

JOHNSON | WINTER | SLATTERY

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14 August 2024

The Manager  
ASX Market Announcements Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

**FOR LODGEMENT ONLINE**

Dear Sir/Madam

**Target's statement – LiveHire Ltd**

We act for LiveHire Ltd (ACN 153 266 605) (ASX: LVH) (**LiveHire**).

Humanforce Holdings Pty Ltd (ACN 618 020 401) (**Humanforce**) announced today an unconditional on-market takeover bid to acquire all of the ordinary shares in the capital of LiveHire.

Under item 10 of section 635(1) of the *Corporations Act 2001* (Cth), we attach the target's statement for the takeover bid.

The attached target's statement will be lodged with the Australian Securities and Investments Commission and sent to Humanforce today.

Yours faithfully,



Johnson Winter Slattery

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## TARGET'S STATEMENT

issued in response to the on-market takeover bid made by Humanforce Holdings Pty Ltd (ACN 618 020 401) for all of the fully paid ordinary shares in LiveHire Ltd (ACN 153 266 605).

**THE LIVEHIRE DIRECTORS UNANIMOUSLY RECOMMEND THAT  
YOU**

# ACCEPT

**HUMANFORCE'S OFFER  
IN THE ABSENCE OF A SUPERIOR PROPOSAL**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR  
IMMEDIATE ATTENTION.**

If you are in any doubt about what to do, you should contact your broker or your legal, financial or other professional adviser as soon as possible.

LiveHire Shareholders can contact LiveHire on +61 (03) 9021 0657 between 8:30am to 5:00pm (AEST), Monday to Friday (excluding public holidays).

**Legal Adviser**

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## IMPORTANT INFORMATION

### Key Dates

<b>Announcement of the Offer</b>	14 August 2024
<b>Bidder's Statement lodged with LiveHire, ASIC and ASX</b>	14 August 2024
<b>Earliest date from which LiveHire Shareholders are able to sell LiveHire Shares to Humanforce</b>	14 August 2024
<b>Date of this Target's Statement</b>	14 August 2024
<b>Offer Period opens</b>	29 August 2024
<b>Close of the Offer (unless extended or withdrawn)</b>	Close of trading on 30 September 2024

### Nature of this document

This document is a Target's Statement issued by LiveHire Ltd (ACN 153 266 605) (**LiveHire**) under Part 6.5 of the Corporations Act in response to the on-market takeover bid announced on 14 August 2024 by Humanforce Holdings Pty Ltd (ACN 618 020 401) (**Humanforce**) for all of the fully paid ordinary shares in LiveHire.

### ASIC and ASX disclaimer

A copy of this Target's Statement was lodged with ASIC and ASX on 14 August 2024. Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this Target's Statement.

### No account of personal circumstances

The information contained in this Target's Statement does not constitute personal advice. This Target's Statement does not take into account your individual investment objectives, financial situation or particular needs. You are advised to exercise caution in relation to the Offer and to seek independent financial and taxation advice before deciding whether or not to accept the Offer.

### Disclaimer regarding forward-looking statements

This Target's Statement contains certain forward looking statements which are based wholly or partly on expectations, opinions or predictions as at the date of this Target's Statement about future events and results. These forward looking statements are subject to inherent risks and uncertainties. Such risks and uncertainties include factors and risks specific to the industries in which LiveHire and Humanforce operate as well as general economic conditions, prevailing exchange rates and interest rates, conditions in the financial markets, government policies and regulation and competitive pressures. Actual events or results may differ materially from the expectations, opinions or predictions expressed or implied in such forward looking statements.

Neither LiveHire nor any of their directors, officers and advisers, nor any other person named in this Target's

Statement or involved in the preparation of this Target's Statement, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward-looking statement.

The forward-looking statements in this Target's Statement only reflect views held as at the date of this Target's Statement.

### Disclaimer as to information regarding Humanforce

LiveHire has not independently verified the information contained in this Target's Statement relating to Humanforce and AKKR. Accordingly, LiveHire does not make any representation or warranty (express or implied) as to the accuracy or completeness of such information, to the extent permitted by the Corporations Act.

### Risk factors

LiveHire Shareholders should note that there are a number of risk factors attached to their investment in LiveHire and other risks which apply in the event the Offer is accepted by them. Section 8 of this Target's Statement sets out further information regarding those risks.

### Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions outside Australia may be restricted by law, and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with laws and regulations outside Australia.

### Privacy

LiveHire has collected your information from its register of members for the purpose of providing you with this Target's Statement. Such information may include the name, contact details and shareholdings of LiveHire Shareholders and the names of persons appointed to act as proxy, attorney or corporate representative of LiveHire Shareholders. Without this information, LiveHire would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the names and addresses of LiveHire Shareholders to be held in a public register. Personal information of the type described above may be disclosed on a confidential basis to Humanforce (in accordance with the Corporations Act and the ASX Settlement Operating Rules), LiveHire Shareholders and external service providers, and may be required to be disclosed to regulators, such as ASIC. If you would like details of the information about you held by LiveHire, please contact LiveHire directly using the details set out below.

### **Available data**

Unless stated otherwise, all data contained in charts, graphs and tables is based on information available at the Last Practicable Date.

### **Effect of rounding**

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement are subject to the effect of rounding. The actual calculation of these figures, amounts, percentages, prices, estimates, calculations of value and fractions may differ from those set out in this Target's Statement. Any discrepancies between totals in tables or financial statements or in calculations graphs or charts are due to rounding.

### **Currencies and Time**

In this Target's Statement, references to "Australian dollars", "AUD", "\$", "A\$" or "cents" are to the lawful currency of Australia, unless stated otherwise.

All references to time in this Target's Statement are references to Sydney, Australia time, unless stated otherwise.

### **Defined terms and interpretation**

Capitalised terms used in this Target's Statement are defined in Section 12.1. The rules of interpretation that apply to this Target's Statement are also set out in Section 12.2.

### **LiveHire contact details**

LiveHire Shareholders can contact LiveHire on +61 (03) 9021 0657 between 8:30am to 5:00pm (AEST), Monday to Friday (excluding public holidays).

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**Letter from the Chairman**



Queen & Collins  
376-390 Collins Street  
Melbourne, Vic, 3000  
14 August 2024

Dear Shareholders,

**LIVEHIRE BOARD UNANIMOUSLY RECOMMENDS THAT YOU ACCEPT HUMANFORCE’S OFFER IN THE ABSENCE OF A SUPERIOR PROPOSAL**

As previously advised to the market, the LiveHire has been actively reviewing capital structure and ownership options. LiveHire's Board began a concerted and intensive effort to find a strategic new investor or owner for the business some months ago.

On 14 August 2024, following a global search for alternative buyers and investors, LiveHire and Humanforce entered into the Bid Implementation Agreement under which Humanforce agreed to make its unconditional on-market takeover offer to acquire all of your LiveHire Shares for \$0.045 cash per LiveHire Share.

Humanforce is an Australian company which operates a SaaS platform providing Workforce Management Solutions. Humanforce is a portfolio company of Accel-KKR Growth Capital Partners IV, LP (**AKKR Fund IV**). The general partner of AKKR Fund IV is AKKR Growth Management Company IV LP, which has AKKR Management Company, LLC as its general partner. AKKR Management Company LLC is managed by Accel-KKR Holdings GP, LLC. The registered investment advisor of AKKR Fund IV is AKKR Fund II Management Company, LP (**AKKR**). AKKR is a US private equity firm investing in mid-market software and technology-enabling services firms.

**Reasons why you should ACCEPT the Offer**

This Target’s Statement is your Board of Directors’ formal response to the Offer and sets out the reasons for our unanimous recommendation to **ACCEPT** the Offer in the absence of a superior proposal.

In reaching this conclusion, we have considered a number of commercial and strategic factors, including those outlined below:

- 1 the Offer Price is at a compelling premium to recent trading prices of LiveHire Shares;
- 2 the Offer is unconditional, and provides certain cash consideration on a T+2 Basis;
- 3 the Offer provides an important liquidity opportunity for LiveHire Shareholders;
- 4 there are ongoing risks associated with the business, in particular, its near-term capital requirements;
- 5 no superior proposal has emerged and, as at the date of this Target’s Statement, Humanforce holds a Relevant Interest in 73,882,619 LiveHire Shares arising from

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the Share Purchase Agreements referred to in Section 10.2 and the LiveHire Board consequently considers it unlikely that a superior proposal will emerge; and

- 6 by not accepting the Offer, LiveHire Shareholders risk becoming minority shareholders in an entity controlled by Humanforce.

Section 1 contains further information in relation to each of these reasons.

#### **How to ACCEPT the Offer**

If you wish to **ACCEPT** the Offer, you can sell some or all of your LiveHire Shares on market at the Offer Price from today until the end of the Offer Period at the close of trading on 30 September 2024 (unless extended or withdrawn).

MA Moelis Australia Securities Pty Limited (ACN 122 781 560) will stand in the market to acquire, on behalf of Humanforce, all LiveHire Shares offered at the Offer Price during normal trading hours on and from the date of this Target's Statement until the end of the Offer Period.

#### **Next steps**

I urge you to read this Target's Statement in full and to seek independent financial, legal, taxation or other professional advice before deciding whether or not to accept the Offer.

Your LiveHire Directors will continue to keep you informed on all material developments in relation to the Offer.

If you have any questions about the Offer, please contact LiveHire on +61 (03) 9021 0657 between 8:30am to 5:00pm (AEST), Monday to Friday (excluding public holidays).

Thank you for your continued support.

Yours sincerely



Mr Andrew Rutherford  
**Chairman, LiveHire**

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# 1 Reasons why you should **ACCEPT** the Offer

## 1.1 *LiveHire Directors' unanimous recommendation*

The LiveHire Directors unanimously recommend that LiveHire Shareholders **ACCEPT** the Offer in the absence of a superior proposal and sell their LiveHire Shares on-market on and from 14 August 2024 and before the Offer closes on 30 September 2024.

The LiveHire Directors' unanimous recommendation is given as at the Last Practicable Date and the LiveHire Directors reserve the right to change their recommendation if circumstances change.

If any new circumstances arise after the Last Practicable Date which should be drawn to the attention of LiveHire Shareholders, or which cause any change or variation to the recommendation of your Directors contained in this Target's Statement, the LiveHire Directors will ensure that LiveHire Shareholders are promptly and appropriately advised.

In considering whether to **ACCEPT** the Offer, the LiveHire Directors encourage you to read this Target's Statement in its entirety, having regard to your individual risk profile, portfolio strategy, tax position and financial circumstances, and obtain advice from your legal, financial, taxation or other professional adviser.

## 1.2 *LiveHire Directors*

The LiveHire Directors collectively hold or control LiveHire Shares representing approximately 11.74% of LiveHire Shares.

Under Share Purchase Agreements entered into between each LiveHire Director and Humanforce on 14 August 2024, each LiveHire Director agreed to sell all of their LiveHire Shares which they hold or control to Humanforce for the Offer Price. Refer to Section 10.2 for further information about the Share Purchase Agreements.

In addition, each LiveHire Director has informed LiveHire that they intend to **ACCEPT** the Offer in the absence of a superior proposal, in respect to any LiveHire Shares which they will own, or control following the exercise during the Bid Period of any Vested Performance Rights or Vested Service Rights held by them (representing up to a further 8,717,230 LiveHire Shares).

## 1.3 *Summary of reasons to **ACCEPT** the Offer*

Your Board has carefully considered the Offer to assess whether it is in the best interests of LiveHire Shareholders.

The LiveHire Directors' reasons for unanimously recommending that LiveHire Shareholders **ACCEPT** the Offer in the absence of a superior proposal, are:

- (a) the Offer Price is at a compelling premium to recent trading prices of LiveHire Shares;
- (b) the Offer is unconditional, and provides certain cash consideration on a T+2 Basis;
- (c) the Offer provides an important liquidity opportunity for LiveHire Shareholders;
- (d) there are ongoing risks associated with the business, in particular, its near-term capital requirements;
- (e) no superior proposal has emerged and, as at the date of this Target's Statement, Humanforce holds a Relevant Interest in 73,882,619 LiveHire Shares arising from



the Share Purchase Agreements referred to in Section 10.2 and the LiveHire Board consequently considers it unlikely that a superior proposal will emerge; and

- (f) by not accepting the Offer, LiveHire Shareholders risk becoming minority shareholders in an entity controlled by Humanforce.

Further information in relation to each of these reasons is set out below in Section 1.4.

#### **1.4 Further information on reasons to ACCEPT the Offer**

##### **(a) The Offer Price is at a compelling premium to recent trading prices**

The LiveHire Board notes that the Offer Price represents a compelling premium based on LiveHire's recent trading prices leading into the announcement of the Offer.

The Offer Price of \$0.045 cash per LiveHire Share represents a:

- (i) 87.5% premium to the undisturbed closing share price of \$0.024 on 13 August 2024 (being the last Trading Day prior to the date of this Target's Statement);
- (ii) 75.8% premium to undisturbed 30-day volume weighted average price (VWAP) of \$0.026<sup>1</sup>;
- (iii) 137.7% premium to undisturbed 60-day VWAP of \$0.019<sup>1</sup>;
- (iv) 156.0% premium to the undisturbed 90-day VWAP of \$0.018<sup>1</sup>; and
- (v) 158.1% premium to the undisturbed 120-day VWAP of \$0.17<sup>1</sup>

##### **(b) The Offer is unconditional and provides certain cash consideration on a T+2 Basis**

The LiveHire Board considers that the Offer Price of \$0.045 cash per LiveHire Share provides certainty for LiveHire Shareholders that, on balance, is more attractive than remaining a LiveHire Shareholder.

The Offer is unconditional and provides you with the opportunity to realise certain cash consideration on a T+2 Basis.

If you accept the Offer, you will:

- (i) be paid \$0.045 in cash for each LiveHire Share that you hold; and
- (ii) receive payment for the Offer on a T+2 Basis after the date of your acceptance.

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<sup>1</sup> The VWAP of LiveHire Shares is calculated for the period up to and including 13 August 2024.

**(c) The Offer provides an important liquidity opportunity for LiveHire Shareholders**

Liquidity in LiveHire Shares has been limited in recent times. Set out below is the average daily liquidity as a percentage of LiveHire Shares on issue in the months prior to the announcement of the Offer:

Time period	Average daily liquidity as % of LiveHire Shares then on issue
One month up to and including 31 July 2024	0.149% <sup>2</sup>
Three month period up to and including 31 July 2024	0.117% <sup>3</sup>
Six month period up to and including 31 July 2024	0.077% <sup>4</sup>

Given recent trading volumes of LiveHire Shares, LiveHire Shareholders have had few opportunities to sell their LiveHire Shares and realise value from their investment. The Offer is attractive because it provides LiveHire Shareholders with an important opportunity to sell their entire shareholding and realise the value of their LiveHire Shares. If you do not accept the Offer, there can be no guarantee a future liquidity opportunity will arise on comparable or superior terms.

**(d) There are ongoing risks associated with the business, in particular, its near-term capital requirements**

There are inherent risks in continuing to own LiveHire Shares, particularly in connection with LiveHire's near-term capital requirements. Given LiveHire's historical operating losses, the ability of LiveHire to continue as a going concern is primarily dependent on its ability to raise additional debt or equity finance.

In December 2023, LiveHire secured debt funding under the LCA Loan Agreements as follows:

- A\$1 million, with a maturity period of 36 months and a minimum interest rate of 19% per annum; and
- US\$1.3 million, with a maturity period of 24 months and a minimum interest rate of 19.1% per annum.

LiveHire requires a significant amount of new equity or debt funding (or both) to continue the development and commercialisation of its software platform.

Any additional equity funding may have a dilutionary effect on current LiveHire Shareholders and any additional debt funding may involve restrictive covenants or unfavourable terms for LiveHire, including high-interest rates, both of which may restrict LiveHire's financing and operating activities.

<sup>2</sup> Based on average daily volume of 552,306 LiveHire Shares

<sup>3</sup> Based on average daily volume of 433,791 LiveHire Shares

<sup>4</sup> Based on average daily volume of 283,666 LiveHire Shares

Additional risks with holding LiveHire Shares include general industry risks and market risks (refer to Section 8.4 for further details) and the risks associated with potentially being a minority shareholder in LiveHire (refer to Section 8.3(b) for further details).

**(e) No superior proposal has emerged and, as at the date of this Target's Statement, Humanforce holds a Relevant Interest in 73,882,619 LiveHire Shares arising from the Share Purchase Agreements referred to in Section 10.2 and the LiveHire Board consequently considers it unlikely that a superior proposal will emerge**

As at the Last Practicable Date, no superior proposal has emerged and, as at the date of this Target's Statement, Humanforce holds a Relevant Interest in 73,882,619 LiveHire Shares arising from the Share Purchase Agreements referred to in Section 10.2. The LiveHire Board consequently considers it unlikely that a superior proposal will emerge.

Once those Share Purchase Agreements have completed, Humanforce will have the ability to prevent compulsory acquisition under any competing takeover bid and its shareholding will likely be very influential in any vote on a competing scheme of arrangement. The LiveHire Board believes this reduces the likelihood of a superior proposal emerging.

Refer to Section 10.2 for further information about the Share Purchase Agreements.

**(f) By not accepting the Offer, LiveHire Shareholders risk becoming minority shareholders in an entity controlled by Humanforce**

If you do not accept the Offer and Humanforce acquires more than 50% of the LiveHire Shares on issue, it will be able to control the outcome of ordinary resolutions of LiveHire Shareholders (including resolutions relating to the composition of LiveHire's Board).

Additional risks associated with becoming a minority shareholder in an entity controlled by Humanforce, include a potential further reduction in the liquidity of LiveHire Shares. This may make it even more difficult for you to sell LiveHire Shares at a future date, and may result in a lower price for your LiveHire Shares should you wish to sell them.

The Bidder's Statement provides that if Humanforce acquires more than 50% but less than 90% of LiveHire Shares, it intends, subject to satisfying the relevant preconditions, to remove LiveHire from the official list of ASX. Further, there is a possibility that ASX may itself decide to remove LiveHire from the official list or delist the LiveHire Shares depending upon factors such as spread of LiveHire Shareholders at that time, the level of liquidity in LiveHire Shares and the continued listing requirements of ASX. Should delisting occur, remaining as a minority shareholder in an unlisted company presents remaining LiveHire Shareholders with additional risks.

Humanforce has stated in the Bidder's Statement that if it acquires 90% or more of all LiveHire Shares, it intends to proceed with compulsory acquisition of the outstanding LiveHire Shares and arrange for LiveHire to be removed from the official list of ASX.

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Refer to Section 8.3 of this Bidder's Statement for a detailed explanation of the risks which may apply to you if you decide not to accept the Offer and remain a LiveHire Shareholder.

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## 2 Reasons why you may not choose to accept the Offer

**(a) You may disagree with the LiveHire Directors' unanimous recommendation**

LiveHire Shareholders may not agree with the LiveHire Directors' unanimous recommendation and are not obliged to follow that recommendation.

**(b) You may believe LiveHire could generate more value as a standalone entity**

You may believe that LiveHire Shareholders could realise greater returns by continued investment in LiveHire as a standalone entity. In particular, you may consider there is a reasonable basis to expect that over the longer term:

- (i) LiveHire will secure adequate capital to continue the development and commercialisation of its software platform;
- (ii) LiveHire Directors and senior management have the potential to realise more value from LiveHire's assets than the Offer Price; and
- (iii) you will be comfortable with the implications of potentially being a minority shareholder in an entity controlled by Humanforce, as detailed in Section 5.9 of this Target's Statement.

**(c) A superior proposal for LiveHire may emerge in the future**

As at the Last Practicable Date, no superior proposals to the Offer have been received by LiveHire and the Directors believe it is unlikely that a superior proposal will emerge.

However, there is nothing preventing other parties from making unsolicited competing proposals for LiveHire during the Offer Period and it is also possible that, if LiveHire were to continue as a standalone entity, a superior proposal for LiveHire which is more attractive than the Offer could emerge in the future.

As the Offer is being made on-market, if you accept the Offer, you will not benefit if a superior proposal is received during the Offer Period.

**(d) The potential tax consequences of the Offer may not suit your current financial position or tax circumstances**

Acceptance of the Offer may have potential tax consequences for LiveHire Shareholders, which may not suit your current financial position or tax circumstances. A general outline of the Australian tax implications of accepting the Offer are set out in Section 9.

As this outline is a general outline only, LiveHire Shareholders are encouraged to seek their own specific advice as to the taxation implications applicable to their circumstances.

### 3 Frequently asked questions

This section answers some frequently asked questions about the Offer. It is not intended to address all relevant issues for LiveHire Shareholders. This section should be read together with all other parts of this Target's Statement.

Note: Section numbers refer to this Target's Statement unless otherwise indicated.

QUESTION	ANSWER	REFERENCE
What is this Target's Statement?	This Target's Statement is LiveHire's formal response to Humanforce's Offer, including the unanimous recommendation of the LiveHire Directors to <b>ACCEPT</b> the Offer in the absence of a superior proposal.	N/A
What is the Bidder's Statement?	The Bidder's Statement is the document dated 14 August 2024 prepared by Humanforce setting out the terms of the Offer, a copy of which was lodged with ASIC and released to the ASX on the date of this Target's Statement. You should also receive a copy of the Bidder's Statement on or about the same time as you receive this Target's Statement.	N/A
Who is making the Offer?	<p>Humanforce is offering to acquire all of your LiveHire Shares. Humanforce is an Australian company which operates a SaaS platform providing Workforce Management Solutions.</p> <p>Humanforce was incorporated in 2017, though the business has been operating since 2002, with subsidiaries in Australia, New Zealand, Singapore and the United Kingdom. Humanforce is a portfolio company of AKKR Fund IV.</p> <p>Further information about Humanforce is set out in Section 7 of this Target's Statement and section 6 of the Bidder's Statement.</p>	Section 7
Does Humanforce already have a Relevant Interest in LiveHire Shares?	As at the date of this Target's Statement, Humanforce holds a Relevant Interest in 73,882,619 LiveHire Shares arising from the Share Purchase Agreements referred to in Section 10.2.	Sections 7.4 and 10.2
What is Humanforce offering for LiveHire Shares?	Humanforce is offering \$0.045 cash for every LiveHire Share held by you.	Section 5

QUESTION	ANSWER	REFERENCE
<p>What choices do I have as a LiveHire Shareholder?</p>	<p>As a LiveHire Shareholder, you have the choice to:</p> <ul style="list-style-type: none"> <li>(a) <b>ACCEPT</b> the Offer for some or all of your LiveHire Shares in accordance with the instructions in the Bidder's Statement, by selling on market to Humanforce – it is the LiveHire Directors' unanimous recommendation that you accept the Offer for all of your LiveHire Shares in the absence of a superior proposal;</li> <li>(b) sell some or all of your LiveHire Shares on market at the prevailing market price for LiveHire Shares; or</li> <li>(c) reject the Offer by doing nothing.</li> </ul> <p>There are several implications in relation to each of the above choices. A summary of these implications is set out in Section 4 of this Target's Statement.</p> <p>You should carefully consider the LiveHire Directors' unanimous recommendation to <b>ACCEPT</b> the Offer in the absence of a superior proposal.</p> <p>You may wish to seek independent legal, financial and taxation advice from your professional adviser in relation to the action you should take in relation to the Offer.</p>	<p>Section 4</p>
<p>What happens if I do nothing?</p>	<p>You will remain a LiveHire Shareholder and will continue to be subject to the risks and opportunities associated with holding LiveHire Shares as summarised in Section 8.3 of this Target's Statement.</p> <p>If Humanforce and its Associates collectively have Relevant Interests in at least 90% of LiveHire Shares during, or at the end of the Offer Period, Humanforce has stated in its Bidder's Statement that it intends to compulsorily acquire all outstanding LiveHire Shares.</p> <p>If Humanforce acquires between 50% and 90% of LiveHire Shares then on issue, you will be a minority shareholder in LiveHire. The implications of this outcome are described in Section 5.9 of this Target's Statement.</p>	<p>Sections 5.8, 5.9 and 8.3</p> <p>Section 8 of the Bidder's Statement</p>
<p>What do the LiveHire Directors recommend?</p>	<p>The LiveHire Board has carefully considered Humanforce's Offer to assess whether it is in the best interests of LiveHire Shareholders.</p> <p>The LiveHire Directors unanimously recommend that you <b>ACCEPT</b> the Offer in the absence of a superior proposal. The LiveHire Directors' unanimous recommendation is given as at the Last Practicable Date and the LiveHire Directors reserve the right to change their unanimous recommendation (see Section 1 for more information about the unanimous recommendation), including the LiveHire Directors' reasons for this unanimous recommendation.</p>	<p>Section 1</p>

QUESTION	ANSWER	REFERENCE
<p>Why has no independent expert been appointed?</p>	<p>The Corporations Act does not require LiveHire to appoint an independent expert. In addition, the LiveHire Directors do not consider that an independent expert's report is necessary for reasons including:</p> <ul style="list-style-type: none"> <li>(a) the information in this Target's Statement, the Bidder's Statement and publicly available information is sufficient for LiveHire Shareholders to determine whether or not to accept the Offer;</li> <li>(b) the cost of obtaining an independent expert's report would be substantial considering LiveHire current cash constraints; and</li> <li>(c) the time needed to prepare the independent expert's report could potentially delay the completion of the Offer.</li> </ul>	<p>N/A</p>
<p>Why should I <b>ACCEPT</b> the Offer?</p>	<p>The LiveHire Directors consider you should <b>ACCEPT</b> the Offer in the absence of a superior proposal because:</p> <ul style="list-style-type: none"> <li>(a) the Offer Price is at a compelling premium to recent trading prices of LiveHire Shares;</li> <li>(b) the Offer is unconditional, and provides certain cash consideration on a T+2 Basis;</li> <li>(c) the Offer provides an important liquidity opportunity for LiveHire Shareholders;</li> <li>(d) there are ongoing risks associated with the business, in particular, its near-term capital requirements;</li> <li>(e) no superior proposal has emerged and, as at the date of this Target's Statement, Humanforce holds a Relevant Interest in 73,882,619 LiveHire Shares arising from the Share Purchase Agreements referred to in Section 10.2, so the LiveHire Board considers it unlikely that a superior proposal will emerge; and</li> <li>(f) by not accepting the Offer, LiveHire Shareholders risk becoming minority shareholders in an entity controlled by Humanforce.</li> </ul>	<p>Section 1</p>
<p>What do the LiveHire Directors intend to do with their LiveHire Shares?</p>	<p>Pursuant to the Share Purchase Agreements entered into between each LiveHire Director and Humanforce on 14 August 2024, each LiveHire Director agreed to sell all of their LiveHire Shares held or controlled by them to Humanforce for the Offer Price. Refer to Section 10.2 for further information about the Share Purchase Agreements.</p> <p>In addition, each LiveHire Director has informed LiveHire that they intend to <b>ACCEPT</b> the Offer in the absence of a superior proposal, in respect of any LiveHire Shares which they will own, or control following the exercise during the Bid Period of any Vested Performance Rights or Vested Service Rights held by them (representing up to a further 8,717,230 LiveHire Shares).</p>	<p>Section 1.2</p>



QUESTION	ANSWER	REFERENCE
What are the risks of rejecting the Offer?	<p>If you reject the Offer and Humanforce acquires more than 50% of LiveHire Shares but less than 90% of LiveHire Shares, you will be a minority shareholder in LiveHire. Being a minority shareholder in LiveHire may have the following potential implications:</p> <ul style="list-style-type: none"> <li>(a) the price at which LiveHire Shares are traded may fall and trade at a material discount to the Offer Price;</li> <li>(b) the market for LiveHire Shares may become less liquid;</li> <li>(c) LiveHire’s distribution policy, capital structure and board configuration may change; and</li> <li>(d) LiveHire may be delisted from the official list of ASX.</li> </ul> <p>If Humanforce acquires 90% or more of LiveHire Shares, Humanforce becomes entitled to compulsorily acquire your LiveHire Shares and has stated in the Bidder’s Statement that it intends to exercise those rights. If your LiveHire Shares are compulsorily acquired, you will still receive the Offer Price per LiveHire Share, but at a later time than you would have received it if you had accepted the Offer.</p> <p>There are also general risks associated with remaining a LiveHire Shareholder. Set out in Section 8 of this Target’s Statement are the key risks which may affect the future operating and financial performance of LiveHire and the value of LiveHire Shares.</p>	<p>Section 8.3</p> <p>Section 8 of the Bidder’s Statement</p>
Are there conditions to the Offer?	No, the Offer is unconditional.	Section 5.4
Does the Offer extend to LiveHire Convertibles?	<p>The Offer does not extend to the acquisition of LiveHire Convertibles on issue. However, the Offer extends to LiveHire Shares that are issued and exist during the Offer Period due to the conversion of, or exercise of rights attached to, other securities convertible into LiveHire Shares (including the LiveHire Convertibles), that are on issue at the date of this Target’s Statement.</p> <p>Refer to Sections 10.4, 10.9 and 10.10 for further information regarding the Offer and the LiveHire Convertibles.</p>	<p>Section 5.2</p> <p>Section 5.4 of the Bidder’s Statement</p>
How do I <b>ACCEPT</b> the Offer?	<p>If you wish to <b>ACCEPT</b> the Offer, you should sell some or all of your LiveHire Shares to Humanforce on market at the Offer Price on and from 14 August 2024 and until the end of the Offer Period.</p> <p>Moelis will stand in the market to acquire, on behalf of Humanforce, all LiveHire Shares offered at the Offer Price during normal trading hours on and from 14 August 2024 until the end of the Offer Period, as set out in Section 5.12.</p> <p>You should also note that brokerage, fees or other charges may be payable by you upon acceptance of the Offer.</p>	<p>Section 5.12</p> <p>Section 5.13 of the Bidder’s Statement</p>
How do I reject the Offer?	To reject the Offer, you can simply take no action in relation to any documents sent to you by Humanforce.	N/A

QUESTION	ANSWER	REFERENCE
Can I be forced to sell my LiveHire Shares?	<p>You cannot be forced to sell your LiveHire Shares unless Humanforce proceeds to compulsorily acquire LiveHire Shares under Chapter 6A of the Corporations Act.</p> <p>If Humanforce acquires 90% or more of LiveHire Shares, Humanforce becomes entitled to compulsorily acquire your LiveHire Shares and has advised in the Bidder's Statement that it intends to exercise those rights. If your LiveHire Shares are compulsorily acquired, you will still receive the Offer Price per LiveHire Share, but at a later time than you would have received it if you had accepted the Offer.</p>	Section 8.3 of the Bidder's Statement
Can I sell my LiveHire Shares on market?	<p>Yes. You can sell your LiveHire Shares on market.</p> <p>If you do not wish to accept the Offer, you can still sell some or all of your LiveHire Shares on market at the prevailing market price for LiveHire Shares.</p> <p>Humanforce has appointed Moelis to stand in the market on behalf of Humanforce to acquire LiveHire Shares offered to it at the Offer Price on and from 14 August 2024 until the end of the Offer Period.</p> <p>Accepting LiveHire Shareholders may only accept the Offer through Brokers. Any brokerage fees charged by such Brokers will be the sole responsibility of the accepting LiveHire Shareholder.</p>	<p>Section 4.2</p> <p>Section 5.3 of the Bidder's Statement</p>
Can I buy LiveHire Shares during the Offer Period?	<p>Yes. Despite the Offer, you can still continue to buy LiveHire Shares as you normally would through the ASX during the Offer Period.</p>	N/A
What are the consequences of accepting the Offer now?	<p>If you <b>ACCEPT</b> the Offer in respect of a LiveHire Shares:</p> <ul style="list-style-type: none"> <li>(a) you will have sold that LiveHire Share to Humanforce;</li> <li>(b) you will not be able to withdraw your acceptance;</li> <li>(c) you will receive payment of the Offer Price for that LiveHire Share on a T+2 Basis (being two Trading Days after your acceptance); and</li> <li>(d) if a superior offer emerges, you will not be able to accept the superior offer in respect of that LiveHire Share, or benefit from any potential upside of LiveHire.</li> </ul>	Section 4.1
What happens if I accept the Offer now and the Offer Price increases?	<p>If Humanforce decides to increase the Offer Price and you have already accepted the Offer, you will not be entitled to the benefit of that increased consideration.</p>	<p>Section 8.2</p> <p>Section 5.12 of the Bidder's Statement</p>
If I accept, can I withdraw my acceptance of the Offer?	<p>No, you may not withdraw your acceptance of the Offer once you have sold your LiveHire Shares.</p>	Section 5.7
When does the Offer close?	<p>The Offer is currently scheduled to close at the close of trading on 30 September 2024, but the Offer Period can be extended or withdrawn in certain circumstances.</p>	Section 5.3

QUESTION	ANSWER	REFERENCE
When do I have to make a decision?	<p>If you wish to follow your Directors' unanimous recommendation to <b>ACCEPT</b> the Offer in the absence of a superior proposal, you can sell some or all of your LiveHire Shares on market at the Offer Price on and from 14 August 2024 and until the end of the Offer Period.</p> <p>If you wish to <b>ACCEPT</b> the Offer, you must do so before its scheduled closing date. The Offer closes at the close of trading on 30 September 2024 (unless extended or withdrawn).</p>	Section 5.3
Can Humanforce vary the Offer?	<p>Yes. Humanforce can vary the Offer by increasing the Offer Price or extending the Offer Period.</p> <p>Humanforce cannot increase the Offer Price or extend the Offer Period during the last five (5) Trading Days of the Offer Period, other than in limited circumstances.</p>	<p>Section 5.3</p> <p>Section 5.12 of the Bidder's Statement</p>
Can Humanforce withdraw its Offer?	<p>Humanforce may only withdraw the Offer for any Offers that are unaccepted at that time:</p> <ul style="list-style-type: none"> <li>(a) with ASIC's written consent and subject to any conditions specified in that consent (if any);</li> <li>(b) where a Prescribed Occurrence occurs, if at the time of the Prescribed Occurrence Humanforce's Voting Power in LiveHire is at or below 50%; or</li> <li>(c) upon the occurrence of an Insolvency Event in relation to LiveHire (regardless of Humanforce's Voting Power in LiveHire).</li> </ul> <p>Humanforce has noted in its Bidder's Statement that a notice of the withdrawal of the Offer will be provided by it to ASX.</p>	<p>Section 5.5</p> <p>Section 5.11 of the Bidder's Statement</p>
How is Humanforce funding the Offer?	<p>The Bidder's Statement provides that the maximum amount that Humanforce could be required to pay under the Offer will be made available to Humanforce by Accel-KKR Growth Capital Partners IV LP (<b>AKKR Fund IV</b>). The general partner of AKKR Fund IV is AKKR Growth Management Company IV LP, which has AKKR Management Company, LLC as its general partner. AKKR Management Company LLC is managed by Accel-KKR Holdings GP, LLC. The registered investment advisor of AKKR Fund IV is AKKR.</p>	Section 9.3 of the Bidder's Statement
When will you be paid the Offer Price?	<p>The usual rules for settlement of transactions which occur on market will apply. Once you have accepted the Offer and sold your LiveHire Shares, you will be paid on a T+2 Basis after your acceptance (being two Trading Days after your acceptance).</p>	Section 5.11

QUESTION	ANSWER	REFERENCE
Will LiveHire Shares remain listed on ASX?	<p>The continued listing of LiveHire Shares on ASX depends on the outcome of the Offer.</p> <p>If at the end of the Offer Period, Humanforce acquires Relevant Interests in at least 90% (by number) of the LiveHire Shares then on issue, Humanforce has stated in the Bidder's Statement that it intends to procure that LiveHire apply for LiveHire to be removed from the official list of the ASX.</p> <p>Humanforce has stated in its Bidder's Statement that if it acquires more than 50% but less than 90% of LiveHire Shares, it intends, subject to satisfying the relevant preconditions, to remove LiveHire from the official list of ASX. Further, ASX may itself decide to remove LiveHire from the official list or delist the LiveHire Shares depending upon factors such as spread of LiveHire Shareholders at that time, the level of liquidity in LiveHire Shares and the continued listing requirements of ASX.</p> <p>Refer to the Bidder's Statement for further information in relation to Humanforce's intentions with respect to removing LiveHire from the official list of ASX.</p>	<p>Sections 5.8 to 5.10</p> <p>Section 8 of the Bidder's Statement</p>
What if there is a competing takeover bid?	<p>If a competing takeover bid is received prior to the end of the Offer Period, the LiveHire Board will carefully consider the proposal and, subject to its obligations under the Bid Implementation Agreement, advise LiveHire Shareholders of their recommendation and intentions.</p> <p>If you have already accepted the Offer, then you will not be able to participate in a competing takeover bid from a third party that is superior to the Offer which may emerge.</p>	N/A
What are the tax implications of accepting the Offer?	<p>A general outline of the tax implications of accepting the Offer is set out in Section 9 of this Target's Statement and section 10 of the Bidder's Statement.</p> <p>As those sections provide a general overview only, LiveHire Shareholders are encouraged to seek their own personal advice on the taxation implications applicable to their circumstances.</p>	<p>Section 9</p> <p>Section 10 of the Bidder's Statement</p>
Will I receive further advice from LiveHire Directors during the Offer Period?	<p>The LiveHire Directors will be closely monitoring the progress of the Offer.</p> <p>If circumstances change, or if matters arise which should be drawn to the attention of LiveHire Shareholders, or which cause any change or variation to the advice of your LiveHire Directors in this Target's Statement, the LiveHire Directors will ensure that LiveHire Shareholders are promptly and appropriately advised.</p>	N/A
How do I get updates on the Share price?	<p>You can check the market price for all ASX listed securities by visiting <a href="http://www.asx.com.au">www.asx.com.au</a>. The ticker code for LiveHire Shares is "LVH".</p>	N/A

QUESTION	ANSWER	REFERENCE
Will I need to pay brokerage or stamp duty if I accept the Offer?	<p>As the Offer by Humanforce is pursuant to an on-market takeover bid, Offers will be made during normal trading. Accepting LiveHire Shareholders may only accept the Offer through Brokers. Any brokerage fees charged by such Brokers will be the sole responsibility of the accepting LiveHire Shareholder.</p> <p>No stamp duty or GST will be payable by you on the disposal of your LiveHire Shares under the Offer (other than GST that may be charged on costs incurred in relation to the Offer e.g. tax, legal or other advisers fees).</p>	<p>Section 9</p> <p>Section 10 of the Bidder's Statement</p>
Is there a number I can call if I have any questions?	LiveHire Shareholders can contact LiveHire on +61 (03) 9021 0657 between 8:30am to 5:00pm (AEST), Monday to Friday (excluding public holidays).	N/A

## 4 Your choices as a LiveHire Shareholder

Your LiveHire Board has carefully considered Humanforce's Offer to assess whether it is in the best interests of LiveHire Shareholders. The LiveHire Directors unanimously recommend that you **ACCEPT** the Offer in the absence of a superior proposal, for the reasons set out in Section 1 of this Target's Statement.

LiveHire encourages you to consider your personal risk profile, investment objectives and tax and financial circumstances before making a decision as to whether or not to accept the Offer for your LiveHire Shares.

As a LiveHire Shareholder, you have the following three choices available to you in relation to the Offer:

### 4.1 **Option 1 – Accept the Offer**

The LiveHire Directors unanimously recommend that you **ACCEPT** the Offer in the absence of a superior proposal. To do so, you can sell some or all of your LiveHire Shares on market at the Offer Price on and from 14 August 2024 and until the close of trading on 30 September 2024 (unless extended or withdrawn).

Further details are set out in Section 5.12.

If you accept the Offer in respect of a LiveHire Share, you will:

- (a) have sold that LiveHire Share to Humanforce;
- (b) not be able to withdraw your acceptance;
- (c) receive payment of the Offer Price for that LiveHire Share on a T+2 Basis after acceptance (being two Trading Days after your acceptance);
- (d) if a superior proposal emerges, not be able to accept the superior proposal in respect of that LiveHire Share (or otherwise benefit from the superior proposal as a LiveHire Shareholder); and
- (e) possibly incur a brokerage fee.

### 4.2 **Option 2 – Sell some or all of your LiveHire Shares on market at the prevailing market price**

During the Offer Period, you can still sell your LiveHire Shares on market at any time at the prevailing market price, provided you have not already accepted the Offer. If you sell your LiveHire Shares on market, you:

- (a) will not receive the benefits of:
  - (i) the potential upside of LiveHire;
  - (ii) any potential higher competing offer for your LiveHire Shares; or
  - (iii) any superior proposal received from a third party,(although there is no certainty as to whether such events will occur);
- (b) may incur a brokerage fee; and
- (c) may be liable for tax on gains you make on the sale.

As Humanforce's Offer is under an on-market takeover bid, the sale of your LiveHire Shares on market may result in a sale to Humanforce. In this case your position will be the same as if you had chosen to accept Humanforce's Offer.

You should seek your own specific professional advice regarding the taxation consequences of selling your LiveHire Shares on market.

#### **4.3 Option 3 – REJECT the Offer by DOING NOTHING**

If you do not wish to accept the Offer and want to retain your LiveHire Shares, you may simply do nothing and take no action in relation to any documents sent to you by Humanforce.

If you decide to do nothing, you should be aware of the risks associated with rejecting the Offer, including the inherent risks in continuing to own LiveHire Shares, particularly in connection with LiveHire's near-term capital requirements. Given LiveHire's historical operating losses, the ability of LiveHire to continue as a going concern is primarily dependent on its ability to raise additional debt or equity finance.

Any additional equity funding may have a dilutionary effect on current LiveHire Shareholders and any additional debt funding may involve restrictive covenants or unfavourable terms for LiveHire, including high-interest rates, both of which may restrict LiveHire's financing and operating activities.

Additional risks with holding LiveHire Shares include general industry risks and market risks (refer to Section 8 for further details) and the risks associated with potentially being a minority shareholder in LiveHire (refer to Section 8.3(b) for further details).

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## **5 About Humanforce's Offer**

### **5.1 Summary of the Offer**

On 14 August 2024 Humanforce announced its on-market takeover bid for all of the LiveHire Shares. Humanforce is offering \$0.045 cash for each LiveHire Share held by you.

The terms of the Offer are set out in the Bidder's Statement.

The Offer relates to all LiveHire Shares currently on issue, as well as any LiveHire Shares that are issued before the end of the Offer Period as a result of the exercise of Performance Rights and Service Rights that are able to be exercised and have not lapsed (refer to Section 10.9 for information regarding the Performance Rights and Service Rights).

You may accept the Offer for all or some of your LiveHire Shares.

### **5.2 LiveHire Convertibles**

The Offer does not extend to the acquisition of LiveHire Convertibles on issue. However, the Offer extends to LiveHire Shares that are issued and exist during the Offer Period due to the conversion of, or exercise of rights attached to, other securities convertible into LiveHire Shares (including the LiveHire Convertibles), that are on issue at the date of this Target's Statement.

Refer to Section 10.9 of this Target's Statement for further details.

### **5.3 Offer Period**

The Offer is open for acceptance on 29 August 2024 until the close of trading on 30 September 2024, unless extended or withdrawn.

The Offer Period may be extended at any time prior to the last five Trading Days of the Offer Period, or in limited circumstances, at any time prior to the end of the Offer Period (in accordance with the Corporations Act).

In addition, there will be an automatic extension of the Offer Period if, within the last seven days of the Offer Period, Humanforce's Voting Power in LiveHire increases to more than 50%. If that occurs, the Offer Period is automatically extended so that it ends 14 days after Humanforce's Voting Power increased to more than 50%.

### **5.4 No conditions of the Offer**

The Offer is unconditional.

### **5.5 Humanforce's right to withdraw**

Humanforce may withdraw the Offer in respect of unaccepted offers at any time:

- (a) with the written consent of ASIC, which consent may be subject to conditions;
- (b) where a Prescribed Occurrence occurs, if at the time of the Prescribed Occurrence, Humanforce's Voting Power in LiveHire is at or below 50%; or
- (c) upon the occurrence of an Insolvency Event in relation to LiveHire (regardless of Humanforce's Voting Power in LiveHire).

Notice of withdrawal of the Offer must be given by Humanforce to the ASX.

The Bid Implementation Agreement provides that Humanforce may not withdraw unaccepted Offers if the right to do so arises as a result of the issue of LiveHire Shares following the



exercise of any Performance Rights or Service Rights in accordance with the Bid Implementation Agreement.

**5.6 Offer Price**

The Offer Price is \$0.045 cash per LiveHire Share.

**5.7 No withdrawal of your acceptance**

Once you accept the Offer and sell your LiveHire Shares, you will not be able to withdraw your acceptance of the Offer.

**5.8 Consequences of Humanforce acquiring 90% or more of LiveHire Shares**

If Humanforce acquires 90% or more of LiveHire Shares, Humanforce becomes entitled to compulsorily acquire your LiveHire Shares and has advised in the Bidder's Statement that it intends to exercise those rights. If your LiveHire Shares are compulsorily acquired, you will still receive the Offer Price per LiveHire Share, but at a later time than you would have received it if you had accepted the Offer.

**5.9 Consequences of Humanforce acquiring more than 50% and less than 90% of LiveHire Shares**

If Humanforce acquires more than 50% but less than 90% of the LiveHire Shares then Humanforce will acquire a majority shareholding in LiveHire and effectively control LiveHire, but will not be entitled to compulsorily acquire LiveHire Shares.

Accordingly, LiveHire Shareholders who do not accept the Offer will become minority shareholders in LiveHire. This has a number of possible implications, including:

- (a) Humanforce will be in a position to cast the majority of votes at a general meeting of LiveHire. This will enable it to control the composition of the LiveHire Board and senior management, determine LiveHire's dividend policy and control the strategic direction of the businesses of LiveHire and its Subsidiaries;
- (b) the LiveHire Share price may fall immediately following the end of the Offer Period, and it is unlikely that the LiveHire Share price will contain any takeover premium;
- (c) the liquidity of LiveHire Shares may be lower than at present;
- (d) ASX deciding to remove LiveHire from the official list or delist the LiveHire Shares depending upon factors such as spread of LiveHire Shareholders at that time, the level of liquidity in LiveHire Shares and the continued listing requirements of ASX; and
- (e) if Humanforce acquires 75% or more of the LiveHire Shares it will be able to pass a special resolution of LiveHire. This will enable Humanforce to, among other things, change LiveHire's constitution.

Section 8.4 of the Bidder's Statement sets out Humanforce's intentions if it acquires more than 50% but less than 90% of the LiveHire Shares, including its intentions in relation to the growth of the business of LiveHire, any major changes to be made to the business of LiveHire, including any redeployment of the fixed assets of LiveHire, the future employment of the present employees of LiveHire, changes to the LiveHire Board and the compulsory acquisition of LiveHire Shares and LiveHire Convertibles, and the removal of LiveHire from the official list of ASX.

Under the terms of the Bid Implementation Agreement, as soon as reasonably practicable after Humanforce has acquired a Relevant Interest in 50.1% of the total LiveHire Shares on

issue, if requested to do so by Humanforce, LiveHire must use its best endeavours to procure the resignation of Mr Henry Ludski and Mr Cris Buningh as LiveHire Directors and the appointment of up to three Humanforce nominee directors (or such other number such that Humanforce nominees comprise a majority of the LiveHire Board) to the LiveHire Board.

**5.10 Consequences of Humanforce acquiring less than 50% of LiveHire Shares**

If Humanforce owns or controls less than 50% of LiveHire Shares, it will not control LiveHire. Humanforce has indicated at section 8.5 of the Bidder's Statement that if it has not acquired a Relevant Interest in at least 50.1% of the LiveHire Shares on issue, it will seek to:

- (a) obtain representation on the LiveHire Board which is at least consistent with its proportionate shareholding; and
- (b) gain a more detailed understanding of the business' assets and operations in order to evaluate the performance, profitability and prospects of LiveHire in light of the information then available to Humanforce.

**5.11 When you will receive payment of the Offer Price**

As stated in section 5.9 of the Bidder's Statement, in accordance with the usual rules for settlement of transactions which occur on market, if you accept the Offer you will be paid on a T+2 Basis after your acceptance (being two Trading Days after your acceptance).

**5.12 How to ACCEPT the Offer**

LiveHire Shareholders may sell their LiveHire Shares to Humanforce on-market by offering to sell some or all of their LiveHire Shares on market at the Offer Price on and from the start of trading on ASX on 14 August 2024 until the end of the Offer Period.

MA Moelis Australia Securities Pty Ltd, Humanforce's Broker, will stand in the market to acquire, on behalf of Humanforce, LiveHire Shares at the Offer Price on market during normal trading on ASX on and from on 14 August 2024 as follows:

- (a) **Issuer Sponsored Holdings** (Securityholder Reference Number beginning with "I"): To sell your LiveHire Shares to Humanforce, you may instruct any Broker to initiate acceptance. If you have not appointed a Broker, you will need to appoint a Broker in order to accept the Offer. Please contact LiveHire on +61 (03) 9021 0657 between 8:30am to 5:00pm (AEST), Monday to Friday (excluding public holidays) for assistance;
- (b) **CHESS Holdings** (Holder Identification Number beginning with "X"): To sell your LiveHire Shares to Humanforce, you must instruct your Controlling Participant to initiate acceptance;
- (c) **Brokers and Controlling Participants**: To sell your LiveHire Shares to Humanforce, you must initiate acceptance in accordance with the requirements of the ASX Settlement Operating Rules; and
- (d) **Beneficial owner**: To sell your LiveHire Shares to Humanforce, you must contact the nominee of your LiveHire Shares, which may be a broker, investment dealer, bank, trust company, or other nominee to assist you to accept the Offer.

You are not required to complete a form to accept the Offer.

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## 6 Information relating to LiveHire

### 6.1 Overview of LiveHire

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

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

More information about LiveHire can be found on its website at [www.LiveHire.com](http://www.LiveHire.com)

### 6.2 Director and senior management profiles

As at the Last Practicable Date, the LiveHire Director and senior management profiles are as follows:

#### (a) Mr Andrew Rutherford (Non-Executive Director, Chairman)

Andrew has held a number of senior executive roles over his career including Executive Director and Chief Operating Officer of Goldman Sachs Australia and Head of Mergers & Acquisitions for Reuters PLC. Andrew's executive roles were focussed on capital markets, finance, accounting, technology, strategy and business operations. Andrew is also an experienced Non-Executive Director and Audit and Risk Committee Chair having served on several boards over the past 15 years. Andrew is currently a Non-Executive Director of Advance Asset Management Ltd, Asgard Capital Management Limited, BT Funds Management No. 2 Ltd, BT Portfolio Services Ltd, Westpac Financial Services Ltd and Chair of Pitcher Partners Sydney Wealth Management Pty Ltd.

Andrew completed his Bachelor of Commerce and Masters of Business Administration at UNSW/AGSM and is a graduate of CPA Australia (Fellow), The Institute of Chartered Secretaries (Fellow) and Australian Institute of Company Directors (with Merit) and holds post-graduate qualifications in Corporate Finance (GradDipFin) and Financial Planning (DipFP).

#### (b) Ms Christy Forest (CEO, Executive Director)

Christy is the CEO and Executive Director at LiveHire. Christy joined the LiveHire Board in September 2017 and brings more than 20 years of experience in leading high-growth talent and technology businesses. As the Global Head of Member Services and the first woman on CEB's Executive Committee, she developed a passion for delivering and scaling high quality customer experiences worldwide. As the MD APAC for CEB, she pioneered new markets, products and processes, consistently delivering the highest regional growth for the company.

Christy completed her undergraduate degree at the University of Virginia, an MBA from Northwestern's Kellogg Graduate School of Management, and is a member of the Australian Institute of Company Directors.

**(c) Cris Buningh (Non-Executive Director)**

Cris is an independent Non-Executive Director of LiveHire. Cris joined the LiveHire Board in March 2022. Cris has over 30 years in program management roles where he worked on redesigning and realising new businesses and processes. With deep industry experience in a range of commercial industries including Energy, Pharma, Industrial Trade, FMCG, Retail, IT and Telecom, Cris brings his experience as an all-rounder Global Commercial Executive and Thought leader to the LiveHire Board.

Cris graduated from Twente University with a degree in Physics and an MBA.

**(d) Henry Ludski (Non-Executive Director)**

Henry has held senior fund management positions at National Mutual, AXA Investment Management, a private family office and Intrinsic Investment Management. Throughout his career he has had extensive experience with small and emerging companies amongst others, where he established strong relationships with Boards and Management teams, particularly in investee companies where his investors have held significant equity positions.

He holds a Bachelor of Economics from Macquarie University, actuarial training and a diploma from the Securities Institute.

**(e) Ben Brooks (Chief Financial Officer)**

Prior to joining LiveHire in 2020, Ben's career included roles in Europe and Australia at AUSTAR, Foxtel, oOh! Media and Solotel. He has diverse experience in media, SaaS and hospitality sectors covering technology and systems transformation, building high performing teams, key financial metrics, reporting, and M&A in both ASX and private equity owned companies.

He received an Executive MBA from The University of New South Wales and has an undergraduate degree from The University of Queensland.

**6.3 Historical financial information**

The historical financial information in this Section for LiveHire has been taken from the audited consolidated financial statements for LiveHire for the years ended 30 June 2023 and 30 June 2022, and the reviewed condensed consolidated financial statements of LiveHire for the half-year ended 31 December 2023.

The full consolidated financial statements for the financial periods ended 30 June 2023, 30 June 2022 and condensed consolidated financial statements for the period ended 31 December 2023, including notes to those financial statements, can be found in the corresponding annual reports or half year reports (as applicable) that are available [www.LiveHire.com](http://www.LiveHire.com) or from the ASX website.

The historical financial information has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act. The financial information also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board. The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements.

(a) **Historical consolidated statement of profit or loss and other comprehensive income**

	FY24 Half Year Results 31-Dec-23	FY23 Annual Year Results 30-Jun-23	FY22 Annual Year Results 30-Jun-22
	\$	\$	
<b>Revenue from continuing operations</b>			
Revenue from contracts with customers	3,515,027	7,786,858	7,308,601
Other Income	313,063	335,932	391,236
Interest income	74,533	260,971	19,527
<b>Total revenue and other income</b>	<b>3,902,623</b>	<b>8,383,761</b>	<b>7,719,364</b>
<b>Expenses</b>			
Employee benefits expense	(4,062,443)	(12,466,677)	(10,586,750)
Operating expenses	(2,524,798)	(5,825,058)	(4,159,232)
Share based payment expense	(930,865)	(2,645,546)	(3,341,033)
<b>Earnings (Loss) before interest, tax, depreciation and amortisation</b>	<b>(3,615,483)</b>	<b>(12,553,520)</b>	<b>(10,367,651)</b>
Depreciation and amortisation expense	(941,306)	(1,441,381)	(1,547,232)
<b>Earnings (Loss) before interest and tax (EBIT)</b>	<b>(4,556,789)</b>	<b>(13,994,901)</b>	<b>(11,914,883)</b>
Interest expense	(69,677)	(77,873)	(67,408)
<b>Loss before income tax</b>	<b>(4,626,466)</b>	<b>(14,072,774)</b>	<b>(11,982,291)</b>
Income tax expense	(776)	(49,301)	(22,598)
<b>Loss after income tax</b>	<b>(4,627,242)</b>	<b>(14,122,075)</b>	<b>(12,004,889)</b>
<b>Items that may be reclassified subsequently to the income statement</b>			
Exchange differences on translation of foreign operations, net of tax	(159,739)	10,763	(74,814)
<b>Other comprehensive income for the period, net of tax</b>	<b>(159,739)</b>	<b>10,763</b>	<b>(74,814)</b>
<b>Total comprehensive loss for the period</b>	<b>(4,786,981)</b>	<b>(14,111,312)</b>	<b>(12,079,703)</b>
	\$	\$	\$
<b>Loss per share attributable to ordinary equity holders</b>			
- Basic loss per share	(0.014)	(0.045)	(0.043)
- Diluted loss per share	(0.014)	(0.045)	(0.043)

(b) Historical consolidated statement of financial position

	FY24 Half Year Results 31-Dec-23	FY23 Annual Year Results 30-Jun-23	FY22 Annual Year Results 30-Jun-22
	\$	\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6,409,903	4,760,956	6,405,779
Term deposits	164,522	701,193	924,545
Trade and other receivables	1,899,214	2,207,797	2,659,908
Prepaid Expenditure	397,890	635,022	536,769
Contract acquisition costs	231,509	232,568	282,160
<b>Total current assets</b>	<b>9,103,038</b>	<b>8,537,536</b>	<b>10,809,161</b>
<b>Non-current assets</b>			
Plant and equipment	72,860	141,836	226,674
Intangible assets	6,395,506	4,435,099	3,774,482
Contract acquisition costs	204,680	235,928	291,901
Right-of-use assets	87,574	418,158	314,867
<b>Total non-current assets</b>	<b>6,760,620</b>	<b>5,231,021</b>	<b>4,607,924</b>
<b>Total assets</b>	<b>15,863,658</b>	<b>13,768,557</b>	<b>15,417,085</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	1,820,843	1,354,206	1,856,875
Provisions	918,896	1,066,553	1,169,583
Lease liabilities	88,609	305,226	226,227
Deferred revenue	3,356,944	2,636,668	2,341,605
Borrowings	999,413	181,727	-
<b>Total current liabilities</b>	<b>7,184,705</b>	<b>5,544,380</b>	<b>5,594,290</b>
<b>Non-current liabilities</b>			
Provisions	71,396	58,221	109,371
Lease liabilities	-	181,972	166,465
Borrowings	1,937,215	-	-
<b>Total non-current liabilities</b>	<b>2,008,611</b>	<b>240,193</b>	<b>275,836</b>
<b>Total liabilities</b>	<b>9,193,316</b>	<b>5,784,573</b>	<b>5,870,126</b>
<b>Net assets</b>	<b>6,670,342</b>	<b>7,983,984</b>	<b>9,546,959</b>
<b>EQUITY</b>			
Issued capital	74,577,206	73,065,148	63,162,357
Reserves	20,878,278	19,076,737	16,420,428
Accumulated losses	(88,785,142)	(84,157,901)	(70,035,826)
<b>Total equity</b>	<b>6,670,342</b>	<b>7,983,984</b>	<b>9,546,959</b>

(c) Historical consolidated statement of cash flows

	FY24	FY23	FY22
	Half Year	Annual Year	Annual Year
	Results	Results	Results
	31-Dec-23	30-Jun-23	30-Jun-22
	\$	\$	
<b>Cash flows from operating activities</b>			
Receipts from customers	4,187,049	9,556,667	7,512,559
Payment to suppliers and employees	(6,484,456)	(19,639,131)	(14,480,551)
Receipt of interest	78,236	(77,873)	(67,408)
Payment of interest	(57,374)	244,124	22,750
Receipt of Research & Development Tax Incentive	363,662	356,614	906,033
<b>Net cash outflow from operating activities</b>	<b>(1,912,883)</b>	<b>(9,559,599)</b>	<b>(6,106,617)</b>
<b>Cash flows from investing activities</b>			
Payment for intangible assets	(550,518)	(2,678,221)	(2,116,168)
Payment for plant and equipment	(7,851)	(86,497)	(74,202)
Payment for other non-current financial assets	-	-	(6,059)
Receipt of Research & Development Tax Incentive	1,003,504	698,237	746,660
Placements of term deposit	-	(39,600)	(85,755)
Withdrawal of term deposit	539,600	262,952	-
<b>Net cash outflow from investing activities</b>	<b>984,735</b>	<b>(1,843,129)</b>	<b>(1,535,524)</b>
<b>Cash flows from financing activities</b>			
Proceeds from the issue of shares	-	10,122,366	840,706
Transaction costs of issue of shares	-	-	-
Payment of principal portion of lease liabilities	(153,632)	(365,874)	(380,566)
Proceeds from borrowings	3,921,243	-	-
Repayment of borrowings	(1,140,556)	-	-
Borrowings transaction costs	(2,269)	-	-
<b>Net cash inflow / (outflow) from financing activities</b>	<b>2,624,786</b>	<b>9,756,492</b>	<b>460,140</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,696,638</b>	<b>(1,646,236)</b>	<b>(7,182,001)</b>
Cash and cash equivalents at the beginning of the period	4,760,956	6,405,779	13,577,078
Effects of exchange rate changes on cash and cash equivalents	(47,691)	1,412	10,702
<b>Cash and cash equivalents at the end of the period</b>	<b>6,409,903</b>	<b>4,760,955</b>	<b>6,405,779</b>

(d) Subsequent material changes to historical financial position and financial performance

LiveHire's 2023 Annual Report and quarterly reports are available on the "Investors" section of LiveHire's website at [www.LiveHire.com](http://www.LiveHire.com). Since the release of its 2023 Annual Report, LiveHire has also released the following:

- (i) half-yearly Financial Report ended 31 December 2024 on 29 February 2024;
- (ii) quarterly activities report and quarterly cash flow report for the quarter ended 30 June on 31 July 2024;
- (iii) quarterly activities report and quarterly cash flow report for the quarter ended 31 March 2024 on 29 April 2024;
- (iv) quarterly activities report and quarterly cash flow report for the quarter ended 31 December 2023 on 30 January 2024; and
- (v) quarterly activities report and quarterly cash flow report for the quarter ended 30 September 2023 on 31 October 2023.

Except as disclosed in this section 6.3(c), in LiveHire's 2023 Annual Report, in LiveHire's other ASX announcements or elsewhere in this Target's Statement, the financial position and financial performance of LiveHire has not materially changed since 30 June 2023.

LiveHire is regularly engaged in discussions with prospective customers in order to grow its business. There can be no guarantee that any of these discussions will result in binding arrangements in the near term. Your LiveHire Directors will continue to keep you informed on all material developments in relation to LiveHire (including the Offer).

#### **6.4 Publicly available information about LiveHire**

LiveHire is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to the Listing Rules which require continuous disclosure of any information LiveHire has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities (subject to certain exceptions).

ASX maintains files containing publicly disclosed information about all listed companies. LiveHire's file is available for inspection at ASX during normal business hours. LiveHire's recent ASX announcements are available from the ASX website ([www2.asx.com.au](http://www2.asx.com.au)). LiveHire's ASX announcements released between 1 September 2024 and the Last Practicable Date are listed at Annexure 1.

In addition, LiveHire is required to lodge various documents with ASIC, copies of which may be obtained from, or inspected at, an ASIC office. A substantial amount of information about LiveHire is also available in electronic form at [www.LiveHire.com](http://www.LiveHire.com).



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## **7 Information relating to Humanforce**

### **7.1 Disclaimer**

The information about Humanforce and AKKR in this Section is based on publicly available information, and has not been independently verified by LiveHire. LiveHire does not make any representation or warranty (express or implied), as to the accuracy or completeness of this information.

The information about Humanforce in this Target's Statement should not be considered comprehensive. Further information about Humanforce is set out in the Bidder's Statement.

### **7.2 Overview of Humanforce**

The Offer will be made by Humanforce Holdings Pty Ltd.

Humanforce is an Australian proprietary company which operates a SaaS platform providing workforce management solutions. Humanforce was incorporated in 2017, though the business has been operating since 2002, with subsidiaries in Australia, New Zealand, Singapore and the United Kingdom. Humanforce is a portfolio company of Accel-KKR Growth Capital Partners IV, LP (**AKKR Fund IV**). The general partner of AKKR Fund IV is AKKR Growth Management Company IV LP, which has AKKR Management Company, LLC as its general partner. AKKR Management Company LLC is managed by Accel-KKR Holdings GP, LLC. The registered investment advisor of AKKR Fund IV is AKKR Fund II Management Company, LP (**AKKR**). AKKR is a USA headquartered technology-focused private equity firm. The AKKR Funds indirectly hold approximately 95% of the issued share capital of Humanforce, with the remaining interests held by minority investors.

Further information on Humanforce is set out in section 6 of the Bidder's Statement.

As at the date of this Target's Statement, Humanforce does not have representation on the LiveHire Board.

### **7.3 Overview of AKKR**

AKKR Fund II Management Company LP (**AKKR**), is a technology-focused investment firm with over US\$19 billion in cumulative capital commitments. The firm focuses on software and tech-enabled businesses, well-positioned for topline and bottom-line growth. At the core of AKKR's investment strategy is a commitment to developing strong partnerships with the management teams of its portfolio companies and a focus on building value alongside management by leveraging the significant resources available through the AKKR network. AKKR focuses on middle-market companies and provides a broad range of capital solutions, including buyout capital, minority-growth investments, and credit alternatives. AKKR also invests across various transaction types, including private company recapitalizations, divisional carve-outs, and going-private transactions.

Further information on AKKR is set out in section 6 of the Bidder's Statement.

### **7.4 Humanforce's interest in LiveHire**

As at the date of this Target's Statement, Humanforce holds a Relevant Interest in 73,882,619 LiveHire Shares arising from Share Purchase Agreements referred to in Section 10.2.

See section 7.9 of the Bidder's Statement and Section 10.2 of this Target's Statement for further details.

**7.5 Humanforce's intentions**

Humanforce's intentions in relation to the continuation of or changes to LiveHire's business, changes to the LiveHire Board and the future status of listing on the ASX of LiveHire are set out in section 8 of the Bidder's Statement and Sections 5.8 to 5.10 of this Target's Statement.

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## 8 Risk factors

### 8.1 Overview

In considering Humanforce's Offer, you should be aware that there are various risks associated with either accepting the Offer or rejecting the Offer and continuing to hold LiveHire Shares.

Some of these risks are specific to Humanforce or LiveHire and their respective businesses, while others are risks of a more general nature that apply to any investment in a listed company. Some of these risks can be adequately mitigated by the use of adequate and appropriate safeguards, but many are beyond the control of LiveHire and the LiveHire Directors and cannot be mitigated.

This section is not intended to be an exhaustive list of all the risks that may be related to Humanforce's Offer for LiveHire, nor does it take into account your personal circumstances.

Prior to deciding whether to accept or reject the Offer, the LiveHire Directors encourage you to read this Target's Statement in its entirety, including the risks set out in this Section, having regard to your individual risk profile, portfolio strategy, tax position and financial circumstances. If you have any doubt about the risks associated with accepting or rejecting the Offer or any other information in this Target's Statement, you should see advice from your legal, financial, taxation or other professional adviser.

### 8.2 Risks associated with accepting the Offer

If you accept the Offer, the following risks may apply to you.

**(a) No rights of withdrawal**

Once you sell your LiveHire Shares to Humanforce you will not be able to withdraw your acceptance.

**(b) Inability to accept any superior proposal that emerges**

While no superior proposal exists at the Last Practicable Date, a superior proposal may emerge from a third party (though the LiveHire Directors believe this is unlikely to occur).

By selling your LiveHire Shares to Humanforce, you will not be able to accept any superior proposal that may be made or be involved in any such superior proposal. You will therefore not be able to obtain any potential benefit associated with any such superior proposal.

**(c) Taxation consequences of accepting the Offer**

The taxation consequences of disposing of your LiveHire Shares depend on a number of factors and your particular circumstances. A general outline of certain Australian tax considerations of such a disposal is set out in Section 9. You should seek your own specific professional tax advice as to the taxation implications applicable to your circumstances.

**(d) Possible future appreciation of LiveHire Shares**

You may be able to sell your LiveHire Shares in the future for more valuable consideration than the Offer Price (though the LiveHire Directors give no assurances and make no forecast of whether this will occur).

### 8.3 **Risks associated with rejecting the Offer and continuing as a LiveHire Shareholder**

#### **(a) Financing risk and near-term capital requirements**

Given LiveHire's historical operating losses, the ability of LiveHire to continue as a going concern is primarily dependent on its ability to raise additional debt or equity finance.

In December 2023, LiveHire secured debt funding under the LCA Loan Agreements as follows:

- A\$1 million, with a maturity period of 36 months and a minimum interest rate of 19% per annum; and
- US\$1.3 million, with a maturity period of 24 months and a minimum interest rate of 19.1% per annum.

LiveHire requires a significant amount of new equity or debt funding (or both) to continue the development and commercialisation of its software platform.

There can be no assurance that appropriate or sufficient debt or equity funding, if and when needed, will be available on terms favourable and acceptable to LiveHire, or at all. Any additional equity funding may have a dilutionary effect on current LiveHire Shareholders and any additional debt funding may involve restrictive covenants or unfavourable terms for LiveHire, including high-interest rates, both of which may restrict LiveHire's financing and operating activities.

If LiveHire is not able to obtain additional funding in the future, this may have a material adverse effect on LiveHire's operations and its financial performance.

#### **(b) Minority ownership consequences**

LiveHire Shareholders who do not accept Humanforce's Offer and sell their LiveHire Shares on market risk becoming minority shareholders in an entity controlled by Humanforce. This has a number of possible implications and risks, including those set out in section 8 of the Bidder's Statement and Section 5.9 of this Target's Statement.

#### **(c) Trading in LiveHire Shares might not be liquid**

Given liquidity in LiveHire Shares has been limited in recent times, there can be no guarantee of an active market for LiveHire Shares. Additionally, there may be relatively few potential buyers or sellers of LiveHire Shares on the ASX at any time. This may increase the volatility of the market price of LiveHire Shares. It may also affect the prevailing market price at which LiveHire Shareholders are able to sell their LiveHire Shares. This may result in LiveHire Shareholders receiving a market price for their Shares that is less than the Offer Price.

#### **(d) Competition Risk**

Any domestic or international competition from existing direct or indirect competitors, or new market entrants, including attempts to copy product functionality or displace the technology/software with new technology offerings can impact revenue, customer base, and margins.

LiveHire participates in a competitive global marketplace against many larger, globally focussed competitors with significantly more access to capital and resources. Should any of LiveHire's competitors participate more aggressively on

price, product, innovation or other means then this could have a material adverse impact on LiveHire's financial performance and future prospects of the business.

Like all businesses developing a new platform in a competitive global marketplace, LiveHire faces the risk that:

- (i) LiveHire fails to increase adoption and usage of its solution compared to that of its competitors;
- (ii) LiveHire's solution fails to meet the expectations of its clients, or LiveHire fails to implement changes to satisfy the changing expectations of its clients, relative to its competitors;
- (iii) LiveHire fails to anticipate and adapt to technology changes as quickly as its competitors;
- (iv) technological advancements could make LiveHire's products obsolete;
- (v) LiveHire's competitors enhance their product offering to improve their competitive positioning relative to ourselves by increasing the functionality of their solutions;
- (vi) existing or potential competitors increase their market share through aggressive marketing campaigns, product innovation or development, improved functionality, price discounting or acquisitions;
- (vii) new entrants into the market could develop solutions which compete directly with LiveHire; and
- (viii) in-house developed solutions may become preferred to outsourced solutions.

If any of these risks arise, LiveHire may compete less effectively against its competitors which could reduce LiveHire's market share and ability to develop or secure new clients. This could have an adverse impact on LiveHire's business, operations and financial performance.

**(e) Failure to scale up and commercialise**

There is a risk that LiveHire will be unable to achieve sufficient scale in the commercialisation of its products across all target customer segments, which could potentially result in reduced or negative growth. There is also a risk that LiveHire's products launched and developed to the market may be unprofitable because they are not supported by sufficient market interest or otherwise not adequately marketed and fail to sell. There is also a risk that the products waste operating costs or incurs operating costs earlier than necessary or greater than forecast. Further, there is a risk that large-scale integrations are not accepted by clients for factors both within or outside LiveHire's control, which may lead to significant short term financial loss from lost revenue, costs to remediate and/or reputational damage. With the expansion of the business into new high-growth international geographies such as the United States, LiveHire becomes more exposed to the macroeconomic environment of these markets as well as to fluctuations in

exchange rates. LiveHire may not be able to fully recoup its investment in these markets should it not be able to accelerate the growth of its business.

**(f) Failure to realise benefits from research and development**

LiveHire has invested significantly in research and development, and LiveHire expects to continue to do so in the future in order to further expand and improve its solution and to maintain its competitive position. When investing in research and development LiveHire makes certain assumptions about the expected future benefits generated by its investment and the expected timeframe in which such benefits may be realised. These assumptions are subject to change and involve both known and unknown risks that are beyond LiveHire's control. Any change to these assumptions may have an adverse impact on LiveHire's ability to realise benefits from innovation and product development related costs.

**(g) Security software and technology breaches and improper access to personal data**

LiveHire uses several information technology solutions to manage various aspects of its business operations. By their nature, information technology systems are susceptible to cyber attacks with third parties seeking unauthorised access to data. Security breaches may involve unauthorised access to LiveHire's networks, systems and databases and the deployment of viruses or other malicious software designed to create system and service disruptions, exposing financial, proprietary and personal information. In addition, in providing services to its customers, LiveHire stores, analyses and transmits confidential and personal information. There is the possibility that the measures taken by LiveHire to protect its proprietary information and any personal information are not sufficient to prevent unauthorised access to, or disclosure of, such data. Any accidental or deliberate security breach or other unauthorised access to LiveHire's information technology systems or customer data may subject LiveHire to reputational damage, a loss of confidence in the services it provides, claims by customers, loss of customers, reputation, business, financial condition and financial performance.

**(h) Loss of key personnel**

LiveHire's success is dependent upon the ongoing retention of key personnel, including LiveHire's management team. These individuals have extensive experience in, and knowledge of, LiveHire's product and business. In addition, there is a risk that LiveHire may not be able to attract and retain key personnel or be able to find effective replacements for those key personnel in a timely manner or have a well-defined succession plan in place. The loss of such personnel, or any delay in their replacement, could have a materially adverse impact on management's ability to operate the business and achieve LiveHire's growth strategies and prospects. The loss of key personnel could also have an adverse impact on LiveHire's operations, the potential loss of key client relationships, potential loss of business process knowledge and financial performance.

**(i) Failure to effectively attract new or retain existing clients**

LiveHire's business depends on its ability to retain existing clients, attract further business from existing clients and to gain new clients. There is a risk that LiveHire's existing clients reduce their usage of LiveHire's solution. LiveHire's ability to retain existing clients and attract new clients, as well as LiveHire's clients' level of usage of LiveHire's solution, depends on many factors including the adequacy of LiveHire's solution with respect to matters such as functionality,

reliability, cost-effectiveness, pricing, client support and value compared to competing products. In addition, clients' use of LiveHire's solution may be affected by external factors such as changes to laws and regulations which affect LiveHire's clients' business. If LiveHire's clients do not continue to use LiveHire's solution or increase their use over time, or if new clients do not choose to use LiveHire's solution, the growth in revenue may slow or decline. LiveHire's business relies on a number of key contracts and arrangements. Any failure to maintain, renew or replace key contracts and arrangements on commercially acceptable terms, or any failure by a party (including ourselves) to perform its obligations under such contracts or arrangements, could have a material adverse effect on LiveHire's business, operations and financial performance. There is a risk that LiveHire may lose key contracts and arrangements for a variety of reasons. Certain key contracts and arrangements may be terminated by the counterparty for convenience. In these cases, LiveHire may not have contractual certainty in respect of the term of the relevant contract or arrangement or the operation of such contract or arrangement. As a result, these contracts and arrangements may give rise to a greater risk of unexpected termination or renegotiation of key commercial terms, or disputes. In addition, there is a risk that LiveHire may lose key contracts and arrangements due to a breach of contract by either the relevant counterparty or LiveHire. Unless the necessary consents or waivers of the relevant counterparties are obtained, such counterparties may seek to exercise or enforce rights under or in respect of the relevant contracts or arrangements, including rights of termination and/or damages claims for breach of contract. The enforcement of such rights may have an adverse impact on LiveHire's revenue and financial performance.

**(j) Misuse or loss of personal information**

LiveHire and its partners are subject to privacy laws in Australia, United States and other international jurisdictions. These laws regulate the handling of personal information and data collection. Such laws impact the way those entities can collect, use, analyse, transfer and share personal and other information. Any actual or perceived failure by those entities to comply with relevant privacy laws and regulations may result in the imposition of fines or other penalties, client losses, a reduction in existing services, and limitations on the use and development of technology requiring the input of such data. Any of these events could adversely impact LiveHire's business, financial condition and financial performance.

**(k) Failure to keep abreast of changes in political, compliance and regulatory environments**

LiveHire's business is influenced and affected by global laws and government policy. There is a risk that LiveHire may fail to keep abreast of these potential changes, which could have an adverse impact on its business and operations. Any new or altered laws or regulations which affect LiveHire's business could require it to increase spending and employee resources on regulatory compliance and/or change its business practices, which could adversely affect LiveHire's operations and profitability. Further, any non-compliance by LiveHire with relevant laws and regulations may result in breach of contract and potential damages, recourse by regulatory bodies such as ASIC and ASX, or have a material adverse impact on the financial performance of LiveHire and/or the LiveHire Share price which may affect security holders' investments in LiveHire.

**(l) Inability to pay dividends**

LiveHire's ability to pay dividends or make other distributions in the future is contingent on LiveHire's profits and certain other factors, including the capital and

operational expenditure requirements of the business. Therefore, there is no assurance that dividends will be paid. Moreover, to the extent that LiveHire pays any dividends, LiveHire's ability to offer fully franked dividends is contingent on making taxable profits. LiveHire's taxable profits may be difficult to predict, making the payment of franked dividends unpredictable. The value of franking credits to a LiveHire Shareholder will differ depending on the LiveHire Shareholder's particular tax circumstances. LiveHire Shareholders should also be aware that the ability to use franking credits, either as a tax offset or to claim a refund after the end of the income year, will depend on the individual tax position of each LiveHire Shareholder.

**(m) No consideration**

LiveHire Shareholders who do not accept the Offer or sell their LiveHire Shares to Humanforce on market will not receive the consideration offered by Humanforce. Further, the price of LiveHire Shares on ASX may potentially fall to or below the price at which they were trading before the date of announcement of the Offer, such that any amount received by the sale of LiveHire Shares on market is less than the consideration offered by Humanforce through the Offer Price.

**8.4 General risks**

LiveHire is subject to a range of general economic and financial risks, including those set out below.

**(a) Price of LiveHire Shares may fluctuate**

LiveHire is a publicly listed company on the ASX, and as a result, is subject to general market risk that is inherent in all securities listed on a stock exchange. This may result in fluctuations the LiveHire Share price that are not explained by LiveHire's fundamental operations and activities. The price at which LiveHire Shares are quoted on the ASX may increase or decrease due to a number of factors. There is no assurance that the price of LiveHire Shares will increase above the Offer Price, even if LiveHire's earnings increase. Some of the factors which may adversely impact the price of the LiveHire Shares include fluctuations in the domestic and international market for listed securities, general economic conditions including gross domestic product growth, interest rates, inflation rates, foreign currency fluctuations, commodity and oil prices, changes to fiscal, monetary or regulatory policies and settings, changes in legislation or regulation, inclusion in or removal from market indices, variations in sector performance, which can lead to investors exiting one sector in preference for another, initiatives by other sector participants which may lead to investors switching from one stock to another, the nature of the markets in which LiveHire operates and general operational and business risks. Deterioration of general economic conditions may also affect LiveHire's business operations, and the consequent returns from an investment in LiveHire Shares.

**(b) Risk of unauthorised transactions**

An investment in any company that relies on its personnel carries a risk that management fraud, employee fraud, and illegal and unauthorized acts may take place, or that employees may use assets or act outside of their authority, any or all of which could lead to reputation degradation in the marketplace or even legal implications and/or financial loss.



**(c) Lack of access to information, requisite skills and leadership**

An investment in any company that relies on its personnel carries a risk that the personnel responsible for managing and controlling an organization or a business process do not possess the requisite knowledge, skills and experience needed, or have access to the information required, to ensure that critical business objectives are achieved and significant business risks are reduced to an acceptable level. Similarly, there is also a risk that the people responsible for important business processes do not or cannot provide the leadership, vision, and support necessary to help employees be effective and successful in their jobs. There is also a risk that, from time to time, managers and employees are not properly lead, do not know what to do (or how to do it) when they need to do it, exceed the boundaries of their defined authorities, do not have the resources, training and tools necessary to make effective decisions or are given incentives to do the wrong thing.

**(d) Changes in tax rules or regulations**

Tax laws may change in the future. Any changes to the current rates of taxes imposed on LiveHire are likely to affect returns to LiveHire Shareholders. An interpretation of tax laws by the Australian Taxation Office, or any other relevant authority or body, that is contrary to LiveHire's views of those laws, may increase the amount of tax to be paid or cause changes in the carrying value of tax assets or liabilities in LiveHire's financial statements. In addition, any change in tax rules could have a material adverse effect on the level of dividend franking and LiveHire Shareholder returns.

**(e) Force majeure events may occur**

Events may occur within or outside Australia that negatively impact global, Australian or other local economies relevant to LiveHire's financial performance, operations and/or the price of LiveHire Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that may have a material adverse effect on LiveHire's supply chain, the demand for LiveHire's products and LiveHire's ability to conduct business.

**(f) Interest rate fluctuations**

Changes in interest rates will affect borrowings which bear interest at floating rates. Any increase in interest rates will affect LiveHire's costs of servicing borrowings and may affect the relative strength of the Australian and the US dollar, each of which could materially and adversely affect its financial performance and position.

**(g) Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements, or in relation to employees (through personal injuries, industrial matters or otherwise), or any other cause, strikes, lockouts and other matters that may interfere with the business of LiveHire. The above list of risk factors ought not to be taken as exhaustive of the risks faced by LiveHire or by investors in LiveHire. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of LiveHire and the value of the LiveHire Shares.

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## 9 Taxation considerations

### 9.1 Introduction

This Section is a brief guide only on certain Australian tax considerations of transferring LiveHire Shares to Humanforce based on the law and the administrative practices of Australian revenue authorities as at the Last Practicable Date. It is not advice to any particular LiveHire Shareholder and does not set out all tax considerations that may be applicable. LiveHire Shareholders should seek their own tax advice that takes into account their personal circumstances.

The Australian tax consequences outlined below are relevant to LiveHire Shareholders who are individuals, companies, trusts and complying superannuation funds that hold their LiveHire Shares on capital account for Australian income tax purposes.

It does not consider the consequences for LiveHire Shareholders who:

- (a) hold their LiveHire Shares as trading stock, as part of a profit-making undertaking, are in the business of trading or dealing in securities or otherwise hold their LiveHire Shares on revenue account;
- (b) acquired their LiveHire Shares in return for services or as the result of an employee share plan or employee share option plan;
- (c) acquired (or are taken to have acquired for Australian income tax purposes) their LiveHire Shares prior to 20 September 1985;
- (d) are subject to the taxation of financial arrangements rules contained in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to gains and losses on their LiveHire Shares;
- (e) are subject to the Investment Manager Regime under Subdivision 842-I of the *Income Tax Assessment Act 1997* (Cth) in relation to their LiveHire Shares;
- (f) may be subject to special rules, such as banks, insurance companies, tax exempt organisations and superannuation funds with accounts in a tax-free pension phase;
- (g) are non-residents who currently hold, or have held, LiveHire Shares at any time through a permanent establishment in Australia;
- (h) change their tax residence while holding LiveHire Shares; or
- (i) are 'temporary residents' as that term is defined in section 995-1(1) of the *Income Tax Assessment Act 1997* (Cth).

### 9.2 Taxation on the disposal of LiveHire Shares

A LiveHire Shareholder who transfers their LiveHire Shares to Humanforce will dispose of those LiveHire Shares for Australian tax purposes.

If a LiveHire Shareholder disposes of their LiveHire Shares, the date of the contract to dispose of your LiveHire Shares will be the date that the LiveHire Shareholder sells the LiveHire Shares.

If the Shares of a LiveHire Shareholder are compulsorily acquired, the LiveHire Shareholder will be taken to have disposed of the LiveHire Shares on the date the LiveHire Shareholder ceases to be the owner of the LiveHire Shares.

### **9.3 Determination of capital gains and losses**

A LiveHire Shareholder should realise a capital gain equal to the amount by which the Offer Price exceeds the cost base of that LiveHire Share. A LiveHire Shareholder will alternatively realise a capital loss equal to the amount by which the reduced cost base of the LiveHire Share exceeds the Offer Price. The cost base of a LiveHire Share should generally include the amount paid (or deemed to be paid) to acquire the LiveHire Share, plus certain incidental costs (such as brokerage fees of the acquisition, holding and disposal of the LiveHire Share). The reduced cost base of a LiveHire Share is usually determined in a similar, but not identical, manner.

A capital loss may be used to offset a capital gain made in the same income year and any resulting net capital loss may be carried forward to offset a capital gain made in a future income year, subject to the satisfaction of certain loss recoupment tests. Capital losses cannot reduce or offset other income or gains.

### **9.4 Australian resident LiveHire Shareholders**

An Australian resident LiveHire Shareholder who is an individual, a trust or a complying superannuation fund may be entitled to reduce their capital gain (after first reducing the capital gain by any available capital losses) by the applicable Capital Gains Tax (CGT) discount (one-third in the case of a complying superannuation fund, and one-half in the case of an individual or a trust that is not a superannuation fund). To apply the CGT discount, the LiveHire Shares must have been acquired (for tax purposes) at least 12 months before the disposal to Humanforce (excluding the date of acquisition and the date of disposal) and the LiveHire Shareholder must not choose to index the cost base of their LiveHire Shares (where applicable).

No CGT discount is available for LiveHire Shareholders that are companies.

Any resulting net capital gain (i.e. the amount remaining after the application of any available capital losses, available CGT discounts and/or concessions) should be included in the LiveHire Shareholder's assessable income and is subject to Australian income tax at the LiveHire Shareholder's applicable rate of tax.

### **9.5 Non-resident LiveHire Shareholders**

Any LiveHire Shareholder that is not an Australian resident for Australian income tax purposes should generally be able to disregard any capital gain arising on the disposal of their LiveHire Shares for Australian income tax purposes.

### **9.6 Stamp duty**

LiveHire Shareholders will not be liable to any stamp duty in respect of their disposal of LiveHire Shares.

### **9.7 GST**

GST should not be payable on the disposal of the LiveHire Shares under the Offer.

LiveHire Shareholders may be charged GST on costs incurred in relation to the Offer (e.g. tax, legal or other advisers fees). Certain LiveHire Shareholders that are registered (or required to be registered) for GST may be entitled to claim input tax credits (or reduced input tax credits) in relation to GST incurred on these costs.

LiveHire Shareholders should seek their own independent tax advice on the impact of GST having regard to their own particular circumstances.

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## 10 Additional information

### 10.1 Bid Implementation Agreement

On 14 August 2024, following a global search for alternative buyers and investors, LiveHire and Humanforce entered into the Bid Implementation Agreement pursuant to which Humanforce agreed to make its unconditional on-market takeover offer to acquire all of the LiveHire Shares for \$0.045 cash per LiveHire Share.

A summary of key terms of the Bid Implementation Agreement is set out in section 11.1 of the Bidder's Statement. A full copy of the Bid Implementation Agreement was disclosed by LiveHire on ASX on 14 August 2024.

### 10.2 Share Purchase Agreements

As at the date of this Target's Statement, Humanforce holds a Relevant Interest in 73,882,619 LiveHire Shares arising from Share Purchase Agreements entered into on 14 August 2024 with the LiveHire Directors and certain other LiveHire Shareholders (together, the **Share Purchase Agreements**).

Under the Share Purchase Agreements, each LiveHire Director agreed to sell all of their LiveHire Shares held or controlled by them to Humanforce, being:

- (a) 932,392 LiveHire Shares held or controlled by Mr Andrew Rutherford representing 0.25% of LiveHire Shares;
- (b) 35,291,598 LiveHire Shares held or controlled by Ms Christy Forest representing 9.55% of LiveHire Shares;
- (c) 2,176,082 LiveHire Shares held or controlled by Mr Cris Buningh representing 0.59% of LiveHire Shares; and
- (d) 5,003,000 LiveHire Shares held or controlled by Mr Henry Ludski representing 1.35% of LiveHire Shares.

As disclosed in the Bidder's Statement, certain other LiveHire Shareholders have also agreed to sell, in aggregate, 30,479,547 LiveHire Shares to Humanforce representing 8.25% of LiveHire Shares.

Completion under each Share Purchase Agreement is conditional on Humanforce entering into the Bid Implementation Agreement and announcing the Offer. The price payable by Humanforce for the LiveHire Shares under the Share Purchase Agreements is \$0.045 cash per LiveHire Share, being an amount equal to the Offer Price.

Additionally, each LiveHire Director has informed LiveHire that they will **ACCEPT** the Offer in the absence of a superior proposal, in respect to any LiveHire Shares that they will own, or control following the exercise during the Bid Period of any Vested Performance Rights or Vested Service Rights held by them (representing up to a further 8,717,230 LiveHire Shares).

### 10.3 LCA Loan Agreements

On 22 December 2023, LiveHire obtained debt funding comprising:

- (a) A\$1 million, with a maturity period of 36 months and minimum interest rate of 19.1% per annum under the Loan Note Subscription and Security Agreement dated 22 December 2023 between LCA, as lender, and LiveHire, as borrower (**LNSA**); and

- (b) US\$1.3 million, with a maturity period of 24 months and minimum interest rate of 19.0% per annum under the Loan and Security dated 22 December 2023 between Lighter Capital, Inc. as lender and LiveHire US, Inc. as borrower (**LSA**),

(together, the **LCA Loan Agreements**).

The LNSA provides that payment of amounts outstanding must be made on closing of any transaction to acquire all or substantially all the issued share capital of LiveHire. Additionally, if Humanforce acquires more than 50% of the LiveHire Shares on issue, a "Change of Control" and "Review Event" will be deemed to occur under the LNSA.

#### 10.4 **LCA Warrants**

In connection with the LCA Loan Agreements, LiveHire issued 728,828 warrants to purchase a LiveHire Share to LCA on 31 January 2024 on the terms set out in the document titled Warrant to Purchase Shares between LiveHire and LCA dated on or about 31 January 2024 (**LCA Warrants**).

The terms of the LCA Warrants provide that:

- (a) each LiveHire Warrant may be exercised into a LiveHire Share at any time prior to 30 January 2029 on payment of \$0.07 per LiveHire Warrant; and
- (b) LiveHire must give LCA at least two business days' notice of the date on which the sale of at least 50% of LiveHire Shares will occur.

A summary of certain key terms of the LCA Warrants is set out in the ASX announcement made by LiveHire on 21 December 2023.

On or about 14 August 2024, LCA and LiveHire entered into a Warrant Cancellation Deed under which the LCA Warrants will be cancelled for nil consideration upon Humanforce acquiring a Relevant Interest in at least 90% of LiveHire Shares, provided that the LCA Warrants remain "out of the money".

#### 10.5 **Capital structure**

As at the Last Practicable Date, the LiveHire Shares and LiveHire Convertibles on issue are:

Type	Number on issue
<b>LiveHire Shares</b>	<b>369,597,897</b>
<b>Unvested Performance Rights</b>	<b>9,574,049</b>
<i>Go the extra mile award - FY23</i>	<i>100,000</i>
<i>LTI Performance Rights - FY24</i>	<i>7,780,340</i>
<i>Retention Equity Plan</i>	<i>1,693,709</i>
<b>Vested Performance Rights</b>	<b>5,648,240</b>
<i>Go the extra mile award - FY21</i>	<i>50,000</i>
<i>Go the extra mile award - FY22</i>	<i>50,000</i>
<i>Year End Performance award - STI FY20</i>	<i>69,947</i>
<i>Year End Performance award - STI FY21</i>	<i>304,559</i>
<i>Year End Performance award - STI FY22</i>	<i>873,601</i>

Type	Number on issue
<i>Year End Performance award – Company Performance - STI FY22</i>	335,365
<i>Year End Performance award – Tenure Bonus - STI FY22</i>	118,578
<i>Year End Performance award - STI FY23</i>	643,014
<i>Year End Performance award – Company Performance - STI FY23</i>	338,295
<i>Year End Performance award – Individual Performance - STI FY23</i>	2,219,017
<i>Year End Performance award – Tenure Bonus - STI FY23</i>	445,864
<i>Retention Equity Plan</i>	200,000
<b>Unvested Service Rights</b>	<b>0</b>
<b>Vested Service Rights</b>	<b>4,575,698</b>
<i>Remuneration service rights</i>	2,075,699
<i>STI service rights – FY24</i>	2,499,999
<b>SRG Rights</b>	<b>500,000</b>
<b>LCA Warrants</b>	<b>728,828</b>

#### 10.6 **Substantial holders**

Based on substantial shareholder notices provided to LiveHire as at the Last Practicable Date, the substantial shareholders of LiveHire are:

Name of Holder	Relevant number of LiveHire Shares	Disclosed Voting Power
Christy Forest	35,291,598	9.55%
FIL Limited	28,594,063	7.74%
Shorebrook Pty Limited	21,105,871	5.71%
Mr Richard Smith and Associates	21,025,549	5.69%

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## 10.7 LiveHire Directors

### (a) Interests of LiveHire Directors in LiveHire Shares and LiveHire Convertibles

As at the Last Practicable Date, the LiveHire Directors had Relevant Interests in the following LiveHire Shares and held the following LiveHire Convertibles:

LiveHire Director	LiveHire Shares	Performance Rights	Service Rights
Andrew Rutherford	932,392	Nil	517,241
Christy Forest	35,291,598	4,658,773	3,023,975
Cris Buningh	2,176,082	Nil	517,241
Henry Ludski	5,003,000	Nil	Nil

### (b) Dealings of LiveHire Directors in LiveHire Shares

Except as set out below, none of the LiveHire Directors have acquired or disposed of interests in LiveHire Shares in the four months ending on the date of the Target's Statement:

LiveHire Director	Acquisitions	Disposals
Andrew Rutherford	Nil	932,392 <sup>1</sup>
Christy Forest	10,000,000 <sup>2</sup>	35,291,598 <sup>3</sup>
Cris Buningh	949,227 <sup>4</sup>	2,176,082 <sup>5</sup>
Henry Ludski	Nil	5,003,000 <sup>6</sup>

Notes:

- <sup>1</sup> Under a Share Purchase Agreement. Refer to Section 10.2 for further information.
- <sup>2</sup> Refer to Appendix 3Y lodged by LiveHire on 8 May 2024.
- <sup>3</sup> Under a Share Purchase Agreement. Refer to Section 10.2 for further information.
- <sup>4</sup> Refer to Appendix 3Y lodged by LiveHire on 13 May 2024.
- <sup>5</sup> Under a Share Purchase Agreement. Refer to Section 10.2 for further information.
- <sup>6</sup> Under a Share Purchase Agreement. Refer to Section 10.2 for further information.

### (c) LiveHire Directors' interests and dealings in Humanforce

Neither LiveHire nor any of the LiveHire Directors have a Relevant Interest in the securities of Humanforce or any Related Body Corporate of Humanforce.

## 10.8 Impact of the Offer on LiveHire's senior employee and LiveHire Director arrangements

None of the contractual arrangements between LiveHire, its Directors and key employees will be materially affected by the Offer other than those matters described below. Any payments described below are subject to limitations in the Corporations Act.

**(a) Director arrangements**

**(i) Benefits paid or to be paid to LiveHire Directors or company secretary of LiveHire or its Subsidiaries in connection with loss of, or resignation from, office as a result of the Offer**

As a result of the Offer, no benefit (other than a benefit which can be given without member approval under the Corporations Act) has been paid or will be paid to any Director or secretary of LiveHire or its Subsidiaries in connection with the loss of, or their resignation from, their office.

**(ii) Benefits paid or to be paid to LiveHire Directors conditional on, or related to, the Offer**

No LiveHire Director has agreed with Humanforce to receive, or is entitled to receive, any benefit which is conditional on, or is related to, the Offer, other than in their capacity as a holder of LiveHire Shares, Service Rights or Performance Rights (see Section 10.9 of this Target's Statement).

**(iii) Agreements between LiveHire Directors and any person in connection with, or conditional upon, the outcome of the Offer**

Other than as noted above, no agreement has been made between any LiveHire Director and any person in connection with, or conditional upon, the outcome of the Offer, other than in their capacity as a holder of LiveHire Shares, Service Rights or Performance Rights (see Section 10.9 of this Target's Statement).

**(iv) LiveHire Directors' interests in Humanforce contracts**

Other than described in Section 10.2 of this Target's Statement, no LiveHire Director has any interest in any contract entered into by Humanforce.

**(b) Executive and employee arrangements**

Certain executives and employees are entitled under contract and statute to various amounts of redundancy payments. In addition to the above matters:

- (i) The Chief Financial Officer will receive the Transaction Bonus; and
- (ii) LiveHire Directors and key employees may exercise Vested Performance Rights and Services Rights (including those that vest in connection with the Offer) and be issued LiveHire Shares (see Section 10.9 of this Target's Statement).

**(c) Deeds of indemnity, access and insurance**

In addition to their respective contracts of engagement, LiveHire has entered into deeds of indemnity, insurance and access with LiveHire Directors and various executive officers, on customary terms.

LiveHire pays premiums in respect of a directors and officers insurance policy for the benefit of the Directors and executive officers.

In accordance with the Bid Implementation Agreement, Humanforce must ensure, subject to it acquiring a Relevant Interest in 50.1% of LiveHire Shares, that directors and officers run-



off insurance will be in place for all directors and officers of LiveHire for a 7 year period from their respective retirement dates.

### 10.9 **LiveHire Employee Incentive Plan**

As at the Last Practicable Date, LiveHire had:

- (a) 9,574,049 Unvested Performance Rights;
- (b) 5,648,240 Vested Performance Rights;
- (c) 0 Unvested Service Rights; and
- (d) 4,575,698 Vested Service Rights,

on issue which have been granted to employees under the terms of the Employee Incentive Plan adopted by the LiveHire Board on 17 December 2015 (as amended from time to time).

Under the Employee Incentive Plan, if the LiveHire Board decides that the Offer is likely be successful and lead to LiveHire being delisted from the ASX the LiveHire Board may then decide:

- (e) that any Unvested Performance Rights granted from 1 July 2024 will be forfeited (unless the LiveHire Board determines otherwise in its discretion);
- (f) the extent to which any Unvested Performance Rights granted prior to 1 July 2024 vest;
- (g) all outstanding Unvested Service Rights will automatically vest in full;
- (h) to issue a vesting notice to the holders of Vested Performance Rights and Service Rights and, on receipt of a vesting notice, all Vested Performance Rights and Service Rights may be exercised to obtain LiveHire Shares; and
- (i) that any Performance Rights and Service Rights on issue at the end of the Offer Period will lapse.

Under the Bid Implementation Agreement, LiveHire has agreed that as soon as reasonably practicable after Humanforce acquires a Relevant Interest in at least 50.1% of the LiveHire Shares, LiveHire will procure that:

- (j) the vesting of all "Go the extra mile award – FY23" and "Retention Equity Plan" Unvested Performance Rights be accelerated;
- (k) all remaining Unvested Performance Rights are forfeited or will otherwise lapse;
- (l) all Unvested Service Rights will vest; and
- (m) any Vested Performance Rights and Service Rights that have not been exercised by the end of the Offer Period lapse.

### 10.10 **SRG Rights**

LiveHire granted 1,000,000 performance rights (**SRG Rights**) to SRG Partners Pty Ltd (**SRG**) under an agreement between SRG and LiveHire dated 15 July 2022 (**SRG Agreement**).

Of those 1,000,000 SRG Rights, 500,000 SRG Rights automatically lapsed on 15 January 2024 because the relevant vesting criteria were not met. The remaining 500,000 SRG Rights will vest if LiveHire's 20-day VWAP is above \$1.05 on or prior to 14 January 2025.

Each SRG Right expires on the earlier of termination of the SRG Agreement by LiveHire and 14 July 2026.

Under the terms of the Bid Implementation Agreement, LiveHire will, as soon as reasonably practicable after the date of the Bid Implementation Agreement, procure that a notice is issued to SRG terminating the SRG Agreement with the result that all SRG Rights will lapse.

**10.11 Change of control events in material contracts**

As far as the LiveHire Directors are aware, none of LiveHire's agreements, which are material in the context of LiveHire's business taken as a whole (other than the LCA Loan Agreements), contain change of control clauses which:

- (a) have been triggered by the making of the Offer or the Offer opening which may give rise to those agreements being terminated or the business of LiveHire being materially adversely affected; or
- (b) may apply if Humanforce is successful in acquiring control of LiveHire, and result in that agreement being terminated (or a termination right arising) or the business of LiveHire otherwise being materially adversely affected.

**10.12 Material litigation**

As at the Last Practicable Date, LiveHire is not aware of any material disputes or litigation being undertaken, commenced or threatened against LiveHire or a Subsidiary.

**10.13 Transaction costs**

Transaction costs are expected to be in line with usual costs for a transaction such as the Offer. If, as a result of the Offer, Humanforce acquires Voting Power of 50% of more of the LiveHire Shares (on a fully diluted basis) and there is no alternative proposal, transaction costs, primarily comprising advisory fees and legal costs, are expected to be in the order of \$1,585,000.

**10.14 Consents**

Johnson Winter Slattery has given, and have not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named as legal advisers to LiveHire in this Target's Statement in the form and context in which they are so named.

Johnson Winter Slattery has not caused or authorised the issue of this Target's Statement, nor makes or purports to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based or takes any responsibility for any part of this Target's Statement, other than any reference to its name.

Each of the LiveHire Directors has given and not withdrawn their consent to

- (a) be named in this Target's Statement in the form and context in which they are named; and
- (b) statements attributable to them being included in this Target's Statement in the form and context in which they appear.

As permitted by ASIC Instrument 2023/683, this Target's Statement may include or be accompanied by statements which are made in documents lodged with ASIC or ASX. Pursuant to the ASIC Instrument, provided this Target's Statement fairly represents such statements and LiveHire makes available a copy of the document that contains the statement free of charge two Business Days upon request, the consent of the parties making

those statements is not required for, and those parties have not consented to, the inclusion of such statements in this Target's Statement.

LiveHire Shareholders may, during the Offer Period, obtain a copy of the documents (free of charge) in which the aforementioned statements appear (or in which statements based on those statements appear, as the case may be), or the relevant part(s) of any of those documents, by contacting LiveHire on +61 (03) 9021 0657 between 8:30am to 5:00pm (AEST), Monday to Friday (excluding public holidays).

In addition, as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement may include or be accompanied by statements:

- (a) which fairly represent what purports to be a statement by an official person;
- (b) which are a correct and fair copy of, or extract from, what purports to be a public official document; or
- (c) which are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

**10.15 No other material information**

This Target's Statement is required to include all information that LiveHire Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- (a) only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in this Target's Statement; and
- (b) only if the information is known to any of the LiveHire Directors.

The LiveHire Directors are of the opinion that the information that LiveHire Shareholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Offer is the information contained in:

- (a) the Bidder's Statement (to the extent that the information is not inconsistent with or superseded by information in this Target's Statement);
- (b) LiveHire's releases to ASX before the date of this Target's Statement;
- (c) documents lodged by LiveHire with ASIC before the date of this Target's Statement; and
- (d) this Target's Statement.

The LiveHire Directors have assumed, for the purposes of preparing this Target's Statement, that the information contained in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the LiveHire Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all of the statements contained in it.

In deciding what information should be included in this Target's Statement, the LiveHire Directors have had regard to:

- (a) the nature of the LiveHire Shares (being fully paid ordinary shares);
- (b) the matters which LiveHire Shareholders may reasonably be expected to know;
- (c) the fact that certain matters may reasonably be expected to be known to the professional advisers of LiveHire Shareholders; and

- (d) the time available to LiveHire to prepare this Target's Statement.

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## 11 Approval of this Target's Statement

This Target's Statement has been approved by a resolution passed by the LiveHire Directors.

Date: 14 August 2024

Signed for and on behalf of LiveHire Ltd  
By

A handwritten signature in black ink that reads "Andrew Rutherford". The signature is written in a cursive style with a large, stylized 'A' and 'R'.

Director  
**Andrew Rutherford**

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## 12 Definitions and Interpretation

### 12.1 Definitions

The following defined terms in this Target's Statement have the meanings set out below.

**AEST** means Australian Eastern Standard Time.

**AKKR** means AKKR Fund IV Management Company LP.

**AKKR Fund IV** means Accel-KKR Growth Capital Partners IV, LP.

**AKKR Funds** means:

- (a) AKKR Fund IV;
- (b) AKKR Growth Management Company IV, LP;
- (c) AKKR Management Company, LLC;
- (d) Accel-KKR Holdings GP, LLC; and
- (e) AKKR.

**ASIC** means the Australian Securities & Investments Commission.

**Associate** has the meaning given under section 9 of the Corporations Act.

**ASX** means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it.

**ASX Settlement** means ASX Settlement Pty Ltd (ACN 008 504 532).

**ASX Settlement Operating Rules** means the operating rules of ASX Settlement, as amended from time to time.

**Bid Implementation Agreement** means the bid implementation agreement between LiveHire and Humanforce dated 14 August 2024.

**Bid Period** means the period from the date of this Target's Statement to the end of the Offer Period.

**Bidder's Statement** means the bidder's statement issued by Humanforce dated 14 August 2024.

**Broker** means a person who is a share broker and a participant in CHESS.

**Business Day** means a day on which banks are open for business in Sydney, New South Wales excluding the days of Saturday, Sunday or public holidays.

**CGT** means Capital Gains Tax.

**CHESS** means Clearing House Electronic Sub-register System which provides for electronic transfer, settlement and registration of securities in Australia.

**CHESS Holding** means a holding of LiveHire Shares on the CHESS subregister of LiveHire.

**Corporations Act** means the *Corporations Act 2001* (Cth) and any regulations made under that Act.

**Controlling Participant** means the person who is designated as the controlling participant for shares in a CHESS Holding.

**Employee Incentive Plan** means the LiveHire Employee Incentive Plan adopted by LiveHire Board on 17 December 2015 and as amended with the approval of Shareholders on 23 November 2017, 30 November 2020 and 17 November 2022.

**Humanforce** means Humanforce Holdings Pty Ltd (ACN 618 020 401).

**Insolvency Event** means any of the events set out in section 652C(2) of the Corporations Act.

**Issuer Sponsored Holding** means a holding of LiveHire Shares on LiveHire's issuer sponsored sub-register.

**Last Practicable Date** means 13 August 2024.

**LCA** means Lighter Capital Australia Pty Limited (ACN 642 087 483).

**LCA Loan Agreements** has the meaning given in Section 10.3 of this Target's Statement.

**LCA Warrant** has the meaning given in Section 10.4 of this Target's Statement.

**Listing Rules** means the official listing rules of ASX as amended or varied from time to time.

**LiveHire** means LiveHire Ltd (ACN 153 266 605).

**LiveHire Board or Board** means the Board of Directors of LiveHire.

**LiveHire Convertibles** mean Performance Rights, Service Rights, SRG Rights and LCA Warrants (as applicable).

**LiveHire Directors** means the directors of LiveHire.

**LiveHire Shareholders** means the holders of LiveHire Shares.

**LiveHire Shares** means fully paid ordinary shares in the capital of LiveHire.

**LNSA** has the meaning given in Section 10.3 of this Target's Statement.

**LSA** has the meaning given in Section 10.3 of this Target's Statement.

**Moelis** means MA Moelis Australia Securities Pty Limited (ACN 122 781 560).

**Offer** means the unconditional cash offer by Humanforce to acquire LiveHire Shares which will be made on-market by Moelis on behalf of Humanforce as described in the Bidder's Statement and includes a reference to that offer as varied in accordance with the Corporations Act.

**Offer Period** means the period during which the Offer will remain open for acceptance in accordance with the terms and conditions of the Bidder's Statement.

**Offer Price** means the consideration offered for LiveHire Shares under the Offer, being \$0.045 cash for each LiveHire Share held by a LiveHire Shareholder.

**Performance Rights** means a right granted under the Employee Incentive Plan which is subject to performance based vesting conditions.

**Prescribed Occurrence** means any of the events set out in section 652C(1) of the Corporations Act.

**Related Body Corporate** has the same meaning given in section 50 of the Corporations Act.

**Relevant Interest** has the same meaning given in the Corporations Act.

**Section** means a section of this Target's Statement.

**Service Rights** means a right granted under the Employee Incentive Plan which is subject to service based vesting conditions.

**Share Purchase Agreement** has the meaning given in Section 10.2 in this Target's Statement.

**SRG** has the meaning given in Section 10.10 of this Target's Statement.

**SRG Agreement** has the meaning given in Section 10.10 of this Target's Statement.

**SRG Rights** has the meaning given in Section 10.10 of this Target's Statement.

**Subsidiary** has the same meaning given in section 46 of the Corporations Act.

**T+2 Basis** means that settlement occurs on the second Trading Day after the date of the transaction in accordance with ASX practice.

**Trading Day** has the meaning given to that term in the Listing Rules.

**Transaction Bonus** means an amount of \$75,000.

**Unvested Performance Rights** means Performance Rights in respect of which the relevant vesting criteria have not yet been satisfied.

**Unvested Service Rights** means Service Rights in respect of which the relevant vesting criteria have not yet been satisfied.

**Vested Performance Rights** means Performance Rights in respect of which the relevant vesting criteria have been satisfied.

**Vested Service Rights** means Service Rights in respect of which the relevant vesting criteria have been satisfied.

**Voting Power** has the meaning given in the Corporations Act.

**VWAP** means the volume weighted average price of LiveHire Shares sold on the ASX over the relevant period.

## **12.2 Interpretation**

- (a) Unless otherwise specified, words and phrases have the same meaning given in the Corporations Act.
- (b) Where a term is defined, its other grammatical forms have a corresponding meaning.
- (c) A reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them.
- (d) Headings and bold type are for convenience only and do not affect the interpretation of this Target's Statement.
- (e) The singular includes the plural and vice versa.



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- (f) Words importing any gender include all genders.
  - (g) A reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate.
  - (h) Unless otherwise specified, a reference to a section or paragraph are to a section of or paragraph in this Target's Statement.
  - (i) Unless otherwise specified, a reference to time is a reference to the time in Sydney, Australia.
  - (j) Unless otherwise specified, a monetary amount is in Australian dollars.
  - (k) the reference to the paragraph is made.

## Annexure 1– ASX Announcements

The following table lists the announcements made to ASX by LiveHire over the period between 1 September 2023 and the Last Practicable Date.

Date	Title
8 September 2023	Application for quotation of securities – LVH
11 September 2023	Issue of Shares on Conversion of Rights
2 October 2023	Notification of AGM date
20 October 2023	Retirement of Michael Rennie
27 October 2023	Letter to Shareholders regarding AGM
27 October 2023	Notice of Annual General Meeting
31 October 2023	Quarterly Activities/Appendix 4C Cash Flow Report
31 October 2023	Notification of cessation of securities – LVH
31 October 2023	Cancellation of Loan Back Shares
7 November 2023	Application for quotation of securities – LVH
7 November 2023	Satisfaction of Arrived Integration Milestone
10 November 2023	Becoming a substantial holder
13 November 2023	CEO offers eight-month salary reduction on path to breakeven
14 November 2023	Addendum to Notice of Annual General Meeting
15 November 2023	Letter to Shareholders regarding Addendum
17 November 2023	Change of Director's Interest Notice
17 November 2023	Becoming a substantial holder
17 November 2023	Cancellation of LTIs
17 November 2023	Notification of cessation of securities – LVH
20 November 2023	Completion of Buy-Back
20 November 2023	Ceasing to be a substantial holder
20 November 2023	Notification of cessation of securities – LVH
28 November 2023	Chair Address to AGM
28 November 2023	CEO Address to AGM
28 November 2023	Results of Meeting
28 November 2023	TAPFIN Delivers Third Direct Sourcing Client with LiveHire
28 November 2023	Notification of cessation of securities – LVH
28 November 2023	Final Director's Interest Notice

28 November 2023	Correction to TAPFIN Announcement
30 November 2023	Change in substantial holding
30 November 2023	Ceasing to be a substantial holder
7 December 2023	Issue of Shares on Conversion of Rights
7 December 2023	Application for quotation of securities – LVH
21 December 2023	LiveHire achieves key milestones
21 December 2023	Proposed issue of securities – LVH
27 December 2023	Notification regarding unquoted securities – LVH
27 December 2023	Issue of EIP Securities
15 January 2024	Notification of cessation of securities – LVH
29 January 2024	Cancellation of Loan Back Shares (App 3C)
30 January 2024	Quarterly Activities/Appendix 4C Cash Flow Report
1 February 2024	Appendix 3G
16 February 2024	Notification of cessation of securities – LVH
16 February 2024	Completion of Buy-Back
29 February 2024	Appendix 4D and Interim Financial Report
12 March 2024	Issue of Shares on Conversion of Rights
12 March 2024	Application for quotation of securities – LVH
20 March 2024	Change of Director's Interest Notice
3 April 2024	LiveHire engages Spark Plus
3 April 2024	Proposed issue of securities – LVH
3 April 2024	LiveHire appoints new Australian Non-Executive Director
8 April 2024	Change of Director's Interest Notice
10 April 2024	Issue of Shares to Spark
10 April 2024	Application for quotation of securities – LVH
12 April 2024	Notification of cessation of securities – LVH
16 April 2024	Ceasing to be a substantial holder
24 April 2024	LiveHire launches InvestorHub for investor engagement
29 April 2024	Appendix 4C
29 April 2024	Quarterly Activities Report
29 April 2024	LiveHire Quarterly Report and Webinar

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7 May 2024	Application for quotation of securities – LVH
7 May 2024	Conversion of employee equity
8 May 2024	Change in substantial holding
8 May 2024	Change of Director's Interest Notice
13 May 2024	Change of Director's Interest Notice
12 July 2024	Notification of cessation of securities – LVH
12 July 2024	Notification of cessation of securities – LVH
31 July 2024	Quarterly Activities/Appendix 4C Cash Flow Report