 EMPLOYEES)

★★★★★

G2

"Game changing software."

RENAE L.  
MANAGING DIRECTOR

★★★★★

Capterra

GetApp

Search business apps

BROWSE SIGN IN JOIN

intelliHR

All-In-One People Manag...

★★★★★ 13

LEARN MORE

Culture Amp

Complete solution for em...

★★★★★ 62

LEARN MORE

ELMO

Cloud HR, payroll & roste...

★★★★☆ 13

VISIT WEBSITE

Employment ...

Australia's No.1 Integrate...

★★★★★ 108

VISIT WEBSITE

INTELLIHR

Reviews

Overall rating

★★★★★ 13

Ease of use

★★★★★

Value for money

★★★★★

Customer support

★★★★★

Last review

17th of September

CULTURE AMP

Reviews

Overall rating

★★★★★ 62

Ease of use

★★★★★

Value for money

★★★★★

Customer support

★★★★★

Last review

30th of August

ELMO

Reviews

Overall rating

★★★★☆ 13

Ease of use

★★★★☆

Value for money

★★★★☆

Customer support

★★★★☆

Last review

19th of September

EMPLOYMENT HERO

Reviews

Overall rating

★★★★★ 108

Ease of use

★★★★★

Value for money

★★★★★

Customer support

★★★★★

Last review

4th of December

Capterra

Find Software

All Software Categories

BambooHR

★★★★★ 4.5 / 5

Visit Website

ELMO Cloud HR & Payroll

★★★★☆ 3.5 / 5

Visit Website

Employment Hero

★★★★★ 4.6 / 5

Visit Website

intelliHR

★★★★★ 4.9 / 5

Visit Website

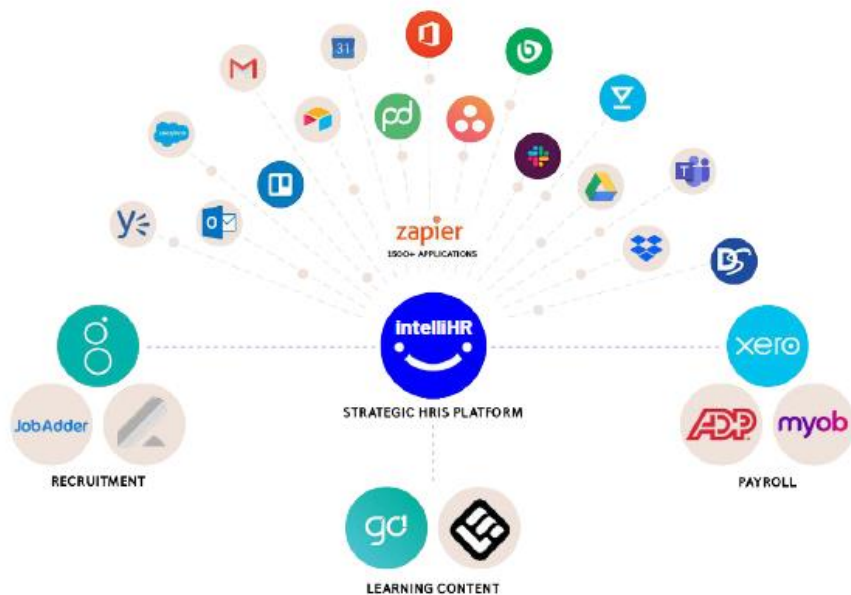
★ Ratings				
Overall	★★★★★ 4.5 / 5	★★★★☆ 3.5 / 5	★★★★★ 4.6 / 5	★★★★★ 4.9 / 5
Ease of Use	★★★★★ 4.6 / 5	★★★★☆ 4.1 / 5	★★★★★ 4.6 / 5	★★★★★ 4.8 / 5
Customer Service	★★★★★ 4.4 / 5	★★★★☆ 3.6 / 5	★★★★★ 4.6 / 5	★★★★★ 5 / 5
Features & Functionality	★★★★★ 4.4 / 5	★★★★☆ 3.2 / 5	★★★★★ 4.3 / 5	★★★★★ 4.5 / 5
Value for Money	★★★★★ 4.4 / 5	★★★★☆ 3.8 / 5	★★★★★ 4.6 / 5	★★★★★ 4.9 / 5

IHR: ASX 7

# Partnerships

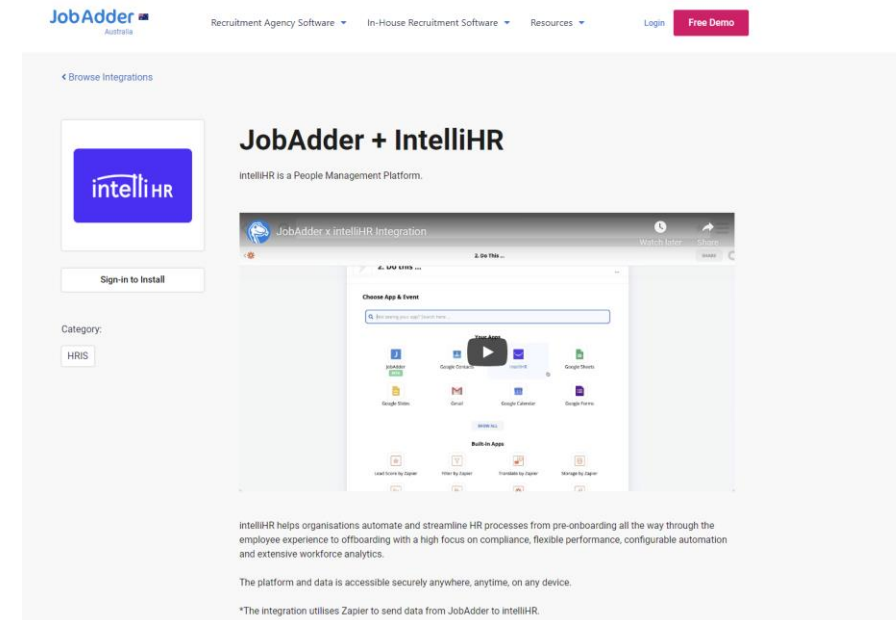
...was launched in March 2018 and has grown to a bank of 40 technology and referrer partners who generate new customer leads and enhance market relevance.

## IntelliHR Best of Breed Ecosystem



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













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





# The Calibre of intelliHR Customers

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

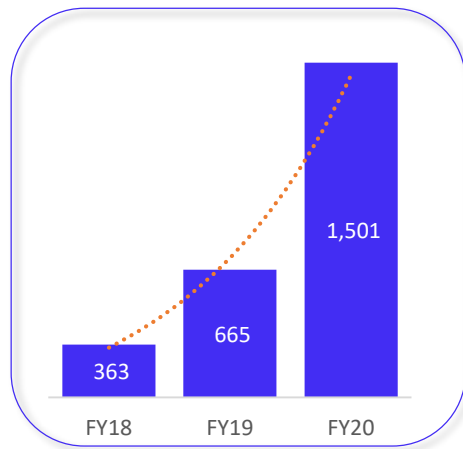
Professional Services		Health Care	
Financial Services		Aged Care	
Technology		Property Services	
Public Utility		Education	
Engineering		Distribution	
Mining		General Industry	



# Financial Performance Highlights FY20

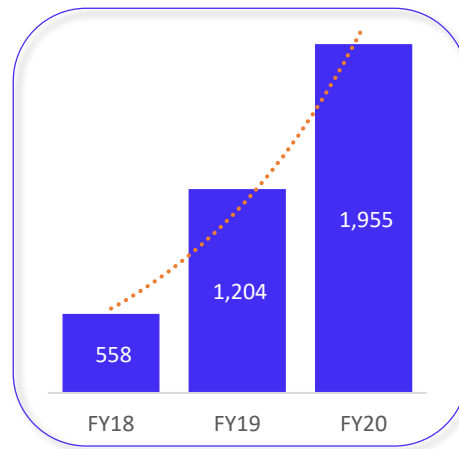
... robust ARR growth as a result of the acquisition of new customers – weathering COVID-19 well – intelliHR positioned to support increased levels of Working from Home.

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



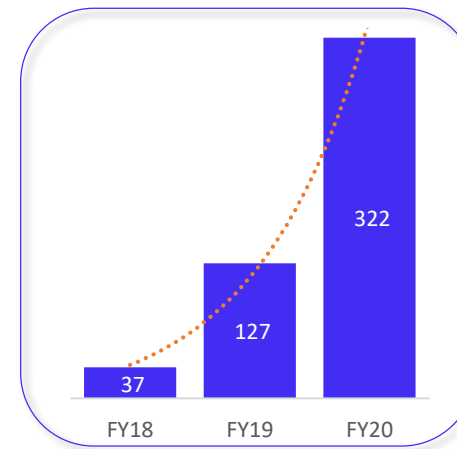
▲ 126%  
YOY

**ARR**  
Contracted (\$000)



▲ 62%  
YOY

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



▲ 153%  
YOY

**Rolling 12 month  
Revenue Retention**

113%

▲ from 111% in  
2H19

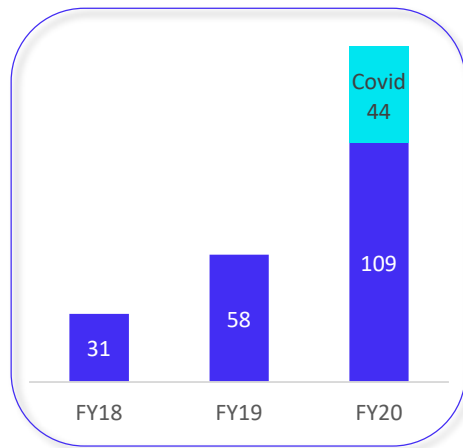
\*Financials shown for FY20 are provisional and subject to audit



# Platform Highlights FY20

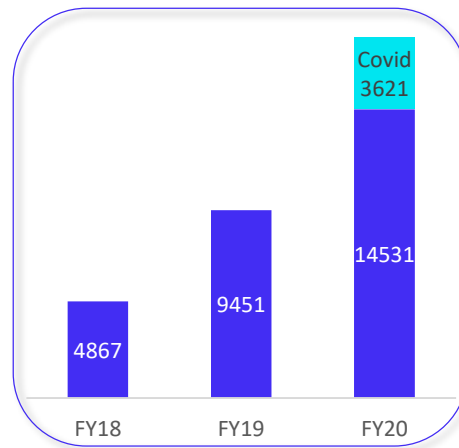
... New Business Growth has driven increases in Customers and Subscribers on Platform, acceleration in Sentiments thanks to higher customer engagement – World Class NPS from our loyal customer base.

Customers on Platform



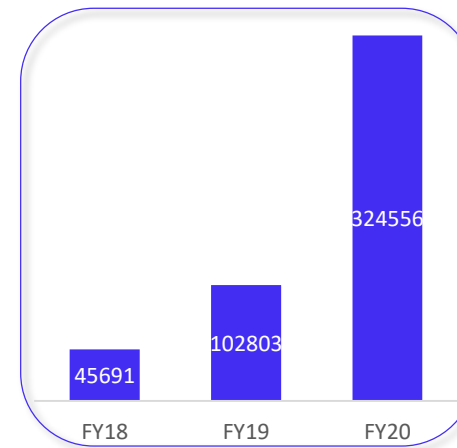
▲ 162%  
YOY

Subscribers on Platform - \*



▲ 91%  
YOY

Customer Sentiments Collected



▲ 215%  
YOY

Customer NPS

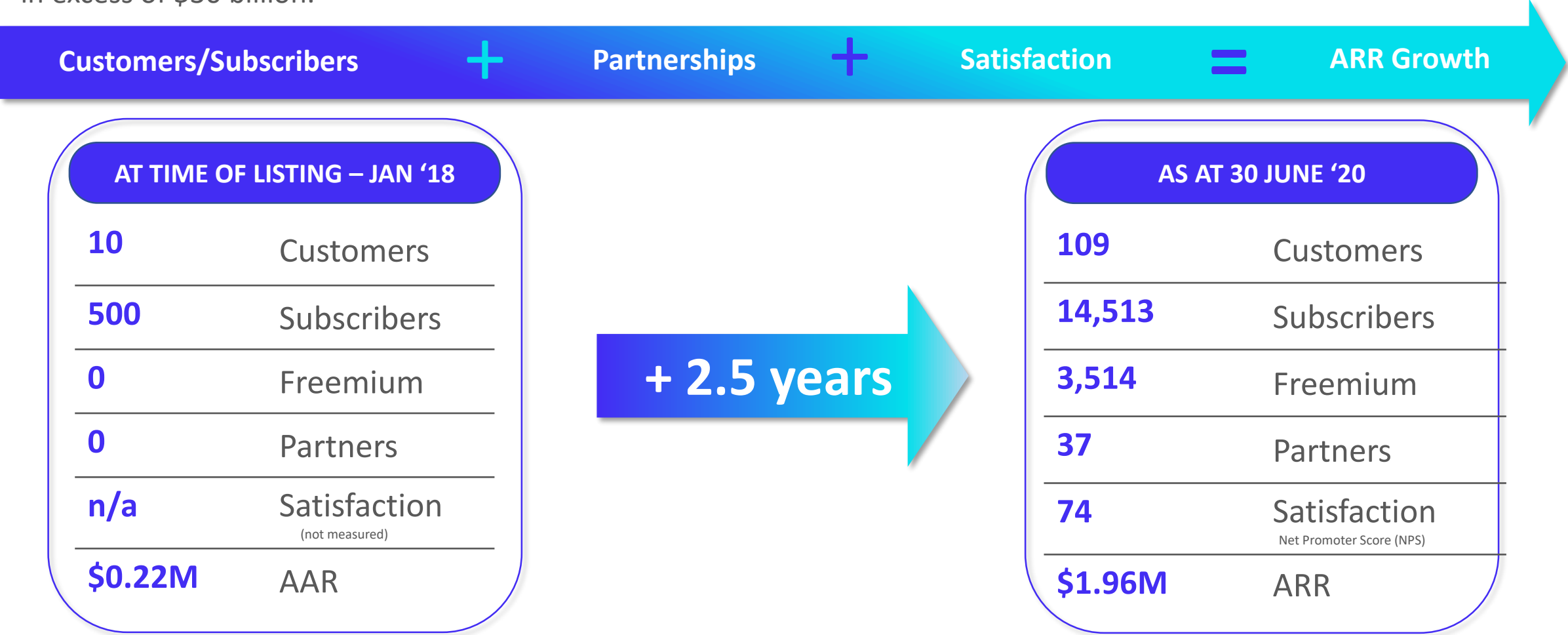


\*Note by 30<sup>th</sup> of June 2020 – over 1200 Covid Platform Subscribers had upgraded to paying accounts



# intelliHR Growth

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

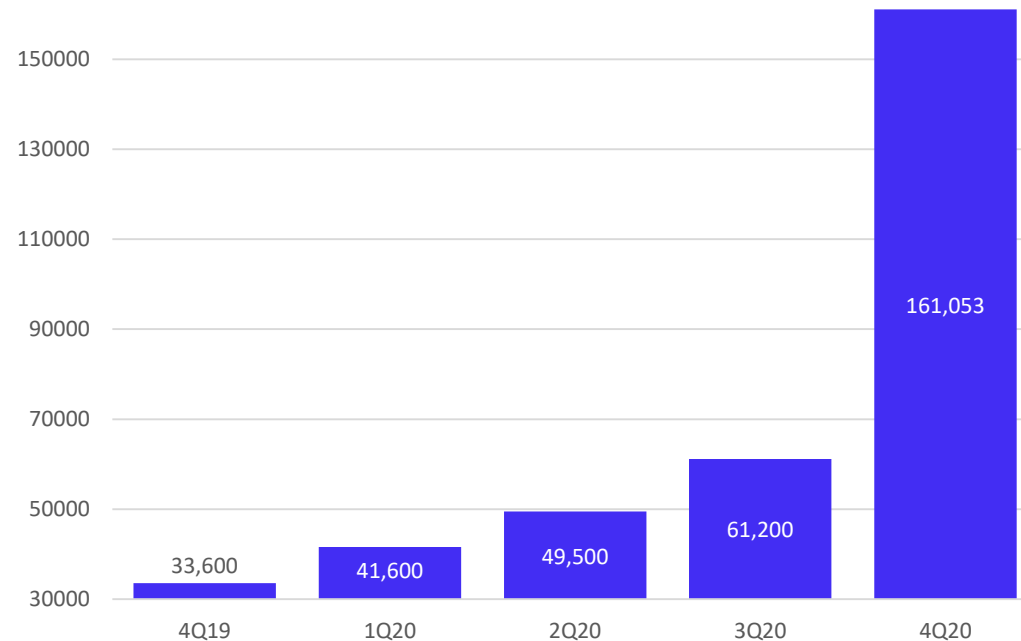


# Platform Utilisation

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

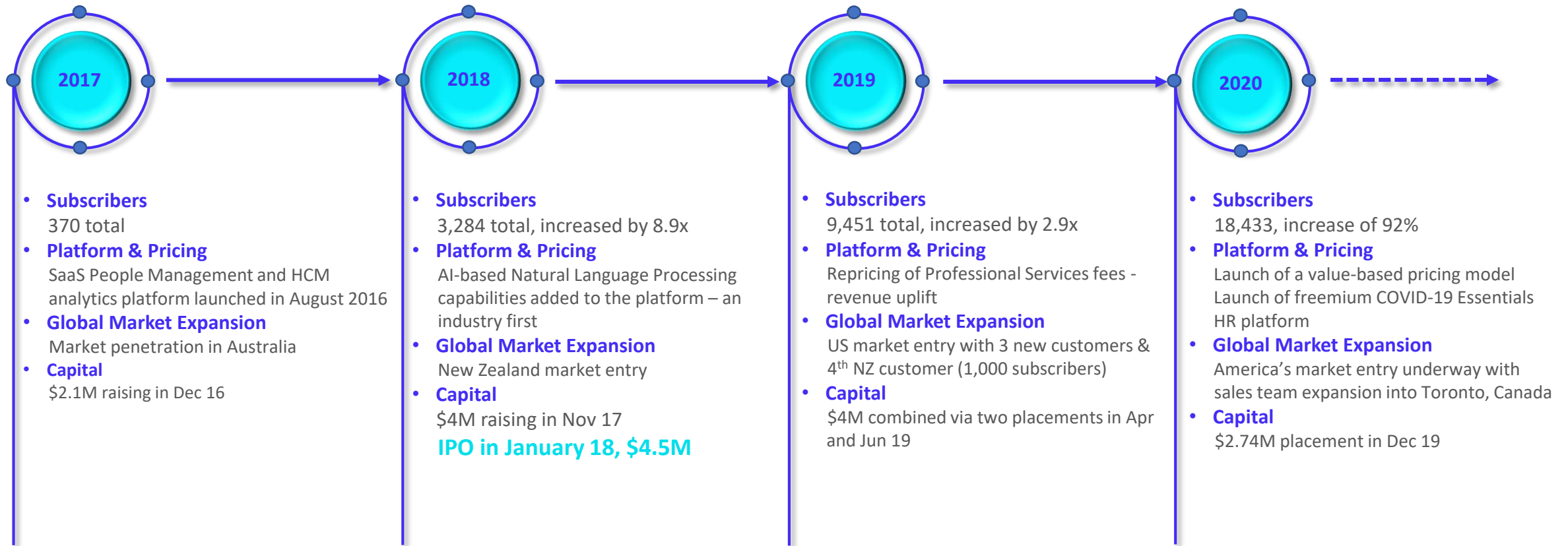
- Measures the number of sentiments predicted in real time by the system for customers
- Has increased as a result of greater numbers on the system as well as higher usage by individuals
- Grew from 49,500 in 2Q20, to 61,200 in 3Q20 and 161,053 in 4Q20
- Increased data points collected resulting in a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

Customer Sentiment Collection Growth



# Milestones to Today

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



Financial years



# intelliHR's Growing Global Presence

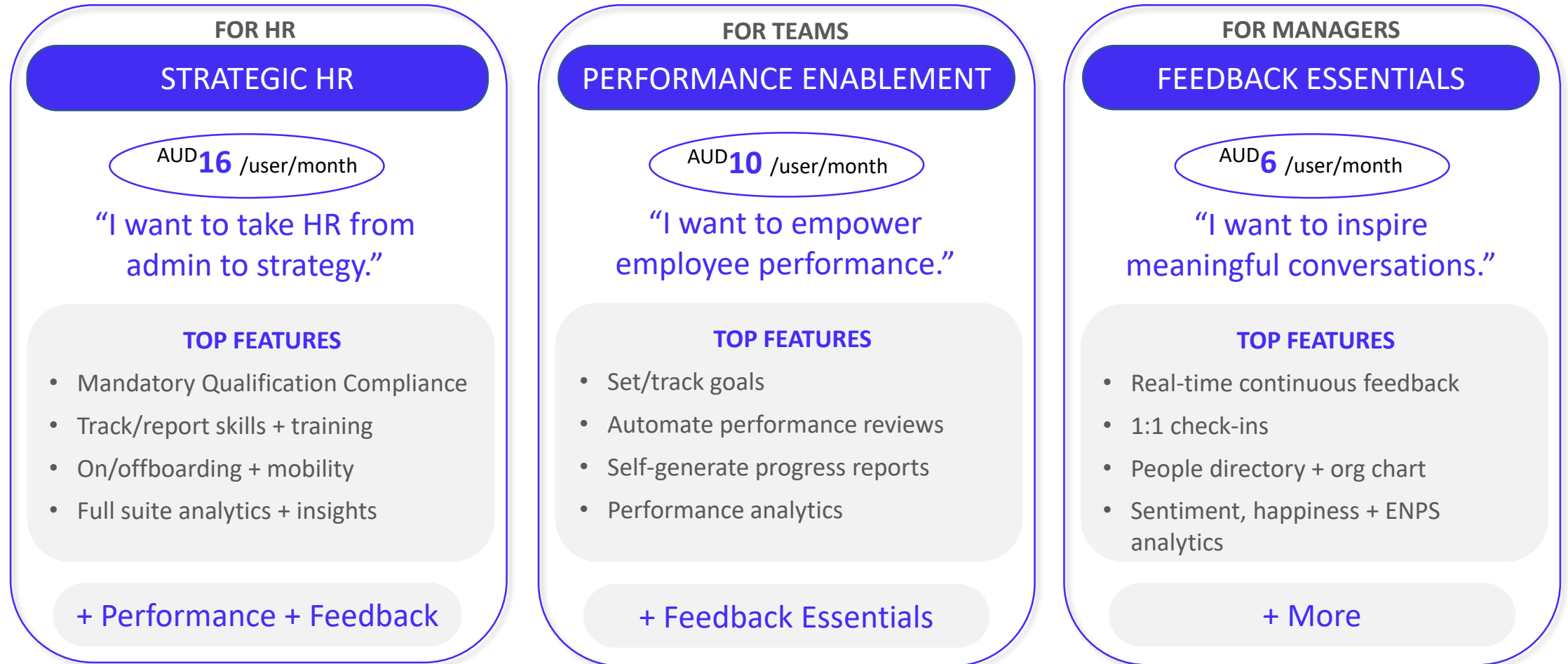
... 24% of subscribers are located outside of Australia.

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



# Value Based Pricing Model

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





# intelliHR's COVID-19 Freemium Platform

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

## Features:

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

## Timeframe:

17 March

- Contacted clients to understand their difficulties
- Designed COVID-19 Essentials HR Package in record time

20 March

- Package design was completed

23 March

- Package rolled out to existing customers.

24 March

- First freemium customer onboarded to the new COVID\_19 package – a process that takes 15 minutes

26 March

- Released package to broader market through, website, the Aust Govt's business continuity website, and other sales channels

July 2020

- 43 customers
- 3514 subscribers
- **Over 1200 Covid subscribers already upgraded to full platform**



# Capital Raising Event

...August 2020 capital raising highlights

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

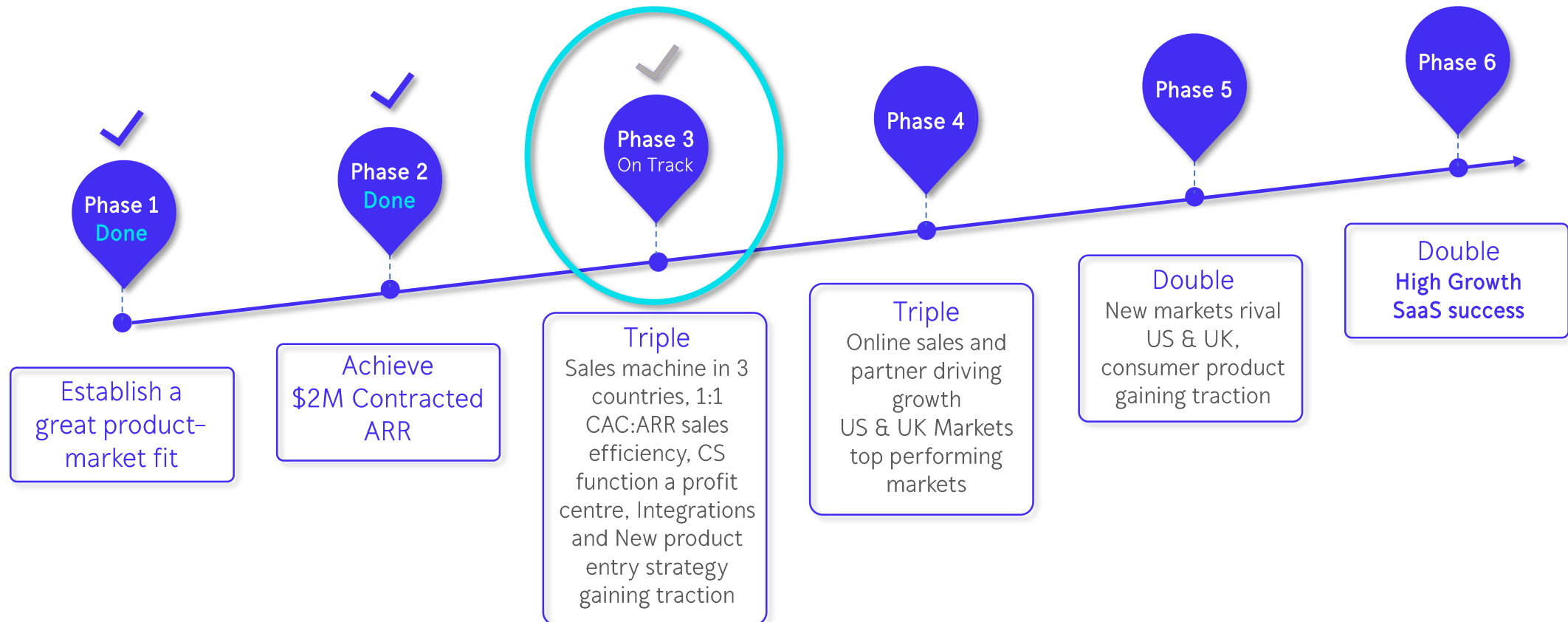
# Funds raised under the Capital Raising will be used to...

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



# The Next Growth Cycle

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



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# Risk Factors

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

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

## Risk specific to the Offer

### Dilution

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

### Control

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

## Specific Investment Risks

### Financing risks

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

### Dependence Upon Key Personnel

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

### Competition

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

### Intellectual property

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



# Risk Factors Continued

## **Reliance on third party providers**

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

## **Reliance on Continual Platform Development**

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

## **Hacking and security breaches**

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

## **Growth Management**

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

## **Speculative Nature of Investment**

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

## **General Investment Risks**

### **Share Market Investments**

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

## **General Economic Conditions**

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

## **Accounting Standards**

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

## **Taxation Risks**

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






# Rob Bromage

Managing Director & CEO

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

 +61 7 2102 5750

**Linked in**  /rob-bromage