

Chairman's Address – Glen Richards

Thank you everyone for attending our 2023 Annual General Meeting.

PeopleIN, Australia's largest ASX-listed recruitment and staffing business, is pleased to report another strong full-year result, exceeding \$1 billion in revenue for the first time. It's a significant milestone, due in large part to the diversity of the sectors that we service and our ability to source candidates for our clients at scale. We payroll over 15,000 workers every week including around 6,000 Pacific workers.

PeopleIN delivered another year of strong results with the business growing considerably during FY23.

- Revenue of \$1.19B – up 73.9% (organic growth contribution of 25.6%)
- Normalised EBITDA of \$61.1M – up 29.5% (organic growth contribution of 8.3%)
- Normalised EPS of 37 cents – up 14.5%
- FY23 total dividend of 14 cents

Disciplined capital management remains a priority for the company. In FY23 we delivered a solid cash result for the year with:

- Cash conversion of 116% (up from 99.5% PCP)
- Debtor Sales Outstanding of 31 days (down from 33 days in FY22)
- Net Debt to EBITDA of 0.96 (down from 1.98 PCP)

As projected in August, FY24 is proving to be a more challenging year, given the general reduction in business confidence and declining economic conditions. Our earnings will be impacted as a result.

However, our sector diversity, strong balance sheet and cash position and experienced and commercially focused leadership team give confidence that we'll navigate this downturn and be well positioned for accelerated growth when market conditions improve.

In relation to our Remuneration Report, following last year's AGM we liaised extensively with shareholders as well as engaged Godfrey Remuneration Group to assist us with reviewing and then implementing best practice for KMP remuneration at the earliest opportunity. A recent proxy advisor report sent to our shareholders does not recognise the work we have done and the changes we have made to meet best practice standards. The proxy advisor report was based on the FY23 Remuneration Report and a recommendation was based on a historical position that we could not unwind. Obviously, I am disappointed that the proxy advisors would not meet with us to discuss the changes we have made, nor recognise our best practice remuneration approach for FY24.

I would like to thank our CEO and Group Leadership Team for their continuous dedication to upholding PeopleiN's position as a frontrunner in its industry.

We're excited to announce that Lis Mannes is to join the PeopleiN Board following the conclusion of the AGM, succeeding outgoing Director, Declan Sherman. Lis is an experienced Non-Executive Director, bringing a wealth of operational expertise from her international career in large-scale FMCG and industrial companies, both listed and private. Critically, Lis has a proven track record in driving shareholder value by steering complex businesses through strategic, operational, and cultural challenges in highly competitive commercial environments.

Thank you to my fellow Directors for their guidance and support over the past year. I'd also like to recognise the important contribution of our departing co-founder and Non-Executive Director Declan Sherman. We wish him the very best in his future ventures.

The Board and Executive Leadership Team are highly focused on delivering value for all of our stakeholders, and I wish to thank our shareholders for their continued support of PeopleiN. As a board

and leadership team, we will continue to robustly debate the best use of our company resources (time and money) to grow shareholder value.

I'll now hand over to Ross Thompson, our Group CEO.

CEO Address – Ross Thompson

Thank you Glen.

PeopleiN delivered another record performance for FY23, despite varied challenges, including a downturn in the technology sector and ongoing candidate supply challenges, especially in the health sector. Our success was due to the commitment of our team to consistently deliver, as well as the diversity of our reach into high-demand employment sectors.

As flagged in August, FY24 is a more challenging year given the significant decline in business confidence across multiple sectors and declining economic conditions, due in part to higher interest rates. As reported by analysts, the staffing industry is being impacted by this decline and several of our peers have reported substantial reductions in their earnings for FY23 and then further reductions in Q1 FY24. At PeopleiN we delivered over 8% organic growth in FY23, well above most of our competitors, but we're not immune to deteriorating conditions and in FY24 our earnings will be impacted. We've already experienced this in Q1 with many of our private clients reducing their demand, especially high-margin roles and permanent recruitment, or delaying investment decisions, including in health. As a result, our EBITDA for Q1 was \$10M which is down from the strong and robust economic conditions in Q1 FY23 where we earned \$15M EBITDA. Our Revenue for Q1 was \$281M which is an increase on Q1 last year when we generated \$272M, highlighting a mix shift towards lower margin work. We're driving efficiencies where possible to realign our cost base in line with this margin shift. Cash collection continues to be strong as our conversion rate was

above 90% in Q1. We expect the wider downturn to be relatively short-lived, especially in health, and we expect higher margin demand to improve in Q4 and into FY25. The quality of our team, our sector diversity, and our strong cash position will enable us to trade through this challenging economic climate and ensure that, when conditions improve, we can return to a strong organic growth footing. We have an experienced and commercially focused leadership team that is focused on revenue opportunities, sales, cash collection, and ensuring the business is running as efficiently as possible.

As most of you will be aware, the Federal Government has proposed an Industrial Relations Reform Bill that is currently going through a senate inquiry that will report back in February 2024. This is a complex bill that is creating unnecessary confusion in the short term. However, if passed, we believe this will create an opportunity for PeopleiN as a large reputable labour hire business, given that we have the established infrastructure and capability to solve this complexity for our clients, especially those that have limited internal human resources/industrial relations resources.

We experienced this in relation to the Pacific Australia Labour Mobility Scheme with many clients opting to use PeopleiN to source talent, rather than do it themselves, given the high level of complexity and requirements within the scheme. Our Pacific workers are permanent employees, and we continue to grow our participation in PALM, which is good business for PeopleiN, it's also good for the workers and their home nations given the significant social economic contribution that the scheme makes to Pacific nations.

More than \$60M in wages was sent home by our PALM workers in FY23. I'm also pleased to announce that we were recently approved to start recruiting PALM workers into the aged care sector. We're working with the Government on obtaining approval for the NDIS and early learning sectors as well. This is a great example of PeopleiN's medium to long-term prospects and is one of the factors giving us confidence our organic growth will accelerate when market conditions improve.

Another exciting growth opportunity for the business is expanding our activity in the Defence sector given our sovereignty status and we have a large pool of candidates to deploy across Australia including into

regional areas. We believe we'll be well placed to grow substantially in this sector, especially as the Federal Government and US Government increase their spending on infrastructure and capability acquisition in Australia.

In order to provide more regular updates to our shareholders, including on these growth opportunities, we're launching our quarterly e-newsletter. The first edition will be published this week, enjoy.

As previously announced, Adam Leake commenced on the 13th of November as our new CFO. Adam succeeds outgoing CFO Megan Just. We'd like to express our gratitude to Megan for her invaluable contribution and dedicated service to PeopleiN over the last seven years. Megan will continue to be engaged by PeopleiN on a consultancy basis. We're excited to have Adam join the PeopleiN team. His vast experience, combined with his innovative approach to financial leadership, aligns perfectly with our company's goals and values.

I'd like to thank our Chairman and Directors for their valuable leadership and support. To the Executive Leadership Team and all of our people, thank you for your hard work and commitment to our continued success.

We look forward to updating you on our performance and operations in February, upon the release of our H1 results.

Thank you.