

IntelliHR Limited (ASX Code: IHR; 'intelliHR' or the 'Company') is pleased to present its Quarterly Cashflow report (Appendix 4C) for the quarter ended 30 September 2019.

Quarterly Cashflow Report Highlights

- Receipts from customers increased 64% quarter on quarter, up from \$211,000 to \$347,000 (plus outstanding receivables were a further \$52,500)
- Net cash used in operating activities reduced 22% quarter on quarter, down from \$1,314,000 to \$1,021,000
- Net cash received through financing activities totalled \$1,400,000
- Cash of \$2,336,000 on hand as at 30 September 2019

Next Quarter Cash Outflows Estimate

- Increases in customer receipts are expected and will contribute to a further reduction in cash burn in the quarter (expected increase supported by a WIP of 3,459 in contracted subscribers)
- Administration and corporate cost reductions are also expected to support a reduction in cash burn
- Expected timing of R&D Grant funding in the quarter will also contribute to a reduction in cash burn

Recapping Q1 2020 Highlights

- intelliHR went live in the Xero App Marketplace following certification of its payroll onboarding integration
- A partnership was signed with GO1.com (world's largest compliance, professional development and general training platform) building out intelliHR's integrated ecosystem of HR tools centred around intelliHR as the core people management platform for business
- intelliHR Board strengthened with new Non-Executive Director adding SaaS & global expansion experience
- intelliHR Global Contracted Revenue reached 22% demonstrating strengthening offshore growth potential
- 75th Customer Milestone reached on back of 31% growth in the first quarter of FY2020
- Record 18 new customer wins in first 13 weeks demonstrating new customer velocity accelerating with win rate increasing from 2.4 new customers a month to 6 new customers a month over the quarter
- Completed implementations over the quarter delivered 54% increase in Invoiced Subscribers (2,811) to 8,053 effective 1 October 2019 invoicing.
- 3,459 Contracted Subscribers are currently in WIP and expected to be implemented and converted to Invoiced Subscribers in the coming months
- \$1.5M Contracted Annual Recurring Revenue (ARR) milestone exceeded with \$314,000 ARR (26% growth) added Financial Year to date (1 July 2019) seeing \$1.53M ARR now contracted
- \$910,500 in Contracted ARR added this calendar year to-date (the 9 months from 1 January 2019 to-date)



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Metric Summary

	H1 2018 6 months to 31 December 2017	H2 2018 6 months to 30 June 2018	H1 2019 6 months to 31 December 2018	H2 2019 6 months to 30 June 2019	Q1 2020 3 months to 1 October 2019 (13 weeks)
Customer Numbers	19	30	44	58	76
Growth	4	11	14	14	18
Contracted Subscribers	2,492	3,284	5,170	9,451	11,512
Growth	475	792	1,886	4,281	2,061
Invoiced Subscribers	1,878	2,288	3,286	5,242	8,053
Growth	1,096	410	998	1,956	2,811

Signed for and on behalf of intelliHR Limited:

Suzanne Yeates
Company Secretary
intelliHR Limited

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.

- Since IPO in January 2018, full commercialisation is well underway, product fit achieved, and the business is now experiencing significant growth in customer acquisitions
- Software-as-a-Service business model. Fast growing recurring revenues in 2019 and demonstrating exponential growth potential through a continued focus on scale
- Future of Work tooling for business. Automates manual HR, people management and compliance processes
- People Data Insights. Real-time, cloud-based, self-service, opinionated people management and data analytics
- Delivers intelligence augmentation through natural language processing with predictive sentiment analysis and keyword analysis. Current R&D in predictive flight risk, predictive personality and natural language generation for insight delivery
- Providing professionals and business leaders with essential tools with organisational data to make strategic decisions
- Cutting edge technology rivalling global incumbents, scalable to a global market and industry agnostic

For more information visit www.intellihr.com.au.



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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

intelliHR Limited

ABN

38 600 548 516

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	347	347
1.2 Payments for		
(a) research and development	(408)	(408)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(83)	(83)
(d) leased assets	-	-
(e) staff costs	(540)	(540)
(f) administration and corporate costs	(312)	(312)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	(28)	(28)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,021)	(1,021)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)		
Payment for security deposit	-	-
2.6 Net cash from / (used in) investing activities	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	1,586	1,586
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(95)	(95)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(91)	(91)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	1,400	1,400

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	1,957	1,957
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,021)	(1,021)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	0	(0)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,400	1,400

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	2,336	2,336

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,336	1,957
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,336	1,957

6. Payments to directors of the entity and their associates

Current quarter \$A'000
102
-

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Payments to directors include salaries, directors fees and superannuation guarantee.

7. Payments to related entities of the entity and their associates

Current quarter \$A'000
2
-

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

A company of which Robert Bromage is a director provided recruitment services under a client services agreement under normal commercial terms and conditions.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	448
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	86
9.4 Leased assets	-
9.5 Staff costs	666
9.6 Administration and corporate costs	187
9.7 Repayment of Borrowings	92
9.8 Total estimated cash outflows	1,479


10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

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Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: 16 October 2019
(Director/Company secretary)

Print name: Suzanne Yeates

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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