

ASX Announcement

PEOPLEIN REPORTS FIRST HALF RESULTS FY23 AND OUTLOOK

17 February 2023

Key highlights for H1 FY23:

- Revenue of \$596.7m (+88.9% PCP). Organic growth contribution of +21.3%
- Normalised EBITDA^{1,2,3} of \$32.5m (+50.5% PCP). Organic growth contribution of +11.8%
- Normalised NPATA^{1,2,3} of \$20.8m (+49.5% PCP)
- Normalised NPATA per share of 20.6 cents (+40.9% PCP)
- Interim dividend per share of 7 cents
- 82.6% of Normalised EBITDA was converted to operating cashflow
- Reaffirm FY23 earnings guidance with Normalised EBITDA of \$62m - \$66m based on the continuation of current economic conditions; we expect to be at the upper end of guidance

Leading talent solutions business PeopleIn Limited (PeopleIN, ASX: PPE) today announced a record financial performance for the six months ended 31 December 2022, driven by organic growth across the business' targeted employment sectors and execution on its 2025 strategy.

PeopleIN reported revenue of \$596.7m and normalised EBITDA of \$32.5m, an increase of 88.9% and 50.5% respectively over the prior corresponding period (PCP). This included an organic growth contribution of 21.3% to revenue and 11.8% to normalised EBITDA.

Organic growth will continue to be driven by client base diversification, cross-selling through owned brands, and further investment in international recruitment across our three verticals – Healthcare & Community, Professional Services and Industrial and Specialist Services.

¹ Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") and Net Profit After Tax and before Amortisation ("NPATA") are non-IFRS terms which have not been subject to audit or review but have been determined using information presented in the Company's Interim Financial Reports.

² Normalised Earnings Before Interest, Depreciation and Amortisation ("Normalised EBITDA") and Normalised Net Profit After Tax and before Amortisation ("Normalised NPATA") represents the statutory NPAT and statutory EBIT adjusted for one-off expenses including costs associated with acquisitions, costs of employee options and performance rights and the associated tax deduction of these expenses. A reconciliation back to statutory EBIT and NPAT is contained in the Directors Report which forms part of the Interim Financial Report.

³ Normalised numbers have not been subject to audit or review and are based on numbers contained in the Company's Interim Financial Reports.

Recent strategic acquisitions have integrated well and benefited from the scale of the broader PeopleIN Group. Perigon increased its successful conversion of health work through cross-selling and networking opportunities from the Group's wider Healthcare & Community brands. FIP Group's performance was aided by new mandates from PeopleIN's larger and more diverse client base.

PeopleIN and the executive team have identified opportunities for further acquisitions but will remain disciplined in its approach and stringent in its investment criteria.

PeopleIN has declared a fully franked interim dividend of 7 cents per share. The Company's net debt position at 31 December 2022 was \$71.5m with a gearing of 1.13 times Normalised EBITDA.

Results Summary:

		H1 FY23	H1 FY22	Growth
Revenue	\$'000	596,626	315,819	89%
Normalised EBITDA	\$'000	32,505	21,599	51%
<i>Normalised EBITDA margin</i>	%	5.45%	6.84%	
Normalised NPATA	\$'000	20,787	13,949	49%
NPATA per share	Cents	20.6	14.6	
Net Debt (excluding lease liabilities)	\$'000	71,464	29,232	
Net Debt / Normalised EBITDA	x	1.13	0.67	

PeopleIN CEO Ross Thompson said:

"We are pleased to announce a record result, which was driven by strong organic growth across our core businesses and favourable industry tailwinds, including record low unemployment."

"The sectors we operate in, such as healthcare, professional services and industrials, amongst others, continue to experience significant staff shortages and are largely downturn protected. We have been able to capitalise on this opportunity through our diversified network of businesses who are providing excellent experiences for both clients and candidates."

"Based on the operating results for the first half and the mid-range forecast for economic conditions to continue, PeopleIN expects this strong momentum to continue into the second half of the financial year."

"Looking ahead, key growth drivers for the Group will include the onshoring of talent, international recruitment and upskilling, as well as cross-selling opportunities across our 4,200 plus client base. We are also buoyed by faster visa processing times over recent months, and anticipate further improvement over the remained of the financial year."

For further information, please refer to the investor presentation and the PeopleiN Appendix 4D and Interim Financial Report, both of which have been released today.

Half Year Results Briefing:

The Company will hold a webcast briefing and teleconference at 9:15AM (AEST) on Friday, 17 February 2023.

Webcast Briefing and Teleconference Details

To pre-register for the webcast, please click on the following link:

<https://webcast.openbriefing.com/ppe-hyr-2023/>

To pre-register for the teleconference, please click on the following link:

<https://registrations.events/direct/OCP60569>

You will receive a calendar invite and a unique code which is to be quoted when dialling into the call. The calendar invite will also include a list of toll free numbers to dial.

To ask a question, participants will need to dial “*1” (star, 1) on their telephone keypad.

If you wish to ask a question, you will need to register and dial into the teleconference.

Enquiries – please contact:

PeopleiN Chief Executive Officer – Ross Thompson – (07) 3238 0800

About PeopleiN:

PeopleiN is the largest and most diverse ASX-listed talent solutions company in Australia and New Zealand, services over 4,200 businesses across three verticals – HealthCare & Community, Professional Services and Industrial & Specialist Services. Through its nationwide footprint and 26 brands, it employs over 33,500 workers every year.

PeopleiN’s brands span numerous industries and sectors which have some of the highest demand for employment services and including health, childcare, technology, accounting, food processing, education, hospitality, construction, transport and logistics and infrastructure. Our success is underpinned by the diversity of our reach into high demand and defensive employment sectors.