

## **Executive Chair's address to the AGM**

I will begin this year's address with an Acknowledgement of Country.

We the intelliHR Board acknowledge the Traditional Owners and Custodians of the land on which our business operates, and today's meeting is being held.

We pay respect to all First Nations people and acknowledge the Elders past, present, and emerging, and extend that respect to other Indigenous people within the intelliHR community.

Before I make my presentation on the state of the business, I would like to make some observations on behalf of the Board.

At last year's AGM when the then Chair was presenting his address, Australia was reporting over 2000 covid cases per day, as another wave swept the nation. So, it feels like déjà vu as we are again being urged by health officials to wear masks, test, and isolate if symptomatic.

The year in between these two AGMs, has been a confusing and turbulent one for business leaders.

More than 100,000 tech workers have lost their jobs, with twenty thousand in the past two weeks alone. Australia is not immune, with several businesses announcing job losses.

In the markets, most listed technology companies lost 30-70% of their market value this past year. Some have begun recovering very recently, but as markets tighten, inflation, war, and more interest rate rises still await us, making most adjust forecasts and signal volatile times ahead.

For small cap cash burn tech stocks like ours, the latter part of the year saw a sharp swing in market appetite, as historic focus on growth shifted markedly to cash management. In June, VCs globally were universally pressing their private tech investments to conserve cash. At intelliHR, we too acted, in April, to address cash concerns in the business structure and operational strategy.

In the c-suite, the Chief People Officer role has seen more and more HR leaders elevated and their needs prioritised in the wake of Covid, just as CIOs were elevated by Y2K a couple of decades ago. This new Chief People Officer role is in its infancy, and we expect it to evolve greatly over the coming five years. Already we see discussions around their accountability for People and Culture, and other business functions like company workspaces, that could become part of their domain.

The economic and social disruption of Covid, the establishment of the new normal of hybrid working, the resistance of employees to return to the office, and the uncertainty of what the new post-Covid workplace experience should be, dominate surveys, leadership offsites, and

strategic workshops. The year ends with concerns for attrition and ensuring businesses can keep their most important employees engaged and performing.

Despite these headwinds, the digital transformation of HR continues at pace.

But transformation is not digital, it is people driven. That is why our approach has been to be the most flexible and configurable platform in the market, up against a flotilla of all-in-one product solutions that force businesses to work their way. We support the unique culture and way that each business chooses to work. This approach in partnership with talented HR and business leaders, and focus on speed-to-value, are key pillars to why we win.

Underpinning that, intelliHR has a value-based SaaS pricing approach, with three tiers of primary products, an ecosystem of integration partners, and a new unique ability to sit in front of payroll products, thanks to our ongoing and not yet fully realised work with Cintra in the UK.

We have sharpened our value proposition this year too.

We are the intelligent people platform empowering HR and business leaders to make more intelligent people decisions.

This builds on our distinct market advantage in people analytics.

More intelligent people decisions drive genuine, measurable returns on investment through bottom line cost savings, HR process and team efficiency, proactive attrition management, as well as top line growth from a more engaged, motivated, and productive workforce. Our machine learning driven analytics, allows HR leaders to see people issues earlier, and make the necessary human interventions that drive positive ROI for the business every day.

Our approach allows the company to be relevant to a wide range of customers in Australia, New Zealand, North America, the UK, and another 16 countries too. And as we've tightened our focus on the mid-market and enterprise customer, over 100 more well-known and successful companies have chosen us as their people platform this year. We thank them for their trust.

In the second half of this year, as we saw early signs of a changing economic climate, the Board worked with management to affect a restructure and strategic refocus. This prioritised our home ANZ market, generating new organic, product, and partner revenue streams, addressing important new product gaps, and adjusting levels of investment in talent and marketing spend. This helped to immediately reduce cash burn, lengthen the runway, and give clarity to our two next milestones of \$10m ARR and operating cash flow break even.

Shortly I will detail the business achievements of the past year, including our new process of product development and improvement, as well as the key metrics around customer numbers, head count on platform, revenues, and cash flows.

Succession planning and Board renewal is a continuous process, and in this context, I want to reflect on changes at the Board level.

First, we farewelled the remaining Founder of intelliHR Rob Bromage. Rob has been the heart and face of intelliHR since inception. He began the business, led it to IPO, opened overseas markets, and has made many invaluable contributions to the growth and development of the

platform and company. On behalf of shareholders, management, and the rest of the Board, I thank him deeply for his entrepreneurship and wish him well with his future endeavours.

Second, I wish to reflect on my own upcoming role of Chair & CEO and advise shareholders that in the name of good governance, I have asked the Board to begin a search for a new Chair. I will concentrate on my operational accountabilities, and partner with the Board in making sound decisions for IntelliHR. If we are to win in the coming market, I believe we need a fully staffed strategic, vigilant, challenging, and supportive Board.

Third, I would like to thank my fellow Directors for their many substantive contributions in the last year. And for putting the needs of Shareholders and the potential for IntelliHR in the world, first.

Finally, I would like to thank the many investors, shareholders, institutions, and individuals who have met with me over the past two and a half quarters, to offer their advice, insight, and counsel. And for your continued support in tougher economic times.

In closing, the Board and management look forward to continuing to pursue market opportunities that will create the most value for our shareholders.

Thank you.

Matt Donovan, Executive Chair, IntelliHR

Authorised for release by the Board of IntelliHR

## **Further Information**

IntelliHR Investor Relations

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## **About ASX:IHR**

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