

19 May 2020

intelliHR (ASX:IHR) Launches New Pricing Model for Next Growth Phase

Highlights

- **New Value Based Pricing Model Launched**
- **Strong COVID-19 Essentials HR Platform Uptake**
- **100 Customer Milestone Surpassed**

New Value-Based Pricing Model

Reflecting the growing reach and sophistication of the business, a value-based pricing model was launched today which offers different plans to suit individual customer requirements. The tiered pricing structure reflects a fundamental change in the business model to drive the next growth phase. intelliHR's exceptional product has enabled it to exceed the 100-customer target, and combined with its excellent retention levels, positions the business well to execute a genuine land-and-expand strategy that is underpinned by the new pricing structure.

Mr Bromage said, "The business is entering its next phase of growth and needs a greater level of sophistication in the way it packages its offerings and in the pricing model necessary to increase the range of customer size and complexity. Customers are now able to choose the most appropriate plan for their businesses. The new plans also mean managers and teams will now be able to buy intelliHR as opposed to the previous arrangements where it could only be purchased by a business."

The three new plans include:

- **Feedback Essentials** – targeting managers provides real time continuous feedback and 1:1 check-in capability together with a range of analytics including sentiment analysis
- **Performance Enablement** – targeting teams provides goals and automated performance review capabilities together with a range of analytics including real-time performance overview
- **Strategic HR** – targeting the whole business provides a full suite HR toolkit for a complete HR digital transformation and strategic tooling (the original service level).

The need for the COVID-19 Essentials HR freemium product continues to remain relevant for businesses across the globe, designed to help them with distributed and remote workforces as a result of working from home and stand down measures. It will remain in place for the foreseeable future while demand continues and businesses need its functionality.



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Strong COVID-19 Essentials HR Platform Uptake

In addition to the 102 paying customers, intelliHR has seen a significant uptake in new customers signing up to the freemium COVID-19 Essentials HR product since it was launched on 26 March this year. The package was developed in rapid response to customer requirements for system functions to help manage disparate and stood-down workforces.

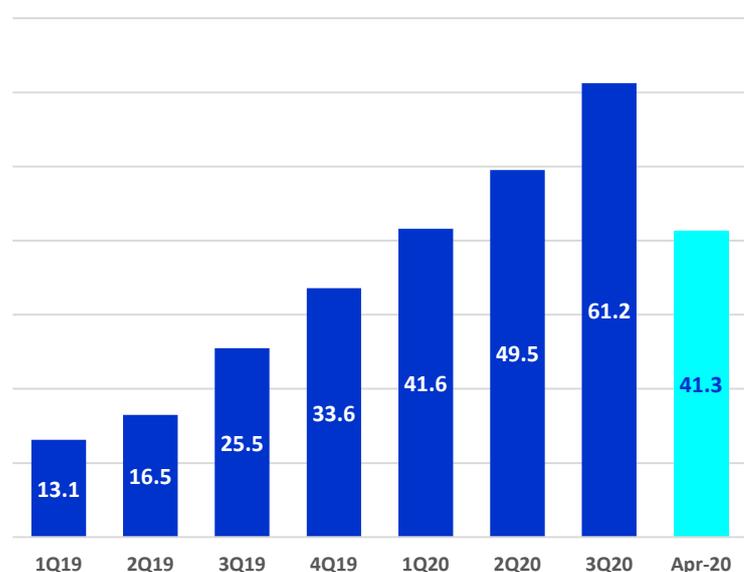
Mr Bromage said, “Our HR SaaS platform will give businesses a competitive advantage in the aftermath of the COVID-19 pandemic with its inherent ability to engage employees on business strategy and its implementation to drive efficiency and productivity. With the new body of freemium customers, intelliHR is now represented in 18 countries.”

Having experienced the benefits of intelliHR’s offering, several COVID-19 Essentials customers are enquiring about an upgrade to the full strategic HR platform and one customer has already converted into a fully paying Strategic HR customer under the newly launched value-based pricing model.

Utilisation of the platform across both the paying and freemium offerings is growing rapidly, as reflected in the number of sentiments predicted in real-time by the system for customers. At the end of 3Q20, Quarterly Sentiment Prediction growth had increased by 23.6% during the quarter and more than 44 times since the second half of FY16. Significant further growth was seen over the month of April, which achieved 68% of usage compared with total previous quarter. The increase was primarily underpinned by the strong uptake of the COVID-19 Essentials offerings to both existing paying customers and the new freemium customers.

Mr Bromage said, “It’s very clear that our platform has been an essential tool for businesses as they navigate the unprecedented trading circumstances that we are currently experiencing with a platform that helps to manage necessary working from home compliance, assist with performance enablement and facilitating wellness check-ins. We are now seeing the tangible benefits of a scalable service model with the next step being a flexible tiered platform segmentation model.”

Sentiment Prediction Growth (000s)



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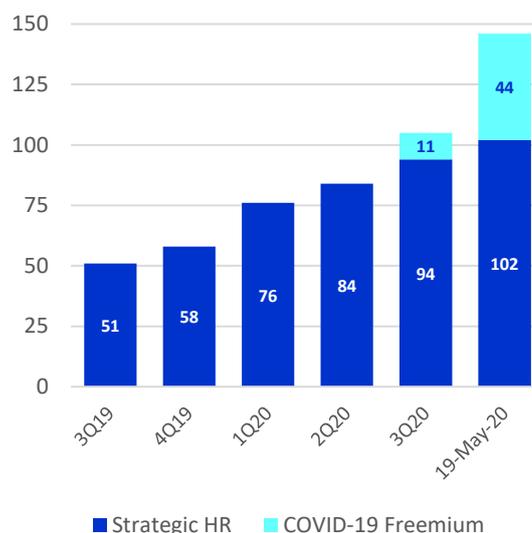
100 Customer Milestone Surpassed

intelliHR is pleased to announce that it has exceeded its 100-customer acquisition target with a total of 102 paying customers. This is a significant milestone under any circumstances let alone the current constraints of the COVID-19 situation and was reached outside of the additional 44 customers signed-up to the COVID-19 Essentials HR platform.

Managing Director, Robert Bromage, said “The acquisition of the hundredth paying customer is a great achievement. More importantly though, it signifies that the business is maturing from a start-up phase to a global scale-up phase as we build a large and loyal customer base with a sophisticated and compelling HR SaaS solution.

Over the past year, there has been an acceleration in the rate of new customer acquisition, with a doubling of customers since the end of 3Q19. Annual recurring revenue has doubled in the same period from \$0.95 million to \$1.8m. The 100-customer milestone takes the total number of contracted subscribers to 13,075.

Customers



~ ENDS ~

Authorised for release by the Board of intelliHR.

Further Information

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About intelliHR

intelliHR is an Australian HR technology business developing and currently marketing a next-generation cloud-based people management and data analytics platform. Delivered to customers by a SaaS business model, it is disruptive and advanced technology leveraging AI specifically Natural Language Processing in the application. It is scalable to a global market and is industry agnostic. For more information visit www.intellihr.com.au

