

ASX Announcement

PEOPLEIN REPORTS FY22 ANNUAL RESULTS AND OUTLOOK

26 August 2022

Leading talent solutions business PeopleIn Limited (PeopleIN, ASX: PPE) today announced its full year results for the twelve months ended 30 June 2022.

Key highlights for FY22:

- **Strong performance with earnings above guidance**
- **Revenue of \$682.4m (+53.6% on FY21). Organic growth contribution of +15.9%**
- **Normalised EBITDA^{1,2,3} of \$47.2m (+23.9% on FY21). Organic growth contribution of +10.5%**
- **Normalised NPATA^{1,2,3} of \$31.9m (+27.7% on FY21)**
- **Normalised NPATA per share of 32.3 cents (+19.8% on FY21)**
- **Dividends per share for the full year FY22 of 13 cents (+23.8% on FY21)**
- **99.5% of Normalised EBITDA was converted to operating cashflow**
- **FY23 earnings guidance with Normalised EBITDA of \$62m - \$66m based on the continuation of current economic conditions**

PeopleIN today announces a record financial performance for the financial year ended 30 June 2022. PeopleIN is the largest and most diverse ASX-listed talent solutions company in Australia and New Zealand. We service over 4,000 businesses across three verticals – HealthCare & Community, Professional Services and Industrial & Specialist Services. Through our nationwide footprint and 26 brands, we employ 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 include health, 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.

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 Annual 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 Annual Financial Report.

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

Results Summary:

		FY22	FY21	Growth
Revenue	\$'000	682,321	444,281	54%
Normalised EBITDA	\$'000	47,160	38,049	24%
Normalised EBITDA margin (excl Jobkeeper)	%	6.91%	6.07%	14%
Normalised NPATA	\$'000	31,935	24,998	28%
NPATA per share	Cents	32.3	27.0	19.8%
Net Debt (excluding lease liabilities)	\$'000	71,390	25,250	
Net Debt / Normalised EBITDA	x	1.51	0.66	
Net Debt / Normalised EBITDA (incl. FIP contribution)	x	1.1		
Return on Equity	%	24.9%	23.7%	

The growth in the business during FY22 is attributed to an increased organic demand for staffing services in the sectors and locations in which the Group operates reflecting a bounce back to operating levels greater than pre-Covid-19. Secondly, the acquisitions of Vision Surveys QLD Pty Ltd on the 30 July 2021, GMT Group on the 30 November 2021, Perigon Group on 28 February 2022 and FIP Group on 6 June 2022. The profit or loss for these entities are consolidated into the Group results from these dates.

The Company has declared a final fully franked dividend of 6.5 cents per share, an +8% increase on the final dividend for FY21. The Company's net debt position at 30 June 2022 was \$71.4m with a gearing of 1.1 times EBITDA including FIP contribution.

Summary and Outlook:

Ross Thompson said *"Operating conditions continue to be positive for PeopleiN given the strength of the employment market and unprecedented demand from clients for employees. Based on the operating results for the financial year and current economic conditions continuing, PeopleiN expects strong organic growth performance to continue in FY23."*

"The number and diversity of our clients, and critical demand for their services, mean that our core business is resilient even in the event of economic uncertainty. Our strategy has always been to focus on growing in sectors that are defensive and have long term demand for talent."

PeopleiN will continue to pursue initiatives to address labour supply shortages through the onshoring of talent, international recruitment and upskilling, as well as cross-selling opportunities across our 4,000+ client base.

Our acquisition pipeline continues to be strong with a number of acquisitions under review.

For further information, please refer to the investor presentation and the PeopleiN Appendix 4E and consolidated financial statements, both of which have been released today.

Full Year Results Briefing:

The Company will hold a webcast briefing and teleconference at 10:15AM (AEST) on Friday, 26 August 2022.

Webcast Briefing and Teleconference Details

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

<https://webcast.openbriefing.com/8862/>

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

<https://s1.c-conf.com/diamondpass/10023078-3lafh53.html>

You will receive a calendar invite and a unique code which is to be quoted when dialing 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